



February 21, 2019

Senate Committee on Human Services
Oregon Legislature
900 Court St NE
Salem, OR 97301

Dear Chair Gelser, Vice-Chair Heard, and Members of the Committee,

Please accept this letter in support for SB 737, to extend a key property tax exemption for affordable housing projects. WNHS (including NEDCO, with whom we recently merged) has developed several projects that benefit from this exemption, and we have several more in the pipeline that are counting on the exemption in order to be truly affordable for low income residents of our community.

WNHS/NEDCO owns an 11-unit apartment complex for youth aging out of the foster care system, which was granted a tax exemption under the City of Eugene's Low-Income Rental Housing Property Tax Exemption. Monthly rents for the small one-bedroom apartments range from \$450-525 per month, which is roughly 50% of market rates in Eugene, but still a stretch for many of the young tenants. If we did not have the tax exemption in place, the rents would be 10-15% higher, immediately, and would be subject to larger annual increases. With Eugene's use of the exemption option, we can offer truly affordable homes for this vulnerable population.

WNHS/NEDCO also knows the power of this tool from a different perspective: we were forced to back out of a large acquisition and rehab project in a municipality that has chosen not to adopt this particular tool – and in a county that chooses not to grant affordable housing tax exemptions – and we simply could not cover the costs of operating the housing while keeping rents low enough to be affordable for our target population. The lack of a tax exemption was the difference that made the project unfeasible.

In the midst of an unprecedented housing crisis, local jurisdictions need every possible tool to create and maintain affordable housing. For cities that choose to adopt this exemption, it enables more development, with more affordable rents, at a time when we so clearly need both.

I urge your 'yes' vote on SB 737, to allow cities to continue using the crucial tool.

Thank you for your consideration, and for your service to our state.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily Reiman".

Emily Reiman
CEO