

DATE: 3/4/2023 11:08 AM

Senator Aaron Woods
Representative David Gomberg
Co-Chairs, Joint Ways and Means, Transportation and Economic Development Subcommittee
900 Court St NE
Salem, OR 97301

Re: Support for SB 5511

Dear Co-Chairs Woods, Gomberg and Members of the Committee:

NAME OF ORGANIZATION urges your support for Senate Bill 5511. This bill, providing over \$1.46 billion, will go a long way towards funding OHCS in order to:

- Reduce unsheltered homelessness this year;
- Rehouse people experiencing homelessness in the longer term;
- Build and preserve more housing units statewide; and
- Increase homeownership.

These historic investments will make significant progress towards Governor Kotek's annual production target to produce 36,000 housing units per year. It took years for Oregon to get into our current housing and homelessness crisis. We're going to need a sustained multi-year commitment to produce the housing supply we need in the next ten years. This budget proposal is an important step in the right direction.

OUR OREGON BASED COMPANY, UNIQUE AND SCALABLE TRULY AFFORDABLE HOUSING MODEL HAS THE ABILITY TO DELIVER LITTERALLY MILLIONS OF OUR HOMES PER YEAR AT BELOW MARKET PRICES:

We are a for profit Delaware C corporation whom has developed a low profit, highly scalable and efficient, international, truly affordable, earth friendly housing model, built specifically for the worlds "work force" families whom incomes have not kept pace with today's cost of living, inflation, home ownership and rental cost in particular.

OUR MISSION IS TO SUPPORT HUNDREDS OF NP 501C3 ORGANIZATIONS.

Our company SUNSHINE Network Homes, Inc has the total capacity to deliver as of today, up to literally # 1,820,000 complete Cottage Home kits to all North America per year through our supplier, distributor The Home Depot (HD) # 2,500 stores located throughout Mexico, U.S. and Canada. Soon we will have a grand total capacity to deliver up to # 3,300,000 complete Cottage Home Kits per year when LOWES our other supplier, distributor whom is also located in multiple countries including two continents is brought on line projected for 2nd to 3rd quarter 2023.

Our Oregon company is positioned beginning with the state of Oregon where our team is located to supply directly all Oregon and all other National based NP 501C3 our products to include building through licensed developer partnerships our [SUNSHINE Cottage Communities \(SCHC\)](#) in partnerships at cost plus 5% margins with (full invoice line item transparency) that will range in size of 1-20 + acres each and a goal of up to 14-homes per 1-acre.

EACH SCHC WILL OFFER A COMBINATION OF THE FOLLOWING THROUGH NP 501C3 PARTNERSHIPS:

1. Home for sale at below market comps.
2. Homes for sale with up to four (4) mortgage home mates or cost to entry at 25% of debt, monthly payment and down payment versus 100%.
3. Homes for lease to own below market comps.
4. Homes for rent below market comps.
5. Rooms for rent below market comps.

We are committed to also forwarding (100%) of all Economies of Scale (EOS) savings directly to all our direct customers and all other NP 501C3 where as our volume procurements increase over time we will enjoy the benefits of significant discounts from all HD and LOWES vendors on all materials such as lumber, insulation, wiring, plumbing, windows, doors, appliances and so on. **Thus our homes will actually decrease (not increase) in price over time.**

By following the business model of Henry Ford we will offer deliberately offer only three different floor plans in order to also take great advantage of predictable redundancy and muscle memory, (truly affordable homes for the multitudes) EOS in the supply chain, labor building processes, including faster banking approval to permits be issued faster from all city or county building and planning departments.

Our homes were also designed to be approved by all U.S. and Canada building and planning departments including all GC and subcontractors that are very familiar with our type of construction, and that can be built on all city and county land for single family use to include the pent up and growing demand for the national application of wealth building, income generating, / “urban infill” [ADU applications](#). That would utilize model [A600](#) & [B468](#).

Our Cottage Homes were also designed to satisfy all NIMBY critics turning them into YIMBY friends. In addition all our homes come with the option to customize their interior and exterior if one does not choose the corporate model “Early Colonial” as portrayed on our website.

In addition our homes are designed and engineered to IBC, IRC and CBC building standards. Our complete Cottage Home Kits can be purchased now via our website in just minutes and delivered to any build site throughout all three countries in days.

All homes within hundreds of planed, strategically, nationally located SCHC can be purchased as easily and quickly as buying a gallon of milk from the local grocery store by simply selecting which community the SCHC is located to selecting the floor plan, design theme and lot number.

In addition we will be offering all families the opportunity to save an additional \$50,000 to \$70,000 in outsourced GC and sub-contractor labor cost, on top of our low prices by building their homes themselves, with the help of their friends, family and community too, where we are also committed to providing DIY do it yourself, how to build your own home classes to be located at each SCHC for free, with the purchase of any Cottage Home or [Garage Kits](#), See [Learn More Page](#).

UTILIZING OF STATE FUNDING SB 5511:

To co fund our pilot SCHC planned for central Oregon along with Umpqua bank and our investors, including supporting all NP 501CS organizations in order to provide long term, truly affordable, quality earth friendly homes for potentially millions of Oregon and U.S. families.

The Best Way to Help Prevent Homelessness Is to First Provide Truly Affordable Long Term Housing that are built around national stagnate incomes.

This budget will ensure ongoing funding for AFFORDABLE RENTAL HOUSING, HOME OWNERSHIP, and/or HOMELESSNESS SERVICES from mission driven, community-based organizations like ours will help reach the above goals faster and more efficiently than any other conventional home developer in existence.

The Governor's recommended budget invests \$1.0325 billion in proven supply solutions including OHCS' Local Innovation Fast Track (LIFT) Rental Program, Permanent Supportive Housing and preservation programs. This proposal also builds on more recent innovations we are excited about including expanding the co-location of early learning and affordable housing developments and establishing a PSH Risk Mitigation Fund to stabilize operating costs and support the longevity of PSH developments. These all align with the Oregon Housing Needs Analysis which makes it clear the state must invest in the production of new homes and preservation of existing stock.

In addition, investments in homeownership are a critical tool to overcome persistent racial disparities in access to homeownership for households of color. The work of the Joint Task Force Addressing Racial Disparities in Homeownership provides important recommendations that align with these budget recommendations to expand the creation of generational wealth for Communities of Color across Oregon.

The \$415.45 million in the budget for homelessness response and prevention aligns with the Early Session package proposed by Governor Kotek. This early package serves as a "down payment" to expedite coordination between state agencies and local communities to launch emergency responses sooner. The Governor's recommended budget expands on those early investments to rehouse and maintain housing stability for households moving from unsheltered homelessness into stable housing; provides ongoing homelessness prevention support; maintains shelter operations; and creates new permanent supportive housing.

We urge you to support SB 5511 to fund OHCS, which balances the needs of Oregonians experiencing homelessness with addressing chronic housing supply shortfalls.

Sincerely,

William A. Sagona
Founder, Chairman & CEO
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