

Testimony in Support for HB 3275

March 25, 2021

Chair Fahey, Vice Chairs Campos and Noble, and members of the committee,

My name is Khanh Pham, Representative for House District 46. I am honored to testify as chief sponsor for HB 3275.

Across Oregon, non-profits like Proud Ground and Habitat for Humanity provide **affordable** homes for sale to people with moderate to low incomes. These non-profits offer down payment assistance grants, technical assistance, and other support to bring homeownership within reach for Oregon families, many of whom come from historically underserved communities. I am honored to bring this bill forward in collaboration with these housing nonprofits that serve as a bridge to homeownership for many families across the state.

The community land trust model addresses the overarching need for **homeownership that is permanently affordable**. New developments and down payment assistance grants are often established using the **community land trust** model, in which **a non-profit owns the land** underneath the homes, and ensures permanent affordability. This is especially important to support people of color and low and moderate income Oregonians who can utilize these programs to overcome well-documented structural barriers.

HB 3275 provides us the opportunity to make critical improvements that will remove barriers faced by these homeowners and to create incentives to increase the utilization of these models across the state. Right now, there is considerable variation among counties about how they address property taxes for homes under a community land trust model.

HB 3275 would reduce tax payment for low/moderate income homeowners and extend the practice that some counties have adopted of creating an option to exempt the land under the houses for homeowners who purchased a community land trust home. The fiscal impact to counties would be negligible, but it would mean a lot to the working families living in the homes.

There is a dire need for homeownership opportunities all across the state, and we have engaged with a broad group of stakeholders on this bill, some of whom will be testifying today. We have also had conversations with county assessors who we will be working with to ensure smooth implementation of the changes proposed in this bill.

I firmly believe that we should seek to address our housing crisis while also laying the groundwork for **homeownership**. **Racial disparities in homeownership** have only **increased** since the passage of the 1968 Fair Housing Act. We must seek innovative ways to encourage homeownership and address the barriers experienced by communities of color and other underserved communities.

KHANH PHAM
STATE REPRESENTATIVE
DISTRICT 46



HOUSE OF REPRESENTATIVES

The community land trust model is tried and true in its ability to serve communities historically locked out of the market. After living in the Bay Area and witnessing how the rapidly rising housing market prices displaced so many families and left many houseless, I hope that Oregon will use every tool available to chart a path toward affordable home ownership for working families.

As the Vice Chair of the House Revenue Committee, I am very selective about when I support any kind of tax exemption or credit. However, I believe that this property tax exemption is an effective and necessary tool to incentivize and support more permanently affordable home ownership opportunities at a time when Oregon urgently needs them throughout the state. Therefore, I urge your support for HB 3275. Thank you.