

Newberg Area Habitat for Humanity
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To: Senate Committee on Housing and Development

RE: Support for Senate Bill 1530

Dear Chair Jama, Vice-Chair Anderson and Members of the Committee:

My name is Shannon Selah. I am writing on behalf of Newberg Area Habitat for Humanity as our affiliate's Executive Director to express our strong support for key components of Senate Bill 1530 that will help to expand access to affordable homeownership in Oregon.

Our Habitat affiliate has a main office and ReStore (donation resale store) located in Newberg, Oregon. Our service area encompasses the towns of Newberg, Sherwood, Dundee, Dayton, and St. Paul. In our history since March 1994, we have built, rehabilitated, or recycled 30 homes. Currently, we have 3 single-family homes in progress at one build site and have 10 homes in pre-planning or discussion stages at 3 more sites. We build affordable homes for families within our service area and who fall into the income category of 25-60% of Area Median Income (AMI). The families who are selected for homeownership take on a 30-year mortgage and are required to volunteer 500 hours prior to taking possession of their homes.

SB 1530, Section 1 (4) and (5) allocate funding critical to our work in the community:

- \$15 million in flexible funding to support affordable homeownership development
- \$5 million in matching funds for the Individual Development Account (IDA) Initiative

The underproduction of housing and shortage of entry-level homes are driving up unaffordability for everyone and impeding efforts to close racial, ethnic and generational gaps in homeownership and wealth-building opportunities. Oregon's Housing Needs Analysis makes it clear: The state must invest in the production of new homes. This includes entry level homes for sale.

As homeownership providers, Habitat for Humanity has a proven track record of successfully leveraging government funds to increase the production of homes sold to low- and moderate-income households in Oregon communities of all sizes. **We urge your strong support for this \$15 million investment to help us increase the support of entry level homes for sale.**

IDAs are a resource for qualifying Oregonians to leverage the power of their own savings to support self-determined financial goals. Habitat for Humanity partners with savers working toward first-time home purchases and critical home repairs. This program pairs two powerful tools: matched savings incentives and personalized financial coaching.

For our homeowner families, most are first-generation and first-time homebuyers. Like most first-time homebuyers, they do not regularly have significant savings to put downpayments on their homes. IDAs are a straightforward way to assist these homebuyers with saving for a down payment and we hope that you will be sure to include legislation supporting maintenance and even increase of these accounts.

In our community, the desire to participate in the Oregon IDA Initiative greatly exceeds available openings for new savers. **We urge you to amend SB 1530 to include the full \$10 million needed to maintain current service levels for the Oregon IDA Initiative.**

As homeownership providers, the Habitat for Humanity network urges your targeted investment in key programs that expand opportunities for Oregonians to plant roots in their communities and begin building intergenerational wealth. Habitat for Humanity of Oregon and the 24 local Habitat for Humanity affiliates working across the state are well-positioned to help meet Oregon's supply shortfalls and expand support for Oregonians entering the housing market for the first time. Your support of the critical investments included in Senate Bill 1530 will ensure that we succeed together.

Thank you for your service,

Shannon Selah
Executive Director
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