



# HOUSING ALLIANCE

January 24, 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 2446, which extends the sunset date until 2028 for a property tax exemption for affordable housing.

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. In Oregon, three out of four households with extremely low incomes pay over half of their income towards rent. When people pay that much of their income towards rent, they have too few resources left over for food, medicine, or utilities. An emergency of a few hundred dollars may mean they end up experiencing homelessness.

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, and how much rent can be charged. 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. Property tax exemptions are one tool to help incentivize and make financially viable affordable housing developments across our state, and over the years, the Legislature has authorized several property tax exemptions for affordable housing.

Property tax exemptions for affordable housing are critical for several reasons. Exemptions recognize the importance of affordable housing in our communities, and provide an on-going financial subsidy to the project. Without property tax exemptions, affordable housing developers would need additional resources to serve the lowest income members of our communities.

Prior to a development being constructed, developers have essentially solved a complex math problem, pulling together grants, loans, and other sources of funding to purchase land, construct a building, and pay for its ongoing operations with the restricted rents that are paid by the people who will ultimately live in the building. A property tax exemption is one additional tool that supports the development and continued existence of the affordable housing in communities.

This property tax exemption has a unique history. Prior to 2013, many affordable housing developments qualified for a property tax exemption under ORS 307.130, which is the statute which allows non-profit organizations to receive a property tax exemption to support their mission and work. However, due to a change in policy by Department of Revenue, and a subsequent tax court case, in 2013, many affordable housing properties across Oregon were no longer eligible for this exemption.

In 2014, the Legislature approved a bill which has allowed these affordable housing properties to maintain their property tax exemption, supporting their continued financial viability. The policy does not allow any new properties to qualify for an exemption under this section of statute, but simply maintains the existing affordable housing.

We urge you to support of HB 2446, and maintain this important exemption for affordable housing. 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  
Neighborhood Impact  
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