

## **HB 3302 Testimony**

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We have two critical housing problems in Ontario and Malheur County, housing for our homeless population and housing for our workforce.

The Problems:

1. Extremely high cost of building
2. Rising Interest rates
3. Cost of maintenance
4. Cost of management
5. Operations costs
  - a. Electricity
  - b. Insurance
  - c. Nuts, bolts, appliances, floor coverings, tenant damage, roofing, parking lots, etc
  - d. Reserve maintenance fund

With the above things, the debt of a project must be nearly zero.

The working poor, often do not fit into the income structure setup by the federal government under the Low Income Housing Tax Credit (LIHTC). While LIHTC is essential, it does not fill the gap needed for the high demand for housing.

Solutions:

HB3302—the state low-income Housing Tax Credit which mirrors the federal credit.

Oregon Affordable Housing Tax Credit (OAHTC)

The OAHTC is never completely utilized to its limits. If the Department of Justice and Oregon Housing and Community Services would recognize it, ORS-317-092, more gap filling funds could be made available.

Labor is an issue, the Bureau of Labor and Industry needs to be an active player in the housing solution, particularly in regard to apprenticeships and the ratios of journeyman to apprentices.