



February 10, 2025

Oregon State Legislature  
Senate Committee on Housing and Development

**RE: SB 967 - Support with amendment**

Chair Pham, Vice-Chair Anderson, and Members of the Committee,

Thank you for the opportunity to submit testimony in support of SB 967 on behalf of Central Oregon LandWatch (LandWatch). We'd also like to request one specific amendment.

For over 35 years, LandWatch has been working to ensure Central Oregon's livable future. We do this by creating well-planned and well-built cities with Complete Communities, preserving farmland, and protecting wild, open spaces.

SB 967 would allow the creation of local improvement districts (LIDs) inside Urban Growth Boundaries (UGBs) but outside incorporated city limits, via an Intergovernmental Agreement (IGA) between cities and counties. In Bend and elsewhere in the state, this would include UGB expansion areas that haven't yet been annexed into the city. This could be a productive tool for financing needed infrastructure to develop those UGB expansion areas and ensure those lands have increased levels of development readiness prior to annexation.

The need for and expense of infrastructure continues to be one of the toughest barriers to getting more housing built within our cities. The concept outlined in this bill shows great promise in providing an effective tool to help tackle this barrier. However, we want to ensure that any lands that are subject to the provisions in this bill will be annexed and incorporated into cities. There are past instances around the state where the provision of services and infrastructure led to exurban development in places that ultimately have not been annexed into cities. We should learn from these lessons and therefore *we request an amendment to this bill to ensure it clearly outlines a requirement to annex into the city after an LID is established and services and/or infrastructure are provided.*

**We urge your support of SB 967, with an amendment that addresses the annexation issue outlined here.** Thank you for your service and consideration of this testimony.

Sincerely,

Corie Harlan  
Cities & Towns Program Director

