

SquareOne Villages

Housing reimaged.  *Home starts here.*

Jan 28, 2025

Chair Nancy Nathanson

House Committee on Revenue
Salem, OR

RE: Support for HB 3232

Due to technical difficulties I was unable to join today's meeting but wanted to express the support of SquareOne Villages for HB 3232. In 2023 Chair Nathanson sponsored legislation at our request to include Limited Equity Cooperatives (LEC) in ORS for the Low Income Rental Housing Property Tax Exemption (LIRHPTE) which was subsequently adopted. We thank Chair Nathanson and the legislature for that support. HB 3232 extends that exemption for any LEC created prior to the adoption of the provisions of LIRHPTE by any jurisdiction. (To our knowledge, there is only such LEC in Lane County.)

The primary rationale for including LECs in LIRHPTE is that they serve the same demographics of residents as other LIRHPTE projects and function in many ways like any multi-family affordable housing project. The primary difference is that residents of a LEC own a very small portion of their housing. That small share, their equity, is limited to a maximum growth of either 3% simple interest or CPI. Thus unlike other ownership models, owners in a LEC cannot profit by selling their share on the open market to the highest bidder. But unlike traditional rentals, they function collectively through the housing co-op as their own landlord. The benefit of this cooperative model of housing is that it gives the residents more voice in their housing, greater financial stability and security, and a sense of pride as a part-owner of their own housing as well as responsibility for it. Hence the public benefit of such a model goes beyond just the affordability of the housing for those residents.

We commend HB 3232 to you and request your support.

Sincerely,

Dan Bryant

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