



# HOUSING ALLIANCE

February 4, 2021

Senate Committee on Housing and Development  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Dear Chair Jama, Vice-Chair Linthicum, Members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to express our support to extend the tax credit for the Oregon Individual Development Account (IDA) Initiative included in SB 148, and express our support for the provisions that make technical changes to the Initiative in SB 82.

The Oregon Housing Alliance is a coalition of ninety organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the foundation on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices including housing developers, residents of affordable housing, local jurisdictions, and organizations working to meet basic needs in every corner of our state.

We believe that all Oregonians need a safe, stable, and affordable place to call home.

Prior to the COVID-19 pandemic, we knew that already, too many seniors, families, and people who experience disabilities were paying too much of their income towards rent, and were experiencing other forms of housing instability. In Oregon, three out of four households with extremely low incomes pay over half of their income towards rent. When people pay that much of their income towards rent, they have too few resources left over for food, medicine, or utilities. An emergency of a few hundred dollars may mean they end up experiencing homelessness.

The Oregon Individual Development Account, or IDA, Initiative, is a matched savings program that delivers economic opportunities to low-income individuals and communities of color, by extending the sunset on the IDA tax credit, and committing general fund resources to close the gap for the Initiative.

IDAs offer a hope for a better future for people with low incomes, by supporting them to save for the purchase of an asset.

IDAs allow someone to save, while taking financial education classes, with a goal in mind of purchasing an asset such as a home, an education, or supporting a small business. Their savings are matched from a state fund, which has been funded through a state tax credit.

IDAs are a testament to savers' long term financial health. One year after achieving their goals, 97% of all savers who used their savings for home purchase reported that they were current on their mortgage. 91% of all savers who opened a business reported that their doors are still open.

We know that IDAs are one very effective and important tool that can help people either save for their first home, or save for home repairs to maintain the home they own. Over the years, approximately one third (34%<sup>1</sup>) of savers have used their IDA to purchase their first home. IDAs significantly serve communities of color, with people of color making up the majority (53%)<sup>2</sup> of IDA savers across Oregon.

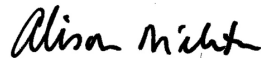
The Oregon IDA Initiative has dispersed \$12.1 million in matching funds to over 2,000 Oregon savers in 2018 and 2019 alone. On average, IDA participants are Oregonians with low-incomes, and save \$2,500 over 32 months, earning \$6,010 in matching funds towards their savings goal.

The IDA Initiative has been fortunate to have the continued support of the Oregon State Legislature since 1999, through the continued reauthorization its funding mechanism, a credit on state and local taxes which are granted to taxpayers who contribute to the IDA Initiative.

We are asking for your support to extend the tax credit through SB 148, provide some general fund resources, and continue to allow the Oregon IDA Initiative to support new savers to open IDAs.

Thank you very much for your time, and for your service to our state, particularly in these challenging times.

Sincerely,



Alison McIntosh  
On Behalf of the Oregon Housing Alliance

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<sup>1</sup> [http://oregonidainitiative.org/wp-content/uploads/2020/10/NP\\_Evaluation-2Pager\\_2020\\_Sept\\_v03as.pdf](http://oregonidainitiative.org/wp-content/uploads/2020/10/NP_Evaluation-2Pager_2020_Sept_v03as.pdf)

<sup>2</sup> [http://oregonidainitiative.org/wp-content/uploads/2020/10/NP\\_Evaluation-2Pager\\_2020\\_Sept\\_v03as.pdf](http://oregonidainitiative.org/wp-content/uploads/2020/10/NP_Evaluation-2Pager_2020_Sept_v03as.pdf)

## Housing Alliance Members

1000 Friends of Oregon  
211info  
Aging in the Gorge  
Benton Habitat for Humanity  
Bienestar  
Bradley Angle  
BRIDGE Housing  
Business for a Better Portland  
CASA of Oregon  
Chrisman Development  
Central City Concern  
Children First for Oregon  
Church Women United of Lane County  
City of Beaverton  
City of Eugene  
City of Hillsboro  
City of Portland  
City of Tigard  
Clackamas County  
Coalition of Community Health Clinics  
Coalition of Housing Advocates  
College Housing Northwest  
Community Action Partnership of Oregon  
Community Action Team  
Community Alliance of Tenants  
Community Development Partners  
Community Housing Fund  
Community Partners for Affordable Housing  
Community Vision  
Cornerstone Community Housing  
DevNW  
Ecumenical Ministries of Oregon  
Enhabit  
Enterprise Community Partners  
Fair Housing Council of Oregon  
Farmworker Housing Development Corp.  
FOOD for Lane County  
Habitat for Humanity of Oregon  
Habitat for Humanity Portland/Metro East  
Hacienda CDC  
Housing Authorities of Oregon  
Housing Authority of Clackamas County  
Housing Development Center  
Housing Oregon  
Human Solutions  
Immigrant & Refugee Community Organization  
Impact Northwest  
Innovative Housing, Inc.  
Interfaith Alliance on Poverty  
JOIN  
Lane County Health and Human Services  
League of Oregon Cities  
League of Women Voters of Oregon  
Lincoln County  
Looking Glass Community Services  
Mainstream Housing Inc.  
Metro  
Mid-Columbia Housing Authority  
NAYA Family Center  
Neighborhood Partnerships  
NeighborImpact  
NeighborWorks Umpqua  
Network for Oregon Affordable Housing  
Northwest Housing Alternatives  
Northwest Pilot Project  
Oregon AFSCME Council 75  
Oregon Coalition of Christian Voices  
Oregon Center for Public Policy  
Oregon Coalition on Housing & Homelessness  
Oregon Council on Developmental Disabilities  
Oregon Food Bank  
Partners for a Hunger-Free Oregon  
Portland Community Reinvestment Initiatives  
Portland Homeless Family Solutions  
Proud Ground  
Raphael House  
REACH CDC  
Rogue Action Center  
Rose CDC  
St. Francis Shelter  
St. Vincent de Paul of Lane County, Inc.  
ShelterCare  
Sisters Habitat for Humanity  
Sponsors, Inc.  
SquareOne Villages  
Street Roots  
Think Real Estate  
Transition Projects  
Washington County  
Welcome Home Coalition