

## Member Organizations

211 Info AFSCME Local #3135 Bienestar CASA of Oregon Central City Concern City of Eugene City of Gresham City of Portland City of Tigard Clackamas County Clackamas Housing Action Network Coalition for a Livable Future Community Action Partnership of Oregon Community Action Team, Inc. Community Alliance of Tenants Community Housing Fund Community Partners for Affordable Housing Ecumenical Ministries of Oregon Enterprise Community Partners Fair Housing Council of Oregon Farmworker Housing Development Corp. Habitat for Humanity of Oregon Hacienda CDC Homeless Families Coalition Housing Advocacy Group of Washington Co. Housing Development Center **Human Solutions** Impact Northwest Lane County Legal Aid and Advocacy Center League of Women Voters of Oregon

Lincoln County Metro

NAYA Family Center Neighborhood Economic Development Corp. Neighborhood Partnerships NeighborWorks Umpqua Network for Oregon Affordable Housing Northwest Housing Alternatives Northwest Pilot Project Oregon Action Oregon Food Bank Oregon Housing Authorities Oregon Opportunity Network

Partners for a Hunger-Free Oregon Portland Community Reinvestment Initiatives, Inc. Proud Ground Raphael House REACH CDC

Rose CDC St. Vincent DePaul of Lane County Shelter Care Sisters Of The Road Street Roots Transition Projects, Inc.

Washington County Willamette Neighborhood Housing Services

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## **HB 2349**

## **Home Buyer Opportunity Limited Tax Exemption**

Members of the House Human Services and Housing Committee 900 Court Street, NE, Room 453 Salem, OR 97301

Dear Chair Tomei, Vice Chair Gomberg, Vice Chair Olson, and Members of the Committee:

My name is Janet Byrd. I am the Executive Director of Neighborhood Partnerships. and am speaking today in my role as convenor of the Housing Alliance. The Housing Alliance is a coalition of organizations serving all parts of Oregon. We are concerned about the availability of safe, decent and affordable housing for all Oregon residents. While we are particularly focused as a coalition on advocacy on behalf of Oregonians who have limited incomes, we also know that there is a continuum of housing needs in our communities. Homeownership opportunities for households with modest incomes are an essential piece of the housing continuum. Homeownership still provides the best pathway to household financial resilience and to building a better future for families and communities.

I am here today in support of HB 2349, which would extend the sunset date on the Homebuyer Limited Tax Exemption Program for ten years, until January 1, 2025. The Homebuyer Limited Tax Exemption Program allows cities to choose to offer ten years of property tax abatement to stimulate the construction of modestly priced single family homes -- homes that will have a market value of 120% or less of the median sales price.

Property tax abatements are an essential tool in the toolbox for ensuring that our communities have adequate affordable housing across the continuum of needs. For homeownership, they reduce the cost of ownership for a defined period, while the household presumably gains earning potential or develops equity that might allow a refinance to lower monthly expenses. We also see property tax abatements used with multi-family properties to reduce the operating costs and allow rents to be set at a lower amount.

The City of Portland is requesting this extension, and we support their efforts. The statute requires that cities using this exemption identify public benefits of the program. The City of Portland and Multnomah County have undergone an extensive process to evaluate the benefits and impacts of all tax exemption programs, and set high standards. The City of Portland also sets income limits for purchasers of homes built under this particular exemption program, so the abatement is limited to households making 120% of the Area Median Income.

Once again, the Housing Alliance urges your support of HB 2349.

Thank you for the opportunity to testify, and for your work on behalf of Oregon communities.