



Dear Chair Dexter, Vice-Chair Helfrich, Vice-Chair Gamba, and Members of the Committee,

Thank you for the opportunity to submit testimony today in support of HB 3487. My name is Tess Freeman and I am the Homeownership Program Manager for Kôr Community Land Trust. We urge your support for the work of the Joint Task Force on Addressing Racial Disparities in Homeownership by passing this important piece of legislation.

There continue to be large and deepening racial disparities in homeownership in the State of Oregon. The Joint Advisory Task Force on Addressing Racial Disparities in Homeownership found specifically that Black Oregonians have the lowest rates of homeownership, with 32.2% of households owning a home, compared to 65.1% of White Oregonians. Similarly, the Task Force found that an additional 63,842 households of color would need to become homeowners to eliminate the gap in homeownership rates. Out of its work between the 2022 and 2023 Legislative Sessions, the Task Force developed and adopted eleven proposals, the majority of which were supported on a bipartisan basis.

As the Homeownership Program Manager of an affordable housing developer I see everyday how hard people have to work to make their homeownership dreams a reality. I see first-hand that People of color face even higher barriers to homeownership. This bill would support our work to reach more first-generation homebuyers and offer more support in overcoming those barriers. For example, through Down Payment Assistance from the State of Oregon, Kor is able to reduce the purchase price of our home by \$60,000 for first-generation homebuyers making these homes even more affordable, especially to first-generation homebuyers who are single parents with children. However, this resource isn't available to people without a Social Security number, meaning they need to qualify for the full purchase price of our homes and an additional \$10,000 - \$12,000 in closing costs. We need to reevaluate how resources are allocated and where barriers still exist to make sure these members of our community are given the same resources to support their families.

HB 3487 is a combination of four of these proposals. These proposals include the following:

- **Reporting.** The bill makes a simple yet important direction for the Housing and Community Services Department (OHCS) to report to the Legislative Assembly continuing racial disparities in homeownership by September 15 of each even-numbered year.
- **Down Payment Assistance.** As part of its own internal work to address racial disparities in homeownership, this bill would also direct OHCS to review its own policies and rules to take steps to remove barriers for individuals without Social Security Numbers to access state programs such as down payment assistance.

- **Assisting homeownership organizations.** The bill further directs OHCS to provide more support to housing counselors and other persons who support homeownership programs, including training and technical assistance.
- **Financial literacy provisions.** Requires OHCS, in partnership with DCBS and BOLI, to develop financial literacy materials, translated into the five most commonly spoken languages other than English, and distribute the same to mortgage brokers and bankers in the state.

As homeownership is becoming increasingly out of reach, it is important to make sure that the state continues to monitor how racial disparities in homeownership are improving or worsening. It also remains important to ensure that homeownership organizations and housing counseling agencies are supported year after year. Homeownership is a long-term goal for many families and continued support from counselors and Homeownership providers enables families to reach their goals.

We urge your support for HB 3487. Thank you for your time and for your service to the state.

Thank you,

Tess Freeman  
Homeownership Program Manager  
Kôr Community Land Trust