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Dear Chair Barnhart and the House Revenue Committee,

I am writing to request your support of HB-2690-1. The exemptions this bill provides for Habitat for Humanity affiliates during the time between land acquisition and development will have a significant impact on our work and the number of families we can serve each year.

Here is Portland, we just completed another round of family selection for the 20 homes we are about to start in the neighborhoods of Cully in Portland and Rockwood in Gresham, and we had over 500 families come to us for help. The need has never been greater to provide working families with the opportunity to buy a healthy affordable home, providing stability for children to be successful in school and in life. As rents and home prices continue to skyrocket, this is a vital time for us to act to help ensure long-time residents and their families are not displaced from their neighborhoods.

One of the greatest challenges to serving more families is finding and buying affordable property, and one of the barriers to this is the holding costs during the time between purchase and when we can complete the permitting and development process. The timeframe referred to in the dash-1 amendments extends from when a site is acquired to when every home on that site is sold. For example, the 2 acre, 25 home subdivision we are about to start in Gresham was purchased in 2010, and the property taxes we have been paying annually on this property could have allowed us to build additional homes. Because the site was in the Rockwood neighborhood it required a full review from the Design Review Commission which caused an extended review period of about two years. Habitat now plans to build the homes in two phases over two years, which would make the total time period from acquisition to the sale of completed homes to partner families about seven years.

Since Habitat competes with the private market for land, we need to act quickly when opportunities to purchase land come up, and do not have the luxury of waiting to buy land until right before we are ready to start another project. Currently, Habitat for Humanity Portland/Metro East has vacant land for future development of about 100 homes in Portland and Gresham.

Thank you for your support of Habitat for Humanity and your consideration of HB-2690-1. Please do not hesitate to contact me if you have any questions about this at 503-287-9529, ext 11, or Steve@habitatportlandmetro.org.

Sincerely, we Menneth

Steve Messinetti President and CEO