



Friday, May 9, 2025

Co-Chairs Girod and Nosse
Joint Committee on Ways and Means
Subcommittee on Capital Construction

Co-Chairs Girod and Nosse, and Committee Members,

On behalf of all 241 cities in Oregon, the League of Oregon Cities strongly supports lottery bond dollars going towards livable communities where people can live, work and play. We urge your support for the following funding asks in SB 5531:

1. **\$100 million in housing-related infrastructure** as proposed by Governor Tina Kotek. This investment would be a foundational step toward building a robust and enduring statewide infrastructure funding program. Cities across Oregon are ready to support more housing, but local governments face a persistent barrier – lack of funding for essential infrastructure like water, sewer, and stormwater systems. Without this infrastructure, housing simply can't be built. The Governor's proposed investment recognizes this reality and begins to fill a critical funding gap that has long hindered community growth and housing production.
2. **\$160 million to preserve affordable housing expiring in the coming biennium.** Across the state, over 8,600 homes are at risk of having their affordability restrictions expire over the next decade. State investment is needed to support preserving existing affordable housing stock, while we build more. We cannot lose ground.
3. **\$100 million to recapitalize the Special Public Works Fund (SPWF).** This fund provides market rate and below market rate loans and some grants for municipal infrastructure and other facilities that support economic and community development. Specifically, the fund is used to build/rebuild essential infrastructure including levees, water systems, sewer systems, fiber/broadband, and roads. Without infrastructure, there is no capacity for business growth nor housing for employee growth. The fund money is also used to leverage more federal dollars that we can't afford to leave on the table.
4. **\$40 million to fund the proposed Industrial Site Loan Fund** created in HB 2411 to address a lack of adequate market ready industrial sites to support existing and prospective business manufacturers. Oregon's cities have many parcels zoned for industrial development, but those lands need to be improved to make them buildable, and many jurisdictions lack funding. Employment lands play a key role for local governments, providing stable revenue for essential services such as roads, water and sewer, public safety, schools, libraries and parks.

We urge your support for Senate Bill 5531 and encourage the Legislature to make these investments for thriving cities across all of Oregon now and into the future.

Sincerely,

Jim McCauley, Legislative Director