

Support for HB4003 , developed by the Joint Interim Task Force on
Addressing Racial Disparities in Home Ownership
Submitted by: Pamela Leavitt, Northwest Credit Union Association
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Chair Keny-Guyer and members of the Committee, my name is Pam Leavitt and I represent the Northwest Credit Union Association. We would like to start by commending the work of the Joint Interim Task Force on Addressing Racial Disparities in Home Ownership. We support the recommendations made in HB4003 and we look forward to working with them as they continue their work through February 2021.

The Northwest Credit Union Association represents the 58 state and federally-chartered credit unions in Oregon, with 2 million Oregonians as members. Credit unions are not-for-profit financial cooperatives, organized to meet the needs of their members. Community service, financial education outreach and philanthropy are in the credit union DNA and are evidenced in virtually every credit union branch and office. Credit unions invented the concept of financial institutions as “People Helping People.”

The foreclosure crisis and resulting recession revealed a broken housing market with home loan products that were hard for many consumers to understand. As not-for-profits, however, Oregon’s credit unions put members’ interests first offering simple and straightforward home loan products at reasonable interest rates. Housing must be accessible to people of all income levels and demographics for the market to be stable and balanced. 39 of Oregon’s 58 credit unions are low income designated meaning that they primarily serve members that make up 80% or less than the median income. Oregon credit unions offer their members the products and services they need to achieve their financial dreams including owning a first home.

Everyone benefits from a stable housing market and subsequently, a stable economy. Oregon credit unions have provided low cost home loans to their members for years.

To address our current housing crisis, the Northwest Credit Union Foundation (NWCUF) developed a workforce housing initiative to increase affordability and access to workforce housing options in the Northwest. Being community-based cooperatives, credit unions have close relationships with their membership base and local partners that traditional lenders simply don’t have. These connections to the community make the design and delivery of innovative housing solutions not just possible, but an incredible opportunity to showcase credit union leadership in addressing the housing barriers faced by underserved populations and others across the country.

Credit unions are uniquely positioned to think creatively and leverage resources to help address this critical issue. Whether it’s single-family homes in rural Eastern Oregon, or large apartment buildings in Portland, one thing remains abundantly clear: credit unions in our region want to step up and achieve measurable, positive impact for their members and communities. The Northwest Credit Union Foundation will serve as a hub for incubating innovative solutions that have the potential to be scaled or replicated to improve affordability and access to workforce housing options across the Northwest.

NWCUF is working with Northwest credit unions on the following:

- Building capacity for CUs to address the economic and racial inequity in their communities through the creation of targeted products and services for their underserved and minority populations
- Down payment assistance, security deposit loans, move-in cost loans, residential infill, ADUs, condo conversions
- Implementing a Portland metro-based pilot project for a credit union-led low-cost security deposit loan program that can be rapidly scaled to meet the needs of vulnerable populations.

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Thank you.