



To: jwmcc.exhibits@oregonlegislature.gov

Joint Ways and Means Subcommittee on Capital Construction

Attention: Co-Chair Girod, Co-Chair Holvey, and Members of the Committee

Regarding HB 5005 Support

Dear Co-Chair Girod, Co-Chair Holvey, and Members of the Committee

My name is Erika Kennel, and I am the Vice President of Resource Development at Habitat for Humanity Portland/Metro East. I am writing in support of HB-5005, and the Housing Alliance request for \$200 million in General Obligation, Article XI-Q bonds to build affordable homes across Oregon.

Habitat Portland/Metro East just found out last week that we have been approved for nearly \$3M in LIFT funds for two large projects. The notification of this funding rippled through the organization like wild fire because we know that now, we can build these homes much quickly and bring stability and lifelong wealth building to so many people. We leverage every public dollar with philanthropic giving and this initial LIFT investment in these two projects lay a beautiful foundation for us to approach philanthropists to join us.

In particular we support the 20% soft set-aside for homeownership development, too often, when we think about helping households with low-incomes to pay for their housing, we limit ourselves to thinking about rental homes. But HB-5005 addresses this short sightedness by naming homeownership—thereby prioritizing our need to address a shameful minority homeownership gap that will only deepen if we don't face it head on.

In the late 1940s, the GI Bill subsidy laid the foundation for building a strong middle class in our nation... largely through first time homeownership and almost exclusively for white Americans. I know that buying my first home was the single most important purchase of my life and I suspect that is true of all the homeowners in the room today.

But even all these years later, White Americans like myself, are still receiving most of benefits that come from owning a home. In fact in Portland we have a nearly 30% gap between black homeowners and white homeowners--- due to racist government policies that kept neighborhoods segregated and restricted people of color from buying a home. Improving minority homeownership rates is the only way to alleviate the gap and move toward a future where people of color can benefit financially as much as their white neighbors always have.

Habitat for Humanity has been tackling this issue head on. In Portland alone, we've built and repaired homes for nearly 2,000 people, with over 80% being successful homeowners of color.

Your support of HB 5005 will allow homeownership organizations to apply for up to \$75,000 per home to help stimulate development of permanently affordable homeownership. LIFT funds for homeownership significantly expand our ability to serve more families and help close the minority homeownership gap, because our greatest barrier to doing more is our ability to buy land. We have the donors and volunteers lined up to build houses, and families lined up to buy them, if this Bill is funded, we can do more immediately.

We endorse Governor Brown's request of \$130 Million in General Obligation bonds to support the LIFT program. Along with our colleagues in affordable rental home development, **I am here asking this committee to strongly consider an even greater investment of \$200 million in article XI-Q general obligation bonds.**

It is time for us to come together and help bridge the racial divide that has resulted from our local, state and federal government's policies over many decades, and to take a giant step toward fulfilling Dr. King's dream of the "beloved community."

Erika Kennel
VP of Resource Development

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