

February 26, 2025

Oregon State Legislature  
House Committee on Housing and Homelessness

**RE: HB 3031 -1 | Support**

Chair Marsh, Vice-Chair Andersen, Vice-Chair Breese-Iverson, and Members of the Committee,

Thank you for the opportunity to submit testimony in support of the -1 amendment to HB 3031 on behalf of Central Oregon LandWatch (LandWatch).

For nearly 40 years, LandWatch has been working to ensure Central Oregon's livable future—one where our region grows well and with intention by creating well-planned and well-built cities with Complete Communities, preserving farmland, and protecting wild, open spaces.

**HB 3031-1 provides infrastructure funding for residential development, making it possible to build more affordable and abundant housing in our communities, where we have planned for it.**

Affordable housing options for all is the cornerstone of thriving communities - and Oregon's cities have thousands of acres designated for residential use inside their UGBs that can meet this need.<sup>1</sup> However, a lack of funding for essential infrastructure like pipes, sidewalks, and roads is one of the most significant barriers to these available lands within our cities becoming 'shovel-ready' for housing development.<sup>2</sup> This need ranges from smaller project-specific investments to larger system investments. The state infrastructure funding program for residential development outlined in this bill is an effective way to help directly tackle key parts of this range of needs.

#### **Focus on infrastructure and land readiness to deliver more abundant housing**

Decades ago, housing-related infrastructure was commonly funded by federal, state, and local funding sources, but today those have significantly reduced. This long-term underinvestment in necessary infrastructure has hamstrung our ability to build the housing Oregonians need.

Now, Oregon's infrastructure needs are immense: The League of Oregon Cities *2024 Infrastructure Survey Report* found Oregon's communities have over \$12 billion in infrastructure needs - much of it the water, sewer and transportation infrastructure necessary to serve more households and build more housing.<sup>3</sup> That's why there is a consistent theme (and widespread consensus in the housing realm) that investing in

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<sup>1</sup> Bend's [2023 Buildable Land Inventory](#) (Draft HCA, slide 20) identified capacity for over 23,000 housing units within the current UGB. ([27:39](#))

<sup>2</sup> City of Bend [2025 Infrastructure Priorities](#): Over 7,000 housing units could be unlocked with targeted sewer system investments

<sup>3</sup> League of Oregon Cities [2024 Infrastructure Survey Report](#)



infrastructure that supports residential development is one of the most important and impactful steps the state can take now to more quickly produce the housing we need, where we need it.

**Structure funding criteria to maximize benefits of public dollars invested**

HB 3031-1 sets up a funding approach that helps ensure scarce resources are invested wisely to maximize benefits to Oregon's communities and elevate projects that make the most of public money.

We support the approach outlined in this bill, which uses both grants and loans to support and target projects inside UGBs that include both minimum densities and a range of affordability levels. This helps ensure project funding supports both a large number and diverse types of affordable housing options that are well located closer to schools, stores, and services.

We understand why funding allocations via this program would be tied to a specified proposed housing development. This helps embed parity and accountability by ensuring that the funding is available to cities across the state of all sizes, and links infrastructure funding directly to specific housing developments. We do want to note that while there are provisions in this bill that allow for larger capacity/system upgrades, there is still a significant need for additional funding for system-scale infrastructure investments to support housing development inside UGBs. We look forward to continued conversations and efforts to address this, in addition to this bill.

**The needs and data are clear: New, substantial, and sustained state resources for housing infrastructure are needed to urgently address Oregon's housing shortage.** It's time to (re)bolster the State's key role in supporting cities with infrastructure funding that will help ensure they are providing the housing their communities need and want. With scarce resources and many priorities before us, it's essential to focus on approaches and investments that will help build affordable and middle housing that the market is unlikely to produce on its own and deliver the most positive, sustained impacts. HB 3031-1 is one of these solutions.

LandWatch has been working with partners and elected leaders for a number of years to establish a state programmatic approach that provides funding directly to cities for housing related infrastructure. We appreciate the work of the Governor's office, legislators, and numerous stakeholders to bring this concept forward again this session.

**We urge your support of HB 3031-1. Establishing state programmatic housing infrastructure funding during the 2025 legislative session is one of the most effective ways to increase housing quantity, choice, and affordability in Central Oregon and every Oregon community.** Thank you for your service and consideration of this testimony.

Sincerely,





2843 NW Lolo Drive., Ste. 200 | Bend, OR 97703  
Phone (541) 647-2930  
[www.colw.org](http://www.colw.org)

Corie Harlan  
Cities & Towns Program Director



**We defend and plan for Central Oregon's livable future**