

HB 3939 -1 STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 4/7, 4/9

WHAT THE MEASURE DOES:

Expands the Oregon Business Development Department residential infrastructure grant program to certain cities and until January 2, 2028.

Detailed Summary:

Directs the Oregon Business Development Department to provide grants for infrastructure projects to the following cities:

- \$2,350,000 to the City of Florence for streets, sidewalks, under grounding power, street lights, stormwater, water and wastewater improvements;
- \$3,000,000 to Baker City for water, sewer, streets and private utilities;
- \$3,000,000 to the City of Burns for water, sewer, streets and private utilities;
- \$1,000,000 to the City of Ontario for water, sewer, stormwater and streets;
- \$3,000,000 to the City of Burns and the City of Hines for 4,200 lineal feet of streets with water, sewer and private utilities, including power or fiber;
- \$1,000,000 to the City of Dallas for water, sewer, storm drainage and street improvements in the vicinity of Oakdale Avenue and SW Hayter Street;
- \$1,000,000 to the City of Dallas for water, sewer, storm drainage and street improvements in the vicinity of SE Barberry Avenue and SE Hankel Street; and
- \$1,500,000 to the City of Carlton for a two-part water loop system.

Appropriates \$15,850,000 out of the General Fund to the Oregon Business Development Department to provide the said grants.

Declares emergency, takes effect on July 1, 2025.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Directs to the Oregon Business Development Department to also provide grants for infrastructure projects to the following cities:

- \$3,500,000 to the City of Wilsonville for transit, water and utility enhancements and extensions on SW Stafford Road between Boeckman Road and SW Frog Pond Lane;
- \$4,000,000 to the City of Adair Village for wastewater treatment plant improvements; and
- \$2,500,000 to the City of Grants Pass for waterline looping on Redwood Highway.

Modifies appropriation amount to \$25,850,000.

BACKGROUND:

[HB 4134 \(2024\)](#) established a framework in which the Oregon Business Development Department grants to cities for infrastructure projects within urban growth boundaries, linking these improvements to planned housing

developments. Cities had to adhere to strict timelines and agree to specific terms with property owners—particularly the commitment to develop a minimum number of housing units and maintain affordable housing for workforce income households. The measure also required detailed progress and financial reporting, and it outlined appropriations for various projects. Finally, HB 4134 (2024) included a sunset date for the grant provisions and associated requirements on January 2, 2026. Specific funding was allocated for infrastructure improvements in several cities, including:

- \$3,000,000 to Burns for water, sewer, and stormwater improvements.
- \$2,000,000 to McMinnville for a water pump station.
- \$1,500,000 to Amity for stormwater and road improvements tied to residential development.
- \$640,000 to Toledo for water, sewer, stormwater improvements, and a traffic study to support a new apartment complex.