

Hispanic Chamber
Victor Merced
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(Speech written, but not delivered in its entirety.)

Thank you for the warm welcome. Your enthusiasm makes me proud.

This is an important day for me—being invited here to tell you about the state housing and services agency I lead and about my American experience.

It brings back many good memories—memories of teachers, of mentors, of opportunity.

But mostly, it brings back memories of work, very hard work. That's not a bad thing.

But there is a downside—if poverty lurks in your background—and long hours at low pay erodes your family life, your energy, your spirit.

Many of you undoubtedly have known poverty, have memories of your family struggling to get by.

They did get by, and so did you.

You did it by being tough in the face of adversity. You did it by making smart decisions. You did it by hard work and education.

And maybe, just maybe, somebody gave you a hand.

As a New York kid transplanted from Puerto Rico, I had a couple of breaks. Let me tell you about my:

- Favorite teacher.
- TAG studies.
- Law school opportunity.

My guess is we all have these chances to get ahead. I'm sure each of you could tell your own story, some of your stories, I'm sure, are very compelling.

In fact, my guess is that in a few years, you will have opportunities to address colleagues and peers, and pass along the wisdom you have gained from your successes.

Perhaps you're doing it now.

Your story will be different from mine. But I suspect there will be some common themes. One of those is surely hard work. Family encouragement and schoolwork are pretty big deals too.

Nobody can take these from you. Look at yourself. You are imbued with hard work. You have studied. And hopefully your family stood by you.

Our Hispanic culture and the prospect of success in the United States move us to crack the books and crack the job market.

Oh sure, it's not universal. We all know brothers and sisters, friends and neighbors, who missed the lesson, who think they can get by without putting their shoulder to the wheel.

That's not you. That's not me. We know that opportunity comes of determination and toil and smarts.

And at the end of the day, we will make America a better place—for EVERYBODY. But there's some distance to go, I think we might agree.

In the meantime, opportunity will be nurtured in part by companies and agencies, like the one I lead, Oregon Housing and Community Services.

OHCS is one of those entities unique in government:

- Small enough to really allow employees to get things done.
- Unencumbered by large bureaucracy.
- Efficient in delivering services.
- Staffed by committed professionals.

OHCS is part affordable-housing bank, part pass-through agency for funding food banks, weatherization and, recently, flood relief.

More than that, Hispanics are well-served by OHCS. Ten and a quarter percent of the agency's single-family loans were made to Hispanics in 2006, tracking very closely with the Latino population of just over 10 percent in Oregon.

Overall, however, the Latino rate of homeownership in our state is much lower, at 4 and one-third percent. Time, I believe, will change that for the better.

Allow me to say a word or two about the homeownership push by OHCS. My agency works with the federal government along with public and private partners to deliver programs to increase and preserve homeownership in Oregon:

- The Cash Advantage Home Loan includes cash assistance to help borrowers pay closing costs for their homes.
- The Rate Advantage Home Loan enables qualified homebuyers to get the lowest fixed rate possible to maximize their home purchasing power.
- OHCS also pays for homebuyer education programs to help low-income, first-time homebuyers learn the exigencies of the buying process.

So, OHCS is successfully providing a helping hand to Latino homebuyers—repeating myself here— providing them with more than 10 percent of our single-family loans.

Still, housing problems are very real. More than 14 percent of homeless persons in Oregon are Hispanic, well above our 10 percent population level.

For African Americans, the homeless disparity is even worse. Fewer than 2 percent of Oregonians are African American, whereas 7 and one-half percent don't have a place to call home.

This is a disparity, I believe, that demands progressive public policy.

The legacy of slavery and discrimination is still with us in 2008, 145 years after President Lincoln signed the Emancipation Proclamation.

Here are a few words from the proclamation—perhaps a bit archaic to our modern ears—that remind us how long the struggle has been:

"That on the 1st day of January, A.D. 1863, all persons held as slaves...shall be then, thenceforward, and forever free; and the executive government of the United States, including the military and naval authority thereof, will recognize and maintain the freedom of such persons and will do no act or acts to repress such persons, or any of them, in any efforts they may make for their actual freedom."

There's more. I further remind you, it has been 43 years since the Voting Rights Act of 1965 banned literacy tests for voters and brought Justice Department oversight to voter registration.

For many of us, the progress has been far too slow. But who can dispute that progress has been made?

Looking at the current field of presidential candidates—whatever your political inclination—the verdict is clear: A person of color is being embraced by a broad cross section of Americans for a leadership style that transcends color and race.

All this while a magnificent irony engages us: A woman candidate for the first time has a clear shot at a presidential nomination.

It's a remarkable time to be living in America. But times are hard for many—for many who do not have a home.

I'm in the business of changing that, and I see good things on the horizon, particularly greater public recognition of homelessness, even an end to homelessness—a policy promoted by Governor Kulongiski.

On the other hand, there is greater public recognition of the considerable instability in the housing market. And even though the subprime collapse did not directly slam Oregon as it has other states, the greater affect of worthless derivatives, shrinking home values and general market turmoil threaten our state's economy.

Still, men and women and families must have a place to call home, and I believe the nation will collectively find a way to improve the legacy of homeownership—the American Dream—certainly in Oregon, where Legislative commitment to housing is nothing short of profound.

Just last week, the Oregon Legislature at its special session passed a bill that increases the cap by \$4 million for the Oregon Affordable Housing Tax Credit.

OAHTC is a financing vehicle, pioneered in Oregon, that has been most successful in preserving affordable housing.

The Oregon State Housing Council, the oversight body to OHCS, proposed this legislation for the preservation of subsidized affordable housing.

This \$4 million increase has a multiplier-value that totals about \$100 million. This will be available for loans to preserve Section-8 rental-housing projects that are expiring from their federally subsidized status.

This year, about 1,850 units, housing some 4,500 low-income Oregonians, will expire. When that happens, those 1,850 housing units are at risk of being moved by developers to the regular housing market.

This would generate market-rate rents, far too high for Section-8 tenants to afford.

The OAHTC cap increase, touching some 40 Oregon communities, helps folks who earn in the range of \$17,000 to \$21,000 each year.

A companion bill to OAHTC has also moved through the legislative process of the special session, just completed. It's not as complicated as increasing the tax credit cap.

Sponsored by the Oregon Housing Alliance, which is a close OHCS partner, this bill pledges \$1 million from the general fund to match a second million from OHCS.

This \$2 million will allow immediate response by my agency to housing preservation—to get those expiring projects rehabilitated and recommitted to affordable housing.

Eight percent of Oregon's Section-8 residents are Latino, so the preservation of project-based, subsidized housing is vital to the well-being of our Hispanic community.

Though they may not know it, very-low income Oregonians rely on preservation of affordable housing that is threatened by the expiration of federal contracts.

Foresight and action by the Oregon State Housing Council, the Oregon Housing Alliance and the Oregon Legislature will allow many Oregonians to stay in their subsidized apartments and be protected from the tribulations of homelessness.

All in all, Oregon's housing future looks bright, and that translates to good news for you and me and other Latinos who come here to prosper.