



May 9, 2025

Joint Ways & Means Subcommittee on Capital Construction
May 9th, 2025
900 Court St NE
Salem, OR 97301
Hearing Room F

Co-Chairs Girod and Nosse and Members of the Committee,

The City of Philomath is requesting \$2.175 million for the Philomath 19th Street Sewer Main Project to help build a crucial new sewer line that would facilitate the construction of hundreds of new units of housing within the city. Without this new sewer mainline, this land is not developable and these homes will not be constructed.

Like many small towns around the state, Philomath has enough developable land within our UGB to vastly expand our housing stock. However, the wastewater system for all the northern sewer basins of the city is already at capacity, halting the possibility of any additional development in the area where the vast majority of our undeveloped land is. We have land which is inside city limits, ready to be developed, as well as landowners ready to annex additional property into the city - but spending millions of dollars on a new sewer mainline has proven to be an insurmountable barrier to unlock these new, smaller housing developments. No one project is large enough to absorb the total cost of the project, so without government intervention to construct the sewer main that will service the entire north end of the city and beyond, this land will remain undeveloped.

The construction of a new sewer trunk along N 19th St would be complete by the end of 2026 and would serve 530 acres of currently undevelopable land – 55 acres of which are ready to be developed into middle-density housing within 5-8 years. Under our middle-density zoning, the development of these 55 acres alone could lead to 1400 housing units. A \$2.175 million investment from the state would equal a subsidy of \$3,500 per unit – and that's for just the first five years and 10% of the land that would be unlocked through this sewer line.

The City the city anticipates being able to provide matching funds of approximately \$750,000 by the time construction begins, or approximately 25% of the total project cost.

Thank you for your consideration, and we urge your support for this critical investment in wastewater infrastructure to unlock hundreds of acres of new developable land and potentially thousands of units of new middle-density housing.

Sincerely,

Christopher McMorran
Mayor

Chris Workman
City Manager