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Senator Rotundo, Representative Gattine, members of the joint standing committee on Appropriations and Financial Affairs and the joint standing committee of Housing and Economic Development.

My name is Sarah Tatarczuk, I work as a Development Officer for Portland Housing Development Corporation/Portland Housing Authority and live in Arundel.

I am submitting this written testimony in support of the investments in housing in the proposed supplemental budget. Portland Housing Development Corporation (PHDC) is the non-profit development arm of Portland Housing Authority (PHA). PHA is the largest landlord in the City of Portland, serving approximately 10% of the City's population. PHDC is actively working on redevelopments of existing public housing and new construction affordable housing projects across the City. While most of our projects utilize LIHTC and the Section 8 platform; among other federal, state and local funding; we have successfully broken ground on our first affordable homeownership project last month.

Affordable homeownership projects are extremely challenging to pencil out due to high construction costs, high financing costs, and very little subsidy available. The homeownership project that is currently underway includes 8 townhome condominiums, with 6 homes restricted to 120% AMI. This project has been made possible through a complex capital stack, including federal, local, and state funding sources. The final source that allowed the deal to progress forward was a \$468K forgivable loan from the State's Affordable Homeownership Opportunity Program. Without this funding source, this deal would not have been possible.

As PHDC looks at future affordable homeownership development opportunities in the City and surrounding areas, the only way we would be able to repeat this project, or something similar, is with significant subsidy at the state, federal, or local level. For this reason, we encourage this committee to support the investments in housing included within the budget proposal.

Thank you for your time.

A handwritten signature in black ink, appearing to read "Sarah Tatarczuk", is written over a horizontal line.