

**SB 967 A STAFF MEASURE SUMMARY**  
**Senate Committee On Housing and Development**

**Carrier:** Sen. Broadman

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**Action Date:** 03/03/25  
**Action:** Do pass with amendments. (Printed A-Eng.)  
**Vote:** 5-0-0-0  
**Yeas:** 5 - Anderson, Broadman, Nash, Patterson, Pham  
**Fiscal:** Has minimal fiscal impact  
**Revenue:** No revenue impact  
**Prepared By:** Kaia Maclaren, LPRO Analyst  
**Meeting Dates:** 2/10, 3/3

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**WHAT THE MEASURE DOES:**

The measure authorizes local governments to enter into agreements governing local improvements located in, or planned to be located within, unincorporated areas within a city's urban growth boundary.

Detailed Summary:

Allows local governments to enter into an intergovernmental agreement to allocate jurisdiction over a local improvement sited or proposed for an unincorporated area within a city's urban growth boundary. Requires that any local improvements subject to intergovernmental agreements comply with the comprehensive plan of any city in which the improvement is or will be located. Clarifies that the creation of a local improvement district does not change the allowable uses of land within that district.

**ISSUES DISCUSSED:**

Housing

- State's interest in infrastructure creation and improvement
- Inter-governmental agreements facilitation of long-term planning
- Local Improvement Districts (LIDs) as tools for housing creation and infrastructure cost reduction
- Jurisdiction over unincorporated areas within an urban growth boundary

**EFFECT OF AMENDMENT:**

Allows local government agreements to be reached for the governance of local improvements that will be, but have not yet been, adopted within their jurisdiction. Requires that any local improvements subject to intergovernmental agreements comply with the comprehensive plan of any city in which the improvement is or will be located. Clarifies that the creation of a local improvement district does not change the allowable uses of land within that district.

**BACKGROUND:**

According to the League of Oregon Cities, a Local Improvement District (LID) is "a method by which a group of property owners can share in the cost of infrastructure improvements, most commonly for roads, sidewalks, or storm water." It is a tool for capturing economies of scale for infrastructure improvements and for funding those improvements. Often, the arrangement is funded by the city or local government and paid back over time by the property-owners who benefited from the improvement. Local improvement is defined in Oregon Revised Statutes (ORS) Chapter 310, and procedures for governing such projects are found in ORS Chapter 223.