



DEVELOPING THRIVING COMMUNITIES

March 29, 2021

Joint Subcommittee on Transportation and Economic Development
900 Court Street NE
Salem, Oregon 97301

RE: Support for HB 5011

Co-Chair Beyer, Co-Chair Gomberg and Members of the Committee:

My name is Karen Saxe and I work at DevNW. DevNW is an affordable housing and counseling agency serving Lane, Linn, Benton, Lincoln, Marion and Clackamas Counties. Our mission is to serve low and moderate income Oregonians to increase their financial security, build assets and develop thriving communities.

We support HB 5011 and the recommended budget for the Oregon Housing and Community Services Department for the 2021-2023 biennium. Some of the programs that we run, supported by OHCS, are highlighted below.

DevNW provides financial, rental and pre-purchase education and counseling throughout our six counties, helping many low and moderate income families become first-time homebuyers. Our pre-purchase services demystify the homebuying process, help clients connect with local lenders and real estate agents, plan for those unexpected homeownership expenses and avoid predatory lending practices. One-on-one counseling sessions that ensure our clients are ready to take the step to homeownership, that their financial and credit picture make them mortgage-ready and that they've assembled a team of professionals they can trust.

Financial resources, like downpayment assistance and Individual Development Accounts (IDAs), are critically important in helping families obtain and maintain financial stability and support low-income Oregonians on their path to purchasing a home. They help us build a comprehensive suite of services for our clients in achieving both short and long-term stability, creating resilient families and communities by building financial health.

Our clients, and those served by the broader IDA network, are our community members hardest hit by the financial hardship spread by COVID-19, they represent Oregonians

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living on very low incomes, in urban, rural and suburban areas and from communities of color.

These resources offer a chance to homeownership in a market that is pricing out low and moderate income families, when rising rents make it harder and harder for families – even those with stable income - to save for a down payment. Downpayment assistance and IDAs are powerful tools for an equitable recovery throughout Oregon.

The availability of affordable homes is also a critical component on that path. Average home prices in Eugene are over \$350,000, up over 11% from a year ago, while buyers in Clackamas County are facing prices close to and above \$500,000. This is not a market that provides entry for any low or moderate income family despite all of their work to become financially stable. Affordable homeownership development helps correct the market by providing housing options for these families.

LIFT funds are increasing the supply of affordable housing options, both rental and ownership units. DevNW used LIFT Homeownership funding to develop affordable homes for sale in Cottage Grove and Florence, with additional projects underway with LIFT funds in Eugene, Corvallis and Clackamas County. We thank you for your support of LIFT funds, especially the set aside for dedicated resources to homeownership.

For many in our community, manufactured housing has been the most accessible path to affordable homeownership. We know that preserving this type of housing with new, safe manufactured homes keeps some of our most vulnerable community members safely housed. As historic wildfires have devastated large parts of the state, manufactured housing can be a central part of the rebuilding path, helping folks recover and re-emerge through affordable homeownership in manufactured housing.

We thank you for all of your work on behalf of Oregonians and urge your support of HB 5011 and the recommended budget for OHCS for the 2021-2023 biennium.

Sincerely,

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

Karen Saxe

Chief Program Officer

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