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April 30, 2019

To: Chair Prozanski and Members of the Senate Judiciary Committee

From: Steve Messinetti
CEO Habitat for Humanity Portland/Metro East

RE: HB2285 In Support of Technical Fix to Receivership Program

Dear Chair Prozanski, Vice-Chair Thatcher and Members of Committee:

I am writing in support of HB2285 that will give cities and counties a workable tool to address the most offensive zombie homes. The key to this Bill is that it allows a municipality to place a lien on the home for the estimated cost of bringing it up to a livable standard.

With years of circular conversation about “zombie houses” we are thrilled that there is a solution on the table that is community focused. The most exciting part of this bill is that it offers strong incentive to the owner to take action within 60 days. If no action is taken, the municipality can foreclose on the lien and then, if they choose to do so, donate it to a nonprofit or Housing Authority to add a much-needed livable home to the community, improve neighborhood property values and contribute to a healthy and attractive community.

In the past Habitat for Humanity has been approached to partner on zombie homes here in Portland and have declined. The current statute mandates, that the rehabbed home must go to the highest bidder on the auction block. Habitat as Receiver, would have been repaid our hard costs (plus up to 15% out of the auction sale) but as a non-profit, we are not in the business of ensuring maximum gain for the owners of zombie homes, but are much more interested in helping to turn these properties into much needed affordable homes.

A technical fix like this is a win for the entire community and helps to create an Oregon with a better future for all of us.

Sincerely,

Steve Messinetti