



March 25, 2021

House Committee on Housing
Oregon Legislature
900 Court Street NE
Salem, OR 97301

Dear Chair Fahey, Vice-Chairs Campos and Morgan, and Members of the Committee:

Enhabit is pleased to share our perspective and to express our **strong support for HB 3335, which creates the “ADU Community Pilot Programs” affordable small home (ADU) demonstration project.**

Our experience comes from helping over 5,000 Oregon families invest in their homes to improve the energy efficiency, health, and longevity of their homes while simultaneously spurring the creation of good jobs in the construction industry. In the process, we also experimented with an ADU program, built several units, and partnered with communities and other non-profits to place families in those ADUs. The initial benefits were obvious, from helping families find housing in thriving neighborhoods with good access to jobs and services, to creating jobs building the ADUs. With this clear potential, we protected the on-going possibilities by transitioning the program to Verde so that they could bring their expertise and continue innovating.

Building on those early experiences, and the knowledge and collaborative input of many others, **the ADU Community Pilot Programs demonstration project is an innovative effort — to create cost-efficient, new affordable rental homes and stabilize modest income homeowners in communities across the state.** The Pilot Program will provide grants to nonprofit organizations working with homeowners and other community organizations to develop accessory dwelling units for lease to eligible tenants.

ADU’s provide an opportunity for affordable rental housing. However, in communities where ADUs are being built, this new housing stock is often not built to be affordable rental housing. This program will remove barriers to affordable ADU development by leveraging the capacity of community organizations to support homeowners, and by making a modest investment in the affordability of the new unit – a fraction of typical subsidy to build a new multifamily rental unit! The program has the additional benefit of providing stability and asset building for modest-income homeowners, who may be older adults or persons of color, helping them retain their home and receive a modest monthly income.

In communities across Oregon, this program has the opportunity to spur new, cost-effective, job-creating programs, while creating much-needed new housing and housing stabilization. HB 3335 is a smart investment in an innovative approach to demonstrate these models.

Learning from the ADU Community Pilot Program will be shared with Oregon Housing and Community Services, and with community organizations statewide, so that this new tool can be replicated to address local affordable housing needs across the state.

With our first-hand experience and perspective on these innovative solutions, we strongly support HB 3335.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Miller".

Tim Miller, Board member and former CEO, Enhabit