

May 9, 2025

Oregon State Legislature
Joint Committee on Ways & Means
Sub-Committee on Capital Construction
Oregon State Capitol
900 Court Street NE, Room H-178,
Salem, Oregon 97301

RE: SB 5531 | Support for Section 14 & 15 - \$100M for Municipal Infrastructure funding & Housing Infrastructure Fund (HB 3031 A)

Co-Chairs Girod and Nosse and Committee members

On behalf of Central Oregon LandWatch (LandWatch), thank you for the opportunity to submit testimony in support of our budget priorities related to HB 5531: Lottery Bond Authorization.

LandWatch strongly supports HB 3031 A, which provides a state programmatic approach to infrastructure funding for residential development. This makes it possible to build more affordable and abundant housing in our communities, where we have planned for it.

Section 14 & 15 of SB 5531 contains \$100 million for the Housing Infrastructure Fund, which provides the funding for implementing the policy in HB 3031 A. We strongly support the Governor's requested budget appropriation of \$100 million as a *minimum* investment in housing related infrastructure - and urge this Committee to consider additional funding for this bill. This bill was recommended unanimously by the House Committee on Housing and Homelessness.

Affordable, abundant housing options for all are the cornerstones of thriving communities - and Oregon's cities have thousands of acres designated for residential use inside their UGBs that can meet this need. 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. This bill helps directly tackle this issue.

This is an issue that is playing out in so many Oregon communities, large and small. And Bend is no exception - in fact, being one of the fastest growing places in the state means our housing and infrastructure needs are particularly acute. A recent Housing Capacity Analysis identified capacity for over 23,000 housing units within our current UGB - all in areas with a range of infrastructure needs. We see over 7,000 housing units stuck behind upgrades to sewer systems. And we see affordable housing projects struggling to make projects pencil given site-specific infrastructure needs.



HB 3031 A aligns strategic investments along the full spectrum of housing needs. It 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. This bill also links infrastructure funding directly to specific housing developments across the state in urban and rural areas, helping embed parity and accountability. And it allows for some of those larger capacity and system upgrades.

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 Section 14 & 15 of SB 5531 which includes \$100M in funding to implement the policies of HB 3031 A. We urge a *minimum* of \$100M in funding and for this Committee to consider additional funds for this bill. 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,



Corie Harlan
Cities & Towns Program Director

