



March 25, 2021

RE: HB 2584 to Increase the Oregon Affordable Housing Tax Credit

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Pham, Members of the Committee,

Thank you for the opportunity to provide testimony in favor of HB 2584, a bill that will increase the Oregon Affordable Housing Tax Credits (OAHTC). My name is Peter Hainley and I am the Executive Director of CASA of ORegon

CASA has been developing affordable housing in Oregon for the last 33 years. In 2008, we became a member of ROC USA and started a program to preserve manufactured home parks as resident owned communities. Manufactured housing is a naturally occurring affordable housing product and in Oregon there are approximately 6,000 manufactured homes. Our program helps residents of manufactured home parks form a cooperative, find the financing to purchase the park and provide ongoing technical assistance to assist them in operating their newly formed cooperative.

Many of the residents in these parks are low income families who own their home and rent the space it sits on. They are therefore subject to rent increases on the spaces their home occupies, and because it costs about \$20,000 to move a home, they are a captive audience. The desire to form a cooperative, where the families own their home individually and the land collectively, has become acute as the number of investors, many from out of state, has increased significantly over the past few years.

Because the residents of these manufactured home parks are low income families, they do not have the capacity to purchase the park at market rates. The Oregon Affordable Housing Tax Credit has been instrumental in making the purchase affordable.

Thirteen of the 18 parks that have converted to resident ownership have utilized OAHTC to maintain affordability after the purchase. The impact of these credits is significant. One of our most recent conversions, Hilltop Ranchito Cooperative, is a 27-space park in Portland whose residents all have incomes below 50% of the area median. Without the OAHTC's residents of this park would have experienced a \$160 per month increase in their space lease. Using the OAHTC meant that increase was only \$45 per month. That difference made the resident purchase possible.

CASA is currently working with two parks who are looking to become resident-owned communities. They will only be able to realize that dream if there are sufficient OAHTC's available to reduce the cost of their loan.

Annually, we have been able to help 2-3 parks convert to resident ownership. That can only happen with OAHTC's. We strongly encourage you to support HB 2584.

Please pass HB 2584.

Thank you for your time and consideration.