



Testimony in Support of House Bill 2584
Joint Committee on Tax Expenditures
June 4, 2021

Dear Co-Chairs Burdick & Nathanson, Vice-Chairs Boquist, Reschke & Pham and Members of the Committee

My name is Peter Hainley and I am Executive Director of CASA of Oregon. Thank you for the opportunity to submit testimony in support of HB 2584 which expands the Oregon Affordable Housing Tax Credit (OAHTC) program.

Since 1989, CASA of Oregon's mission has been deeply rooted in service to farmworkers and other low-income populations throughout Oregon. We seek to improve the lives of Oregonians by building affordable housing, neighborhood facilities and programs that increase families' financial well-being. We are a nonprofit community development organization that works to support thriving communities by working with local nonprofits, housing authorities and local government.

Besides using the OAHTC program for our farmworker and rural housing projects, CASA also works to preserve mobile home parks/manufactured home communities (MHCs). In 2008, we became a member of the national organization, ROC USA, and started a program to preserve MHCs as resident-owned communities. Our program helps residents of MHCs form a cooperative and secure the financing to purchase their MHC. We then provide ongoing technical assistance to assist residents in operating their newly-formed cooperative.

The residents in MHCs are often low-income families. They often own their home but rent the space it sits on. They are subject to regular rent increases on the spaces their home occupies. And because it costs about \$20,000 to move a home, they are a captive audience.

Because the residents of these MHCs are low income families, they do not have the capacity to purchase the MHC at market rates. The OAHTC program is a critical tool in making the purchase affordable.

Thirteen of the 18 MHCs that we have helped convert to resident ownership have utilized the OAHTC program to maintain affordability after the purchase. The impact

of these credits is significant. At one of our most recent conversions, the 27-space Hilltop Ranchito Cooperative in Portland, all the residents have incomes below 50% of the area median. Without the OAHTC program, residents would have experienced a \$160 per month increase in their space lease. Using the OAHTC program meant that increase was only \$45 per month. That difference made the resident purchase possible.

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

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

Thank you for your service to the state of Oregon.