



# Portland Housing Bureau

April 1, 2021

Senator Kayse Jama, Chair  
Senate Housing and Development Committee  
900 Court Street NE, HR C  
Salem, OR 97301

Dear Chair Jama and Members of the Committee:

The City of Portland supports SB 852 to reform the Mortgage Interest Deduction (MID).

Currently the MID is structured in a way that disproportionately benefits those that are already stably housed. Many low- and middle-income earners do not benefit from the deduction at all or to the extent of high-income earners.

Portland's Black, Indigenous, and other People of Color (BIPOC) continue to have disproportionately lower homeownership rates compared to White households. As of February 2021, in Portland the median home price reached over \$500,000 with no sign of dropping, making homeownership out of reach for many of our community members.

The COVID-19 pandemic has created housing instability for households across the state and exacerbated disparities that existed prior to the pandemic.

SB 852 takes a commonsense approach to reforming the MID in ways that will support critically needed housing stabilization measures:

- Maintains the deduction for primary residences;
- Refocuses resources towards supporting low-income BIPOC first-time homebuyers;
- Promotes housing and homeownership for individuals experiencing a disability;
- Supports needed repairs, weatherization, and seismic upgrades to low-income homeowners; and
- Directs the Oregon Housing Stability Council to prioritize services to racial groups disproportionately underserved and over-represented in our houseless community

Increasing homeownership rates will support housing stabilization and the potential for generational wealth creation, especially for those communities historically locked out of these opportunities. SB 852 is a necessary step in addressing the racial wealth and homeownership disparities in the State.

The City of Portland respectfully urge your support of SB 852.

Sincerely,

Shannon Callahan  
Director