

David S. Wall
P.O. Box 756 Newberg, Oregon 97132; [408-287-6838]

June 10, 2021

To: Senate on Finance and Revenue; [others]...

Re: I OPPOSE [HB 3275 B]... "The Community Land trust model" is nothing more than a real estate scam.

***Normally, I only write "one-page" testimonials but, [HB 3275 B] is an exception. Mr. Oregon concurs.

***Rep. Pham has done a remarkable job illustrating how the Oregon State Legislature endeavors to confer "preferential treatment to some-under the law; using property taxes" in lieu of treating all persons "equally under the law" as enshrined in the 14th Amendment of our sacred Constitution of the United States of America (USA).

***I have added; (*), underlines, Font size and have "bolded" certain statements and or fragments of statements for emphasis purposes only. No alterations, subtractions and or additions of Rep, Pham's "testimony" were performed.

The [June 8, 2021] Testimony of Representative Khanh Pham can be seen here:

<https://olis.leg.state.or.us/liz/2021R1/Downloads/PublicTestimonyDocument/31547>

The [June 8, 2021] Testimony of Representative Khanh Pham states,

" My name is Khanh Pham, Representative for House District 46.

I am honored to testify as chief sponsor for HB 3275B. Across Oregon, families currently living in rental housing are ready to take the next step but they can't move out of their rental units, because there just aren't affordable homes on the market for low and moderate income families.

For years, we have been seeing home prices have been rising all over the state. In Bend, the median home price is \$515,000.

Portland's average home prices are more than half a million dollars, locking out many families from first time homeownership opportunities.

This is a statewide problem that requires innovative statewide solutions, including using our tax system to support families achieve their dream of homeownership.

I was excited to learn that Oregon already has effective permanently affordable homeownership models that provide opportunities for working families.

The **Community Land Trust model** is the primary way that homes are kept permanently affordable in the State of Oregon, and this model is used by Proud Ground and Habitat for Humanity affiliates across the state.

*In the Community land trust model, a non-profit organization owns the land under homes and the homebuyer owns the house.

****The non-profit sells the home on top of the land they own to a low-income buyer for a reduced sale price.** This opens the door to first time homeownership for homebuyers otherwise priced out of the housing market.

*****In exchange for the great low price, the homeowner agrees to sell the home to another low to moderate income homebuyer at an affordable price but still with the opportunity to sell at a profit.**

Using that modest profit, families can then choose to move into market rate housing.

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***This model serves as a stepping stone for families to achieve stability and to take advantage of economic and wealth building opportunities that homeownership provides.

The problem which this bill is trying to address, is that currently owners of community land trust homes have to pay for property tax on the assessed value of both the house and the land, even though they do not own the land and are restricted on what they can sell their home for.

HB 3275B would institute fair taxation of these permanently affordable homes by ensuring that homeowners of community land trust homes get partial exemption on their property taxes, to reflect that while they need to pay taxes on the homes that they own, they shouldn't also have to pay taxes on the land which they don't own.

We have engaged with a broad group of stakeholders to strengthen this bill including DOR, county assessors, county commissioners, AOC, and homeowners. In particular, we are grateful for the productive conversations with county assessors to ensure smooth implementation of the changes proposed in this bill.

Their feedback helped to clarify the process for claiming exemptions that we have incorporated in the -4 amendment.

** I firmly believe that we should seek to address our housing crisis while also laying the groundwork for homeownership.

This partial property tax exemption is an effective and necessary tool to incentivize and support more permanently affordable home ownership opportunities at a time when Oregon urgently needs them.

Therefore, I urge your support for HB 3275B. Thank you."-END Rep. Pham's (June 8, 2021) Testimony.

Reasons why the Community Land Trust model should be outlawed.

1. Confers "preferential treatment under the law to some persons but, does not treat all persons equally under the law-14th Amendment Constitution USA.
2. Creates a "Class system" of persons.

Those who are in the "Preferential Class" and those who are in the "Non-Preferential Treatment Class."

3. Taxpayer funded services are not equally paid by the "Preferential Class."

Under the Community Land Trust model inequities in taxation are codified by law.

"Inequities under the law" constitutes Unconstitutional government behavior and facilitates and or enables the incorporation of "Systemic Racism" into the law.

4. Non-profit corporations such as Proud Ground and Habitat for Humanity continue to acquire lands which property taxes are paid by the "Preferential Treatment Class."
5. The "non-profit corporations-Proud Ground and Habitat for Humanity" also function as a "Preferential Class" for property tax purposes.

***Most "Voters" have "No idea" how the corrupt, Community Land Trust model works against the majority of us.

*****The Director of Habitat for Humanity in Newberg is also the Mayor of Newberg. There is a new-housing project in which housing is in the very-low \$400,000s.**

Respectfully submitted,
/s/ David S. Wall

Mr. Oregon "SUPPORTS EQUAL TAXATION UNDER THE LAW."