



DEVELOPING THRIVING COMMUNITIES

April 1, 2021

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

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

My name is Karen Saxe and I work at DevNW, an affordable housing development and counseling agency serving Lane, Linn, Benton, Lincoln, Marion and Clackamas counties.

DevNW provides financial and pre-purchase education and counseling throughout our six counties to low and moderate income first-time homebuyers. Our classes help clients understand the homebuying process, connect with local lenders and real estate agents, plan for those unexpected homeownership expenses and avoid predatory lending practices. We build upon this knowledge in one-on-one counseling sessions that ensure our clients are ready to take the step to homeownership, that their financial and credit picture make them mortgage-ready and that they've assembled a team of professionals they can trust.

While education, counseling and down payment assistance are crucial for mortgage readiness, the availability of affordable homes is also a critical component on that path. Average home prices in Eugene are over \$350,000, up over 11% from a year ago, while buyers in Clackamas County are facing prices close to and above \$500,000. New homes being built by private developers are selling even higher than these existing homes. This is not a market that provides entry for any low or moderate income family despite all of their work to become financially stable. Affordable homeownership development helps correct the market by providing housing options for these families.

As an industry we use every option available to increase the supply of affordable homeownership units. We thank you for your support of LIFT funds, especially the set aside for dedicated resources to homeownership. We also want to keep homeownership in mind as a part of conversations related to changes in land use and zoning, as it's a vital piece of the housing continuum – and we simply need more

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affordable units. SB 458-2 is one important change. Implementing this administrative, fee-simple land division process for middle housing like duplexes, triplexes and cottage clusters will help to increase the supply of entry-level homes.

Homeownership is the single greatest way that Americans build wealth. It helps to break the cycle of generational poverty and reduce the racial wealth gap. Kids succeed in school when they know their family has a safe, affordable place to call home, families are more engaged in their neighborhood and community and employers can rely on a more stable workforce.

We thank you for what the Legislature has done to support homeownership opportunities and we urge your support for SB 458-2.

Sincerely,

A handwritten signature in black ink, appearing to read "KSaxe".

Karen Saxe
Chief Program Officer