



2/13/2024

Senate Committee on Housing & Development  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Chair Jama, and Members of the Committee:

I write to you today as former members of the Joint Advisory Task Force on Addressing Racial Disparities in Homeownership. We write to urge the inclusion of meaningful investments for homeownership development in SB 1530.

By way of background, the Joint Advisory Task Force on Addressing Racial Disparities in Homeownership (“the Task Force”) was a series of task forces authorized by HB 4010 (2018) and HB 2007 (2021). The Task Force was directed to [1] identify barriers to homeownership for BIPOC communities, and [2] develop policy proposals to address these existing disparities. The Task Force’s findings culminated in a report submitted in November 2019 which found that Black Oregonians have the lowest rates of homeownership, with 32.2% of households owning a home, compared to 65.1 percent of White Oregonians. In the aggregate, housing alone accounted for nearly 40 percent of the \$3 trillion wealth gap between BIPOC and white households in the U.S. Similarly, the Task Force found that an additional 63,842 households of color would need to become homeowners to eliminate the gap in homeownership rates.

The Task Force rightly identified historical and systemic racism in the State of Oregon that came out of residential and educational segregation and led to historic disparities in wealth creation, asset building, and economic opportunity for people of color in this state.

In order to close the gap in homeownership rates among BIPOC communities in Oregon, the Task Force recommended robust investments in homeownership development. After consultation with organizations engaged in homeownership development across the state, it was observed that the development of homeownership opportunities required funding from multiple—and flexible—sources. Indeed, among the affordable homeownership units in development in 2023, 87 percent of awards (i.e., 292 units) also required funding from the Homeownership Development Incubator Program (HDIP), the Market Cost Offset Fund (MCOF), and supplemental funding in addition to funds received from the Local Innovation and Fast Track (LIFT) Program (i.e., “LIFT Supplemental”). Only 45 units were funded solely by LIFT. Without this supplemental funding, those 292 homeownership opportunities in development last year would have not been possible.

In observation of the need for additional homeownership development funding, the second iteration of the Task Force recommended the passage of SB 936 (2023), which included robust investments to support the continued development of affordable homeownership units. This bill unfortunately failed to advance out of committee last session.

This session, the Legislature has another opportunity to advance funding for affordable homeownership opportunities. SB 1530, as written, would invest \$15 million in flexible funding to facilitate the development of additional affordable homeownership units. This funding is absolutely crucial not only in the Legislature's continued work to make meaningful progress towards fulfilling the Task Force's recommendations—there are also organizations across the state who stand ready to build new affordable homeownership opportunities for Oregon families. All that is needed is additional supplemental funding in order for these organizations to break ground.

Unfortunately, I'm disappointed to see the proposal of the –3 amendment, which would remove this \$15 million investment in additional homeownership development support. As the Task Force has consistently reported, Oregon will not be capable of closing the racial gap in homeownership rates without first making homeownership within reach for BIPOC communities. A crucial component of closing this divide is by developing new and affordable homeownership opportunities.

Developers stand ready to make affordable homeownership a reality for families across the state. We urge you to advance SB 1530 out of committee with meaningful homeownership development investments.

Sincerely,



Rose M. Ojeda

Director, Manufactured Housing and Cooperative Development Center/JARDO member

1. Joint Task Force on Addressing Racial Disparities in Home Ownership. Report on Addressing Barriers to Home Ownership for People of Color in Oregon. Oregon State Legislature, Dec. 2019 at 6. Available at: <https://olis.oregonlegislature.gov/liz/2019I1/Downloads/CommitteeMeetingDocument/254992>
2. Id.