MEASURE: HB 2354

EXHIBIT:

Senate Finance and Revenue76th Session

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From:

Ruth Adkins

To:

Longacre Julia

Cc:

AMcintosh@tnpf.org; "John Miller" Letters of Support for HB 2354

Subject: Date:

Wednesday, May 11, 2011 10:41:59 AM

Attachments:

CCC testimony for HB2354 3-22-11.docx cpah.village.tax exemption.docx

cpah.greenburg.tax exemption.docx cpah.testimony.HB 2354.doc

Autumn Park 1 pager for Property Tax Exemption.docx Creekside Woods 1 pager for Property Tax Exemption.docx

cat los con.doc

Tax Exemption Extension LOS - Enterprise 5.11.doc

HREV 2011 03 24 08 00 AM.pdf

Dear Julia,

Attached are letters and supporting documents from Oregon Opportunity Network members for today's hearing of the Committee on Finance and Revenue, urging support of HB2354. Let me know you if you have any questions. Thank you so much!

Best regards, Ruth

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To be safe and self sufficient everyone needs a place to call home. Central City Concern operates over 1,500 units of safe and affordable housing for people who suffer from substance abuse or mental illness and who are homeless and who have very low incomes.

But we don't just provide housing. CCC's Supportive Housing provides a complete pathway to self-sufficiency through a continuum of services including health care, mental health treatment, recovery treatment, post-incarceration support, job training, and employment support, surrounding people with the resources they need to rebuild their lives.

While the cost of this service-enriched housing is high, the net cost savings to the public are substantially higher. Homelessness negatively impacts property values and business profitability, places huge demands on police, fire, and medical costs; substance abuse creates crime and fear, takes people out of the work force, and places an incredible burden on the children and families of those suffering from addictions. The governing bodies in Portland and Multnomah County have supported the low income housing property tax abatement because they know it saves them money. The benefits of the housing and the services provided by Central City Concern have a direct cost benefit to the costs of police, fire, schools, jails, courts, and other public systems. Our housing and services are also strongly supported by the businesses and property owners of downtown because they recognize the direct economic benefit to them.

But, support for our housing and services is under pressure on many fronts in the current economy. The property tax abatement we receive under ORS307.540-.548 is more critical than ever. We already make every effort to keep our rents as low as possible for our residents. The impact of a large jump in operating expenses at all of our properties would be a hit to people who are coming back from the very bottom and who are at a very vulnerable stage of getting back on their feet.

Let's look at just one of our properties, the Henry Building. This 153 unit building houses a number of our programs including housing for homeless veterans and housing for homeless people being discharged from hospital care into our housing instead of back on to the streets. Average rent in the Henry Building is about \$475 a month. (this rent, by the way, is up only \$80 from when the building opened over 20 years ago). Resident Services at the Henry cost just over \$10 per unit per month.

The value of the property tax abatement for this property is estimated to be just over \$90 per unit per month. So, losing property tax abatement at the Henry would result in our needing to eliminate resident services and having an unsupportable rent increase of over 16% to try to pass to on to our fragile tenants.

What would be the result?



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Sending recovering veterans back to the street; forcing the hospitals to choose between scandalously discharging medically fragile people directly to the streets or keeping them hospitalized at a cost of thousands of dollars a day; losing permanent housing options for people coming out of the shelter system and the drug treatment system thus narrowing the pipeline for getting people off the streets and out of the doorways of downtown businesses; increases in police and fire calls to deal with all of the above issues, pressure on the jail and court system. And all of this would come at a huge cost to the taxpayers.

This is the story of one of our buildings and one tenth of our units. We have similar stories for the other 1,350 units we operate in 21 other buildings. Losing this critical component of public support for our programs would have a disastrous impact on the fragile people we serve, but would also result in substantially increased costs to the taxpayer through increases in the costs to police, fire, schools, investments, businesses, medical costs, and the rest of the social safety net system.

We urge you to extend the sunset on ORS 307.540-.548 to July 1, 2027. It is important for the sake of our low income residents, and it is a great cost saver for the community.

Very Truly Yours,

Martin Soloway Assistant Director of Housing

## **Greenburg Oaks Apartments Tigard**

Community Partners for Affordable Housing purchased the Villa La Paz Apartments (84 units) in 1996, and has completed two renovations (1996 and 2006). The project is now known as the Greenburg Oak Apartments, and is a hub of activity year-round, with After School and Summer Youth Programs, a community garden, library and computer center, and recovery group meetings four nights per week in multiple languages.



Residents = 240 residents; 107 kids; 47% minority

Average household income = \$2,125 per month; 38% of area median income

**Length of residency** = average tenure 2.4 years

**Workforce participation** = 82% of households have employment income

Rent reduction due to property tax exemption = \$76 per month

Near 5 bus lines, downtown, Walkscore 89 ("very walkable")

Service Partners: Community Action, HopeSpring, Oregon Food Bank, Good Neighbor Center, Tigard Schools, Police and Library, Rotary

## Village at Washington Square Tigard

Community Partners for Affordable Housing built the Village at Washington Square in 2000, a dense in-fill property in a suburban setting near jobs and transit. With units from studio to 4-bedroom in size, Village houses seniors, the disabled, and working families. Community room (with library and computers), play area, and butterfly garden at rear provide space for variety of activities on-site.



Residents = 76 residents; 42 kids; 55% minority

Average household income = \$2,649 per month; -50% of area median income

**Length of residency =** average tenure 2.2 years

Workforce participation = 80% of households have employment income

Rent reduction due to property tax exemption = \$90 per month

Near 3 bus lines, Walkscore 68

Service Partners: Community Action, HopeSpring, Good Neighbor Center, Tigard Schools, Police and Library