



April 12, 2019

Senator Girod and Representative Holvey, Co-Chairs  
Joint Ways and Means Subcommittee on Capital Construction  
900 Court St. NE  
Salem, OR 97301

Co-Chairs Girod and Holvey and Members of the Committee:

The City of Eugene is writing to support HB 5005, and the Housing Alliance request for \$200 million in General Obligation, Article XI-Q bonds to build affordable homes across Oregon.

Eugene is facing several challenges related to affordable housing and seeks to work collaboratively with the State to expand the development of affordable housing to meet a range of needs. Utilizing general bonds to expand affordable rental homes and affordable home ownership opportunities would be a significant resource for increasing and building affordable housing in our community.

In 2018, the median home value in Lane County was \$289,4000, making home ownership out of reach for many individuals and families. Additional resources are needed to develop new affordable homes for rent and for sale across Oregon. The current housing stock doesn't meet the needs of all members of our community. Many renter households in Eugene are rent-burdened, with 58 percent paying more than 30 percent of their income and rent, and of the total, 36 percent are considered severely rent-burdened, paying more than 50 percent of their income on rent. In a recent survey to Eugene renters, over 70 percent indicated that finding their current rental home was competitive and stressful. Renters also described limited access due financial barriers and discrimination. Many indicated that they've made compromises between affordability and the quality of their housing. Having more affordable housing stock would relieve pressure from the market and increase access to more housing options. Affordable home ownership opportunities would bring stability to individuals and families that are limited today.

At the City of Eugene, we believe that housing gives people an opportunity to build better lives. To succeed you need a place to call home. Furthermore, home ownership can build wealth for families and future generations. The City has supported many projects through use of our federal entitlement dollars, property tax exemptions, and system development charge exemptions. We are creating new dedicated local resources for affordable housing through the adoption of a construction excise tax and use of general fund dollars. These resources have greater impact when we can collaborate and align with state resources to support project development.

Across Oregon, we have non-profit organizations and public housing authorities who are ready to build safe, stable, and affordable homes for rent and for purchase. With additional resources, we can support more of this work and build projects across Oregon. Since 2015, the Legislature has committed \$120 million in general obligation bonds to the LIFT program, which has funded over 2,000 affordable homes since 2015. These resources are critical to expand the creation of affordable homes throughout Oregon.

The City of Eugene asks for your support of the Housing Alliance request for \$200 million to develop new affordable homes across Oregon (80% to affordable rental homes, 20% to affordable homes for sale). We want more of our community members to experience a safe, stable, and affordable place to call home. We look forward to further developing our partnership with the State to meet the critical housing needs of Oregon residents.

The City of Eugene full supports HB 5005 and asks that you pass it in its entirety. Thank you for your attending to HB 5005 and for your service.

Sincerely,  
*Submitted electronically*  
Stephanie A. Jennings  
Grants Manager