

Senate Bill 1103

Sponsored by Senator BROADMAN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: This Act makes Business Oregon lend money to build water or sewer lines or roads for homes in certain areas. (Flesch Readability Score: 63.8).

Requires the Oregon Business Development Department to establish a program to provide loans to cities and tribes to develop infrastructure to support housing in climate-friendly areas. Requires rulemaking for the program no later than July 1, 2026.

Establishes the Climate-Friendly Housing Infrastructure Revolving Fund. Continuously appropriates moneys to the department to implement the program.

Declares an emergency, effective July 1, 2025.

A BILL FOR AN ACT

1 Relating to infrastructure development to support housing; and declaring an emergency.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1. Sections 2 and 3 of this 2025 Act are added to and made a part of ORS**
4 **chapter 285B.**

5 **SECTION 2. (1) The Oregon Business Development Department shall establish a revolving**
6 **loan program to provide loans with interest rates below market rates to cities or tribal**
7 **councils of federally recognized Indian tribes in this state for infrastructure projects that**
8 **will primarily support the development of housing within a city's urban growth boundary. A**
9 **project under this section may include:**

10 (a) **The development or improvement of transportation, water, wastewater and**
11 **stormwater infrastructure; or**

12 (b) **Site development, including the development of privately owned sites, necessary for**
13 **the improvement of transportation, water, wastewater and stormwater infrastructure.**

14 (2) **In making loans under this section, the department shall give preference to projects**
15 **in areas that:**

16 (a) **Are designated as climate-friendly areas by the Department of Land Conservation and**
17 **Development;**

18 (b) **Are within an overlay zone designated as a climate-friendly area as mapped by the**
19 **department;**

20 (c) **Incorporate standards that comply with or exceed any requirements of the model code**
21 **within the department's 2025 Walkable Design Standards Guidebook; or**

22 (d) **Are designated for residential infill or redevelopment.**

23 (3) **Moneys received from loans that are repaid to the Oregon Business Development**
24 **Department under this section must be deposited into the Climate-Friendly Housing**
25 **Infrastructure Revolving Fund under section 3 of this 2025 Act.**

26 (4) **The department shall adopt rules to implement this section.**
27

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **SECTION 3.** (1) The Climate-Friendly Housing Infrastructure Revolving Fund is estab-
2 lished in the State Treasury, separate and distinct from the General Fund.

3 (2) The Climate-Friendly Housing Infrastructure Revolving Fund consists of moneys ap-
4 propriated, allocated, deposited or transferred to the fund by the Legislative Assembly or
5 otherwise and payments received under section 2 (3) of this 2025 Act.

6 (3) Moneys in the fund are continuously appropriated to the Oregon Business Develop-
7 ment Department to implement the loan program under section 2 of this 2025 Act.

8 **SECTION 4.** (1) On or before July 1, 2026, the Oregon Business Development Department
9 shall adopt initial rules to implement the loan program under section 2 of this 2025 Act and
10 shall begin accepting loan applications.

11 (2) In adopting the initial rules under this section, the department shall, to the extent
12 practicable, use loan terms and program features from the United States Environmental
13 Protection Agency’s Clean Water State Revolving Fund program under 33 U.S.C. 1381 et seq.

14 **SECTION 5.** In addition to and not in lieu of any other appropriation, there is appropri-
15 ated to the Oregon Business Development Department, for the biennium beginning July 1,
16 2025, out of the General Fund, the amount of \$300,000,000, for deposit into the Climate-
17 Friendly Housing Infrastructure Revolving Fund under section 3 of this 2025 Act.

18 **SECTION 6.** This 2025 Act being necessary for the immediate preservation of the public
19 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
20 July 1, 2025.

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