



January 25, 2023

Re: Support of HB 2465

To: House Committee on Housing and Homelessness

The State of Oregon has made great strides in expanding housing types through measures such as HB 2001 enabling Middle Housing development in urbanized areas.

Broadening forms of housing tenure is an equally important step to expanding access to sustainable affordable housing.

Cooperative housing generally, and limited equity cooperatives in particular, is an underutilized form of housing tenure that offers significant potential to meet the housing challenges the State faces. Underutilization is due in large part to a lack of financial tools and products aligned with the cooperative model. Conventional housing finance is geared to traditional single-family housing and multi-family rental or condominium forms.

Expanding the financial tools that support and incentivize affordable housing production is an essential strategy to stimulate housing production that Oregon so desperately needs. Allowing tax credits, which are commonly used in the development of other forms of affordable housing, to be used for limited equity cooperatives introduces much needed innovation to housing finance and helps to level the playing field.

Sincerely,

Kelly Madding
Acting City Manager