



DEVELOPING THRIVING COMMUNITIES

March 5, 2024

Joint Committee on Ways and Means Subcommittee on Capital Construction  
900 Court Street NE  
Salem, Oregon 97301

**RE: \$15M for affordable homeownership production in HB 5203**

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

My name is Karen Saxe and I work at DevNW, an affordable housing development and asset-building agency serving Lane, Linn, Benton, Lincoln, Marion, Polk and Clackamas Counties.

DevNW and housing advocates call on you to allocate \$5-15 million to build affordable homes for low- and moderate-income buyers. **This funding was included in the initial version of SB 1530; its exclusion from the amended bill has put shovel-ready housing construction projects in jeopardy all across our state.**

The legislature's own Joint Task Force on Addressing Racial Disparities in Home Ownership (JARDHO) has called for \$100 million each biennium in flexible funding to build new homes for homeownership, in order to reduce Oregon's glaring racial homeownership gap. However, in 2023 the Legislature appropriated only \$5 million for this purpose. Oregon Housing and Community Services reports that these limited resources are already 82% allocated, just one month into the current funding cycle.

As a result of inadequate funds, the vast majority of affordable homeownership production currently in the pipeline is at risk, including projects that are otherwise ready to move forward in the next two years in these communities:

- Bay City: 7 homes
- Corvallis: 41 homes
- Cottage Grove: 5 homes
- Eugene: 88 homes
- Harrisburg: 2 homes
- Independence: 10 homes
- Joseph: 23 homes

[devNW.org](http://devNW.org)



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# DevNW

## DEVELOPING THRIVING COMMUNITIES

- La Grande: 7 homes
- La Pine: 46 homes
- Lincoln City: 6 homes
- Madras: 30 homes
- McMinnville: 6 homes
- Portland: 39 homes
- Prineville: 30 homes
- Riddle: 6 homes
- Redmond: 98 homes
- Scappoose: 10 homes
- Silverton: 18 homes

Homes produced with these funds typically sell for 50% of the local median sales price, unlocking the stability and wealth-building that comes from homeownership for low- and moderate-income households who will otherwise remain priced out.

The organizations that stand ready to build new homes for homeownership are trusted community partners: Habitat for Humanity, DevNW, Rooted Homes, SquareOne Villages, Working Homes LLC, and CASA of Oregon, among others. These organizations have a track-record of constructing attractive, energy-efficient, family-size homes that meet the needs of our state's communities – from Central Oregon to the Coast, and from the Willamette Valley to Wallowa County.

Please act on this opportunity to produce hundreds of new homes across the state, and to make homeownership possible for hundreds of families who will otherwise be priced out of the market. Please allocate \$15 million for affordable homeownership production in the 2024 session.

Sincerely,



Karen Saxe

Director of Policy, Advocacy and Strategic Relationships

DevNW

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CHARTERED MEMBER

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