



We build strength, stability, self-reliance and shelter.

April 8, 2021

RE: Support for HB 5505

Joint Ways and Means Subcommittee on Capital Construction

Dear Co-Chair Girod, Co-Chair Holvey, and Members of the Committee:

My name is Shannon Vilhauer, and I am the Executive Director of Habitat for Humanity of Oregon. I am writing to you today on behalf of Habitat for Humanity of Oregon in support of SB 5505 and the Housing Alliance request for \$250 million in General Obligation, Article XI-Q bonds to build affordable homes across Oregon through the LIFT program. We strongly support the 20% set-aside for homeownership.

Today, Habitat for Humanity affiliates based in 24 communities across Oregon are actively building, selling and repairing homes. Each year, approximately two-thirds of the homes we build and sell are located in rural parts of the state. Thanks to Habitat's diligent homebuyer selection process and thorough financial education, our mortgage repayment rate exceeds 98 percent. Together we have made the dream of stable and affordable homeownership a reality for over 2,600 Oregon households. Habitat for Humanity's work is guided by the core value that every Oregonian deserves a safe, stable and affordable place to call home.

In Oregon, 1 in 7 households spend half or more of their income on housing, and the economic impacts from the coronavirus pandemic are exacerbating housing affordability and stability challenges for many families across our state. Habitat for Humanity affiliates have also seen the price of land, labor and construction materials rise year after year — which is why we embrace innovative programs like LIFT, that has enabled our organization to expand capacity and create permanently affordable homes.

As a network we have partnered with Proud Ground to gain a deep understanding of how to manage a permanently affordable housing portfolio—balancing the homebuyers' ability to rapidly acquire equity wealth (estimated \$50,000 within the first 10 years of ownership) while ensuring that these homes will remain permanently affordable without additional subsidy. Habitat has leveraged LIFT funds to build Portland Preference Policy homes and affordable homes for purchase in communities including Lincoln City and Sisters.

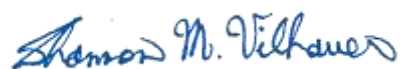
To date, Habitat for Humanity affiliates have successfully applied for LIFT funding to offset the cost to build 138 homes that will remain permanently affordable for purchase to Oregonians earning up to 80% of the area median income. This program has enabled Habitat for Humanity affiliates of every size to expand their home building capacity. In addition, LIFT subsidies make it possible for us to continue to provide homeownership opportunities to Oregonians who earn as little as 30% of the area median income.

Since 2015, the Legislature has committed millions in general obligation bonds to the LIFT program, and more than 3,600 affordable homes have been or are being built. With additional resources, we can support more of this work and build projects across Oregon to provide safe and stable places to call home for members of our communities.

We urge your support for the inclusion of \$250 million for affordable housing, including 20% for homeownership, in Article XI-Q General Obligation bonds in SB 5505.

On behalf of the Board of Directors of Habitat for Humanity of Oregon and the 25 Habitat for Humanity affiliates we serve, thank you for your service.

With deep gratitude,

A handwritten signature in blue ink that reads "Shannon M. Vilhauer". The signature is written in a cursive, flowing style.

Shannon M. Vilhauer, Executive Director