

April 24, 2023

Catherine. Zwicker
3220 SW Juniper Avenue
Redmond, OR

Oregon Joint Ways and Means Committee
900 Court Street
Salem, OR 97301

Chair Steiner, Members of the Committee:

I am writing to you today as a member of the Board of Directors of NeighborImpact, headquartered in Redmond, Oregon. Our organization provides essential human services to approximately 1 in 4 residents of our region, consisting of Crook, Deschutes and Jefferson Counties and the Confederated Tribes of Warm Springs. The services we provide include food assistance, rental assistance, housing support, homeless support, home ownership support, energy assistance and weatherization, Head Start and Oregon pre-kindergarten, childcare infrastructure development, representative payee management, community development and lending.

As you can imagine, with this many services, your work intersects with our work in many ways. We are grateful for the support received from the State of Oregon that allows us to do our work. As board members, we prize efficiency, accuracy, a broad reach of services and both geographic and demographic diversity in distributing resources.

The immediate areas of concern for us in the coming biennium are as follows; your attention to these matters would be greatly appreciated:

- We urge you to support more resources for food purchase by Oregon's 21 regional food banks. Locally, we have gone from feeding 16,000 pre-pandemic to 60,000 individuals monthly post-pandemic. Our budget has increased, even as COVID resources are shrinking, and demand is soaring. It is not reasonable to think that the faith and philanthropic communities can suddenly contribute almost 4 times as much in support of regional food banks as they were previously doing. Pending before Ways and Means are asks to increase the Oregon Hunger Relief Fund for \$9 million. Also pending before you, a \$10 million ask to fund critical food purchases through the Oregon Department of Human Services and a proposal to fund \$22 million to the region's food banks. Your support for these initiatives will ensure that Oregonians, including Central Oregonians, eat.
- We strongly urge your support for income-limited homeowners who are facing the prospect of dry wells due to continuing drought and the falling water table in the central part of the state. Last year, using COVID funding provided through Deschutes County, our organization was able to provide 70 homeowners with low-cost loans to

deepen or replace their failed wells, preserving their equity, avoiding blight and preventing homelessness. These loans once made are repaid to a revolving loan fund and redeployed to support additional wells, home rehabilitation and downpayment assistance. As this time, we have a waiting list of 80 homeowners waiting for help. Your support of \$1 million annually to our organizations (plus additional funding to other organizations like ours) would help mitigate the serious, ongoing and very real impacts of drought.

- Our organization will be working diligently in the coming year to deploy our share of the massive investment of public resources provided through a bipartisan package of resources approved to address homelessness statewide. But we want to caution you that these resources are tightly constrained as to how they can be used. The primary focus is on creating new shelter beds and helping those made newly homeless find new housing through rapid-rehousing programs. What will not be addressed is the ongoing cost of supporting existing shelters or the cost of prevention work to help people avoid becoming homeless in the first place. (Preventing people from becoming homeless is the least expensive way to combat this growing crisis.) These are very important programs that keep our homeless numbers below what they would otherwise be. The funds received to fund implementation of the executive order must not be looked at as replacement funds for other ongoing resources, such as Emergency Housing Assistance, the State Housing Assistance Program or the Out of the Cold shelter support funding for winter sheltering (which is critical in our region to ensure that there is an overnight shelter in every community in cold winter months.) EHA/SHAP should be returned to a \$50 million current service level (It was previously reduced to \$40 million when COVID funds were flowing freely). Out of the Cold funds should be sustained at current service level statewide. We also urge your support for SB918. Please do not unintentionally make the homeless situation worse by not funding these vital programs.
- The cost of homeownership continues to soar in Oregon. Renters in our region are paying \$2500 per month for a simple apartment. Rising mortgage interest rates have created a dangerous level of cost-burden homeowners while preventing others from becoming homeowners, but lack of supply remains the bigger problem. NeighborImpact provides homeownership counseling to approximately 1,200 households annually. We help homeowners hurdle the significant and growing barriers that stand between them and their dreams. Regrettably, we also help homeowners navigate foreclosure and provide mortgage assistance when it is available through public resources. We also administer Individual Development Accounts, matching savings for would-be homeowners, entrepreneurs and those seeking education. For reasons not entirely clear, Oregon Housing and Community Services has chosen not to prioritize foreclosure assistance or mortgage assistance

in this budget, despite gathering concerns about a potential coming storm of foreclosures as the economy continues to weaken and recession of unknown magnitude looms. Sustaining foreclosure prevention programs is critical to being able to respond in real time to a foreclosure crisis as it emerges. (This is a lesson learned from 2008.) If you wait and have to reopen the program, you have already lost the opportunity for a timely response to mitigate economic damage. The legislature should fund the foreclosure assistance and mortgage assistance programs at current service level, based on 2021-23 funding of foreclosure assistance and 2019-21 levels of mortgage assistance. We also appreciate the legislative support already shown for the IDA program and would urge some “topping off” to address the higher discount required by the current economic environment to sell the underlying tax credits that support the program.

The Committee has significant decisions before it. I appreciate the effort to gather public input in advance of making critical policy choices and urge you to consider the needs of the most voiceless and politically marginalized Oregonians in making your allocations.

Sincerely,

A handwritten signature in cursive script that reads "Cat Zwicker". The signature is fluid and elegant, with a long, sweeping underline that extends to the right.

Catherine “Cat” Zwicker
Board Member, NeighborImpact