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self-reliance  
and shelter.**

February 19, 2025  
House Committee on Housing and Homelessness  
Oregon State Capitol  
900 Court St NE  
Salem, OR 97301

**Re: Support for HB 3507**

Dear Chair Marsh, Vice-Chair Breese-Iverson, Vice-Chair Andersen and Members of the Committee:

McMinnville Area Habitat for Humanity urges your support of HB 3507, which provides critical technical fixes to the state's Culturally Responsive Organization Down Payment Assistance Program.

McMinnville Area Habitat for Humanity received 46 applications in our last open application cycle – from which we had to choose just 2 qualifying households in need. Yamhill County's growth far surpasses our housing supply, particularly housing that is affordable for working class and lower-income families. The McMinnville area is urbanizing, with a large service industry, healthcare, manufacturing, and agriculture industries -- all needing staff and decent homes in which they can live. Across the workforce spectrum, we are seeing wages are not apt to keep up with the housing shortage. Between 2012 and 2022, household income in the McMinnville area increased 51%, while home sales prices increased by a critical 173%.

Down Payment Assistance can close the gap between what a family can afford and the cost of a market-rate home. Down Payment Assistance allows us to sell more of those homes to families between 35-60% AMI – to families for whom the stability of homeownership is truly transformational.

HB 3507 will further enhance CRO Down Payment Assistance in the following ways:



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- Expand eligibility to households earning up to 120 percent of the area median income.
- Raise the maximum funding cap for first-time homebuyers to \$40,000.
- Increase the maximum funding cap to \$100,000 for first-generation homebuyers, using the current self-attestation method.

Over the past decade, Oregon has primarily relied on the Home Ownership Assistance Program (HOAP), funded by 14 percent of the document recording fee, as the state's primary source for down payment assistance. Due to high interest rates and a decline in real estate transactions, Oregon Housing and Community Services does not plan to offer any HOAP down payment assistance in the next biennium.

The \$30 million included in the Governor's Recommended Budget to support CRO Down Payment Assistance will ensure current service levels. The proposed technical fixes will help ensure that organizations like McMinnville Area Habitat for Humanity can partner with more Oregonians to plant roots in their communities.

Thank you for your consideration and service,

Sarah Munk  
McMinnville Area Habitat for Humanity