

Testimony to City Council on Portland Housing Bureau Budget

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I am here today to urge the council to fund the Portland Housing Bureau's request for \$500,000 for Homeownership education and counseling in this year's budget.

As a member of the board of directors of the Portland Housing Center, I have been privileged to hear many wonderful stories – of families' pride at putting their kids to bed in their own home, of women gaining not only financial independence but self-confidence, and of older folks achieving a lifelong dream to be a homeowner. These stories show the individual impact of this funding; I want to talk a bit about the larger effects of homeownership and about why the City should invest in these stories.

A thriving city is one that people both figuratively and literally 'buy into' - owning a home as a commitment to community and an investment in the future. Owning a home gives people a tangible stake and an opportunity to benefit from economic development. Research shows that children of homeowners (even low income owners) have better health and do better in school and future employment.

Through funding homeownership education and counseling, the City can ensure access to the benefits of homeownership is available to a broad spectrum of Portlanders – making these opportunities real for first generation buyers, moderate income households, women, and communities of color

The City has made commitments to ensuring that benefits and burdens of Portland's growth are fairly shared –articulated in the Portland Plan's strategy for equity in housing and neighborhood opportunities. Under Commissioner Fish's leadership, the Portland Housing Bureau has prioritized realizing fair housing goals by reducing racial disparities, and homeownership is a major component of the housing equity framework. Achieving these goals requires an investment in partnerships with the nonprofits who work with underserved communities to achieve homeownership.

Portland's racial gap for homeownership is high—on the order of 25 percentage points difference between white homeownership and homeownership for African-Americans, Native Americans, Latinos, and Asian-Americans. Communities of color have not been served by the market alone, and the consequences are real: displacement from newly revitalizing neighborhoods without gaining from rising house values.

However, even at a time when the housing and job market has been turbulent, Portland's homeownership organizations have been able to support underserved populations, both new buyers of color and women. For example, in the past five years, the PHC has provided services to 671 new homebuyers of color; and among its new buyers are 650 female-headed households.

We've heard a lot about the downsides of homeownership due to unsustainable and predatory practices. Foreclosures and bankruptcies hurt families, neighborhoods, and cities. Yet buyers who work with homeownership counselors have been assisted in getting good loans and maintaining their homes. The financial literacy and homebuying education, and counseling services offered by Portland's nonprofits are critical to promoting homeownership that is sustainable and allows families to build wealth. Indeed, homebuying education serves as the first line in foreclosure prevention by helping new buyers make the right choices at the right time.

Likewise, the right time for the city's investment in supporting new homebuyers and strengthening communities is now. Please support this budget allocation towards equitable access to homeownership opportunities.