



# HOUSING ALLIANCE

January 29, 2021

House Committee on Housing  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Dear Chair Fahey, Vice Chair Morgan, Vice-Chair Campos, Members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to express our support for HB 2584, which will expand and make important changes to the Oregon Affordable Housing Tax Credit.

The Oregon Housing Alliance is a coalition of more than ninety organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the foundation on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices including non-profit housing developers, residents of affordable housing, local jurisdictions, and organizations working to meet basic needs in every corner of our state.

We believe that all Oregonians need a safe, stable, and affordable place to call home.

Prior to the COVID-19 pandemic, we knew that already, too many seniors, families, and people who experience disabilities were paying too much of their income towards rent, and were experiencing other forms of housing instability. One in four renters in Oregon pay more than 50% of their income towards rent, leaving very little left over for basics like food, medicine, and transportation costs.

Across Oregon, we simply do not have enough affordable and available homes for every household who needs one. For many decades, though, organizations across Oregon, affordable housing developers and public housing authorities have been building safe, stable, and affordable homes. These rental homes receive public funds, and in exchange, follow strict rules about the incomes of people who qualify for the housing, how much rent can be charged, and how long the property must remain affordable. We have many local, state, and federal tools to help pay for the development of these apartment homes, although the need for these homes is far greater than the currently available resources.

The Oregon Affordable Housing Tax Credit is a proven and effective tool. Since 1989, the OAHTC has helped provide thousands of Oregonians safe, and affordable housing by directly lowering the rents.

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The credit is awarded to an affordable housing development by Oregon Housing and Community Services, our state's housing finance agency. The developer takes that award, and finds a bank to provide a mortgage for the property. In exchange for the credit, the bank lowers the interest rate on the loan by up to 4%. The credit that the bank claims is equal to the amount of interest rate reduction they give the affordable housing project. The developer then takes that same amount of interest rate reduction, and passes that benefit through to the residents of the project in the form of lowered rents. Once the project closes, OHCS considers the credit certified, and the bank begins to claim the credit against their state tax liability.

The credit provides a long-term benefit, and keeps rents lowered for tenants for twenty-years. The credit lowers rent as soon as the project is completed, meaning tenants benefit as soon as they move in. The credit also helps preserve and facilitate the development of additional affordable homes for Oregonians.

Since 1989, the credit has helped to build over 19,000 units, and during an in depth look at the program in 2017, at that time 41% of the projects had been built in communities with a population of less than 50,000 people.

HB 2584 increases the cap on this program to \$35 million per year and makes two technical changes to improve the effectiveness of the program.

Increasing the cap will give OHCS critical resources to build additional affordable housing across Oregon. The credit is also a very effective tool to help preserve existing affordable housing, as well as to help purchase manufactured home parks in order to ensure they continue to be affordable. We know we absolutely need to increase our supply of affordable housing, and this is a critical tool to help us do that.

We urge you to support HB 2584. Thank you very much for your time, and for your service to our state.

Sincerely,



Alison McIntosh  
On Behalf of the Oregon Housing Alliance

## Housing Alliance Members

1000 Friends of Oregon  
211info  
Aging in the Gorge  
Benton Habitat for Humanity  
Bienestar  
Bradley Angle  
BRIDGE Housing  
Business for a Better Portland  
CASA of Oregon  
Central City Concern  
Chrisman Development  
Church Women United of Lane County  
City of Beaverton  
City of Eugene  
City of Forest Grove  
City of Hillsboro  
City of Hood River  
City of Portland  
City of Tigard  
Clackamas County  
Coalition of Community Health Clinics  
Coalition of Housing Advocates  
College Housing Northwest  
Community Action Partnership of Oregon  
Community Action Team  
Community Alliance of Tenants  
Community Development Partners  
Community Housing Fund  
Community Partners for Affordable Housing  
Community Vision  
Cornerstone Community Housing  
DevNW  
Ecumenical Ministries of Oregon  
Enterprise Community Partners  
Fair Housing Council of Oregon  
Farmworker Housing Development Corp.  
FOOD for Lane County  
Habitat for Humanity of Oregon  
Habitat for Humanity Portland/Metro East  
Hacienda CDC  
Home Forward  
Homes for Good  
Housing Authorities of Oregon  
Housing Authority of Clackamas County  
Housing Development Center  
Housing Oregon  
Human Solutions  
  
Immigrant & Refugee Community Organization  
Impact Northwest  
Innovative Housing, Inc.  
Interfaith Alliance on Poverty  
JOIN  
Lane County Health and Human Services  
League of Oregon Cities  
League of Women Voters of Oregon  
Lincoln County  
Looking Glass Community Services  
Mainstream Housing Inc.  
Metro  
Mid-Columbia Housing Authority  
NAYA Family Center  
Neighborhood Partnerships  
NeighborImpact  
NeighborWorks Umpqua  
Network for Oregon Affordable Housing  
Northwest Housing Alternatives  
Northwest Pilot Project  
Oregon AFSCME Council 75  
Oregon Coalition of Christian Voices  
Oregon Center for Public Policy  
Oregon Coalition on Housing & Homelessness  
Oregon Council on Developmental Disabilities  
Oregon Food Bank  
Our Children Oregon  
Partners for a Hunger-Free Oregon  
Portland Community Reinvestment Initiatives  
Portland Homeless Family Solutions  
Proud Ground  
Raphael House  
REACH CDC  
Residents Organizing for Change (ROC Oregon)  
Rogue Action Center  
Rose CDC  
St. Francis Shelter  
St. Vincent de Paul of Lane County, Inc.  
ShelterCare  
Sisters Habitat for Humanity  
Sponsors, Inc.  
SquareOne Villages  
Street Roots  
Think Real Estate  
Transition Projects  
Washington County  
Welcome Home Coalition

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