



**OREGON HOUSING *and*  
COMMUNITY SERVICES**

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February 5, 2020

House Committee on Human Services and Housing  
900 Court St. NE  
Salem, OR 97301

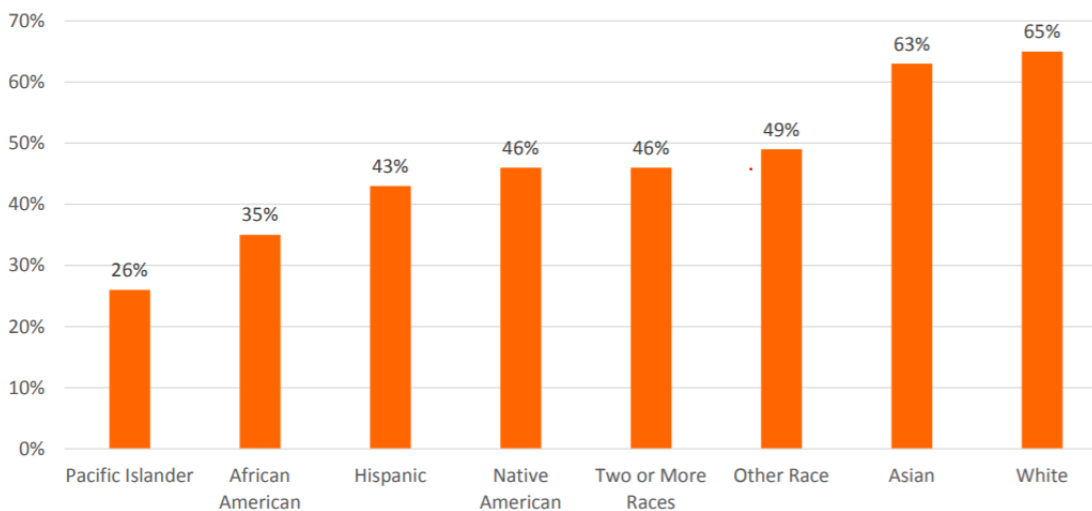
**Re: HB 4003 – Support for Addressing Racial Disparities in Homeownership**

Dear Chair Keny-Guyer and Members of the Committee,

I write to urge your support of House Bill 4003, the first set of recommendations from the Joint Task Force on Addressing Racial Disparities in Homeownership. The funding investments encompassed in HB 4003 expand existing agency work and advance the goals of Oregon’s Statewide Housing Plan by increasing access to homeownership for communities of color.

Housing has long been a place where injustice, oppression and discrimination have had the most profound impact. Housing choice and location have been used as a tool for governments, banks, and neighborhoods to discriminate against communities of color. In attempting to buy, obtain a mortgage, or secure home insurance they have been denied, harassed, given less favorable terms and conditions, or experienced a lower level of service than other groups. Decades of this discrimination has led to grave disparities in the rate of homeownership between communities of color and their white counterparts, as demonstrated in the figure below.

**Oregon Homeownership Rates by Race and Ethnicity, 2017**



Source: U.S. Census Bureau, American Community Survey 1-Year Estimates, 2017



As the primary driver of wealth-building in the U.S., the repercussions of this inequality have fueled the racial wealth gap that today means blacks own \$0.10 and Latino's own \$0.12 for every \$1 of wealth owned by non-Hispanic whites. Oregon's five-year Statewide Housing Plan articulates how OHCS will pave the way for more Oregonians to have access to housing opportunities and achieve housing stability and self-sufficiency through six policy priorities. Homeownership is one of those priorities because it stabilizes families and communities, and that stability last for generations as homeownership allows families to build generational wealth. Equity and Racial Justice is another priority outlined in the Plan in recognition that we must take a strategic and targeted approach to move the needle on these pervasive disparities.

House Bill 4003 provides resources and direction to advance the Statewide Housing Plan and address the racial disparities in homeownership. This legislation expands existing OHCS programs that increase access to homeownership among people of color. The Homeownership Assistance Program (HOAP) delivers financial coaching and counseling to prepare Oregonians to buy a home and offers down payment assistance to ensure homeownership is accessible. The Individual Development Account (IDA) is a matched savings account that allows low-income Oregonians to save for homes, education, cars, businesses, and more while receiving financial and asset-specific education and earning matched savings. HOAP and IDAs are key tools in OHCS and for our partners use to bring homeownership to communities of color.

HB 4003 will address the disparities in a number of ways:

- \$4 M – The bill allocates funds for down payment assistance with targeted, culturally-specific outreach to future homebuyers (\$2 M). OHCS will design a program that encourages existing organizations offering homeownership resources to partner with culturally-specific organizations to ensure communities of color can access these new resources. The bill also funds new staff OHCS to provide language access support and technical assistance to regional Homeownership Centers and HOAP down payment assistance providers, and grants to support outreach efforts (\$2 M).
- \$2 M – The bill provides additional matched funds for IDA savers working towards homeownership.
- \$5 M – HB 4003 includes funds to develop and build new homes because data shows that supply challenges disproportionately impact people of color.
- The bill also increases education requirements for professionals in the home buying industry to ensure homebuyers are made aware of assistance programs and Fair Housing laws.

We are eager for additional resources to ensure Oregonians of color can achieve the American Dream of homeownership. Thank you for your consideration, I urge your support of HB 4003.

Sincerely,  
Margaret Solle Salazar  
Executive Director, Oregon Housing and Community Services

