

February 2, 2025

House Committee on Housing and Homelessness  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Dear Chair Marsh and members of the Committee,

We appreciate the efforts of the Oregon legislature and Governor Tina Kotek to address our state’s significant housing shortage. As this Committee well knows, our lack of housing supply is warping Oregon’s economy, forcing people at all income levels to spend more on housing, contributing to escalating costs and fewer resources for other needs and opportunities. This shortage particularly impacts lower-income households and directly contributes to our homelessness crisis, which is stretching the resources of local governments.

That’s why we appreciate the impetus behind HB 3031 and look forward to reviewing the -2 amendment. We also thank Governor Kotek for including a proposed \$100M in her budget for housing infrastructure, for which we understand HB 3031 will serve as the framework for awarding. But we have significant concerns with the technical requirements of the program as currently outlined in the bill, as the density and affordability thresholds will limit Gresham’s ability to utilize potential state funding, which is desperately needed to help spur construction.

Gresham’s two urban growth boundary (UGB) expansion areas from the early-2000's, Pleasant Valley and Springwater, are expected to add over 5,000 additional units – homes for thousands of Oregonians, new neighborhoods, and a town center. They contain 40 percent of Gresham's anticipated housing growth over the next 20 years.

Direct funding to large-scale, city-run infrastructure projects can unlock large swaths of greenfield land for the development of housing. In Gresham, for example, there are several transportation and water projects that will need to be constructed to enable housing construction.

The intersection at 172nd Ave and Foster Road in Pleasant Valley is one such project. Located between the growing communities of Happy Valley and Gresham, the intersection suffers from an elevated number of traffic crashes, as well as significant congestion delays

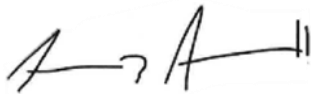
for those traveling north. The intersection is also only a quarter-mile from an elementary school. Modelling shows the situation getting much worse as the now-rural area of Pleasant Valley becomes urbanized, with the average commuter experiencing 6-9 minutes of average daily waiting to turn from 172nd Ave during peak hours. Gresham currently lacks the resources to build the recommended transportation roundabout that would address safety and congestion issues.

Yet investments in projects like this can directly help address our housing supply shortage, catalyzing the development and spurring the housing supply our state and the Portland-metro region desperately need.

We strongly urge the Committee to consider the eligibility of projects like this when reviewing HB 3031 and the -2 amendments and suggest a funding framework to live in rule instead of statute. Placing such details in rules provides for great flexibility and adaptability as conditions change. Density and affordability criteria could still be used in scoring, along with other valuable metrics like the number of units, shovel-readiness, and others. We also ask that a demonstrated connection to Gresham’s Department of Land Conservation and Development (DLCD) approved Housing Production Strategy (HPS) also be a weighted criteria for this program.

Thank you for your leadership and partnership in addressing our housing crisis, and for considering our input on this important bill.

Sincerely,



**Travis Stovall**  
Mayor of Gresham