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Jackie Keogh – RootedHomes

Erica Ledesma – Coalición Fortaleza

Erica Mills – NeighborWorks Umpqua

Margaret Salazar – Reach CDC

Sheila Stiley – NW Coastal Housing February 26, 2025

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

My name is Kevin Cronin, and I am submitting this testimony on behalf of Housing Oregon. Housing Oregon is the statewide association representing nonprofit affordable housing developers and their partners. Our members work to build, preserve, and manage affordable housing throughout Oregon, ensuring that families, seniors, and individuals have access to stable, affordable homes.

Housing Oregon strongly supports HB 3031. One of the most significant barriers to developing affordable housing is the high cost of infrastructure. Sewer systems, sidewalks, and traffic signals represent major expenses that can make projects financially unviable. The costs of necessary infrastructure improvements can be staggering. In one instance, the total cost for a traffic signal and intersection improvements reached approximately \$750,000. These types of expenses place an overwhelming financial burden on projects, delaying or preventing the construction of critically needed affordable housing.

According to Oregon Housing and Community Services (OHCS), more than 120 affordable rental housing projects are currently in the development pipeline. While not all of these projects will move forward, many would significantly benefit from additional support in covering infrastructure costs. HB 3031 provides an opportunity for cities and developers to collaborate in addressing these challenges, ensuring that critical affordable housing developments can reach completion.

It is equally important to recognize the infrastructure challenges faced by affordable homeownership projects. This committee has had extensive discussions on programs such as LIFT for homeownership and the Homeownership Development Incubator Program (HDIP), which have played a key role in expanding access to affordable homeownership opportunities. However, demand for these programs continues to outpace available resources. The most recent LIFT homeownership funding round was significantly oversubscribed, highlighting the urgent need for additional investment. While there is less publicly available data on infrastructure barriers for affordable homeownership projects compared to rental housing, it is clear that these developments require similar support to address costly infrastructure requirements.

HB 3031 represents a meaningful step toward reducing these barriers, ensuring that both affordable rental and homeownership projects can move forward. By providing resources to help cover infrastructure costs, this bill will enable more communities to develop much-needed affordable housing.

Thank you for your time and consideration. Housing Oregon urges your support for HB 3031.

Sincerely,

Kevin Cronin Director of Policy & Advocacy Housing Oregon