



RE: HB 3406

April 15, 2019

Chair Keny-Guyer, Vice Chairs Sanchez and Noble and Members of the House Committee on Human Services and Housing:

My name is Peter Hainley and I am Executive Director of CASA of Oregon. CASA is a nonprofit community development organization that works throughout Oregon to support thriving communities. We work with local nonprofits, housing authorities, governments and communities to help meet the housing needs of families, farmworkers, seniors and the disabled. We also provide asset-building opportunities via individual development accounts, small dollar loans and financial inclusion services.

Oregon's rural counties have some of the least affordable housing options among all rural counties nationally. HB 3406 is a novel idea that would help facilitate the construction of affordable rental housing in Oregon's rural communities. This bill would facilitate the construction of affordable housing by ensuring state assistance to local governments to offset the costs of systems development charges on affordable housing projects. Local governments are not equipped to waive these fees outright.

While this idea has merit, it should not be restricted to just multi-family housing. In fact, many rural communities would prefer the construction of single family housing in their communities. And in many cases, it may be more cost effective to construct single family housing or to even use manufactured or modular housing.

I would hope that if the mortgage interest deduction reform proposed by HB 3349 is passed, that this would be a source that would help more rural communities to build affordable housing.

Thanks for the opportunity to share my thoughts on HB 3406 and I hope that this legislation gets consideration in future legislatures.