



## Eugene Intergovernmental Relations

February 13, 2024

Representative Helm, Chair  
House Committee On Agriculture, Land Use, Natural Resources, and Water  
900 Court St. NE  
Salem, OR 97301

### **RE: Support for HB 4128 and -3 Amendment**

Dear Chair Helm and Committee Members:

The City of Eugene supports HB 4128 and the -3 amendments as proposed to fund \$89M in city projects to provide water/wastewater infrastructure for housing development.

Prior to the start of the session, Eugene submitted five site-specific and one system level infrastructure projects for consideration of state funding. It is our understanding that these projects are the purpose for the proposed \$3M allocation to Eugene within the -3 amendment.

For the record, Eugene proposes to utilize funds to support the following income qualified projects (\$2.215M):

1. *Santa Clara/Hunsaker Site*: 50 units, \$20 million total project cost, proposed \$2.75 million city contributions. State request: \$765,000.
2. *NW Expressway/River Road Site*: 45 units, \$17 million total project cost, proposed \$1.6 million city contribution. State request: \$750,000.
3. *South Amazon Site*: 30 units, \$14 million total project cost, proposed \$1 million city contribution. State request: \$250,000
4. *Downtown Riverfront Site*: 75 units, \$32 million total project cost, proposed \$5 million urban renewal agency contribution. State request: \$250,000.
5. *Downtown Site*: 45 units, \$16 million total project cost, proposed \$1 million city contribution. State request: \$200,000

The remaining balance of funding would be utilized for the Crow Road Infrastructure Project, which is attached below.

State infrastructure investments to cities is critical for addressing the housing crisis in Oregon communities. Please support HB 4128 with a Do Pass recommendation.

Sincerely,  
*-submitted electronically-*  
Ethan Nelson  
Intergovernmental Relations Manager



# Crow Road Infrastructure Extension

## Filling Eugene's Housing Gap

### Community Housing Need

Like many other communities in Oregon and across the nation, Eugene is experiencing a housing crisis. According to the State Department of Land Conservation and Development's study, Eugene leads the state in severely rent burdened households (spends more than 50% of their income on rent) and has one of the highest rates of homelessness in the nation with a monthly number of people who are unhoused (3,628 in 2023). This situation has created a housing crisis in our community, requiring an unprecedented level of investment from state and local governments.

### A Rent-Burdened Community

In addition to being a severely rent-burdened community, Eugene's housing prices continue to rise at a rapid rate, due in part to low vacancy rates. These factors combined with lower-than-average wages create a dynamic that leaves people struggling to find housing that meets their basic needs. According to the 2022 DLCD study, Eugene will need to produce an average of 1,200 housing units per year to support Eugene's expected population growth and address the existing shortage of housing. To increase housing affordability and supply, the City has identified priority areas within the urban growth boundary where city infrastructure investment could boost development, including the Crow Road area. This project area is within the Eugene UGB but is not served with urban services such as wastewater, piped stormwater, water (provided by EWEB), and roadway safety amenities. The City has a project that is partially funded and being designed to extend wastewater to this area. The City is looking for additional funding to support the extension of wastewater, water, stormwater, and transportation safety improvements to better serve residential development.

City	% Severely Rent Burdened	Population
Eugene	31%	175,626
Medford	29%	87,353
Tigard	27%	55,854
Salem	26%	177,694
Portland	25%	658,773
Bend	25%	100,922
Springfield	24%	62,352

A Hayden Homes housing development in Eugene.





## The Need

Through careful planning and investments, the area could bring an additional, much-needed 1,260 housing units and more than 850 jobs to the region.

The area of West 11th Avenue and Crow Road in west Eugene is full of opportunities to help the community meet its housing needs while also increasing employment opportunities. Nestled at the edge of Eugene's urban growth boundary, the Crow Road area has the potential to be a complete neighborhood. The area is largely undeveloped and is planned and zoned for single- and multi-family housing, and commercial, with access to natural areas, transportation networks, goods and services, and is 1-1.5 miles from a frequent transit station. (For more details, see the map on the back page.)

To achieve this opportunity and boost development potential, the City of Eugene must extend critical infrastructure to support the area. The proposed project would deliver new wastewater service to West 11th, Crow Road and adjacent areas, as well as widen Crow Road to support walking and biking, and install facilities to extend potable water. To reduce financial barriers in this area, the City is also requesting funding to support storm water infrastructure to expedite affordable housing production.





## The Funding

The City has currently budgeted \$2.2 million in a mix of Wastewater System Development Charges and property owner assessments to pay for the wastewater extension. To complete all the utilities as described above, the total project cost is estimated to be \$8.5 million. This figure may be scaled, as some of the facilities such as stormwater may be part of a future phase. The City is requesting \$6.3 million to fully fund this project.

## The Timeline

Given the urgency of the housing situation in Eugene, the estimated timeline to complete the infrastructure project would be no later than two years after receiving grant funds. The project is partially funded in the current capital improvement program for construction in 2024/2025. With full funding, this project could be completed within the two year timeline. Furthermore, by investing in these improvements, this area will become significantly more attractive for developers.

## The Project by the Numbers

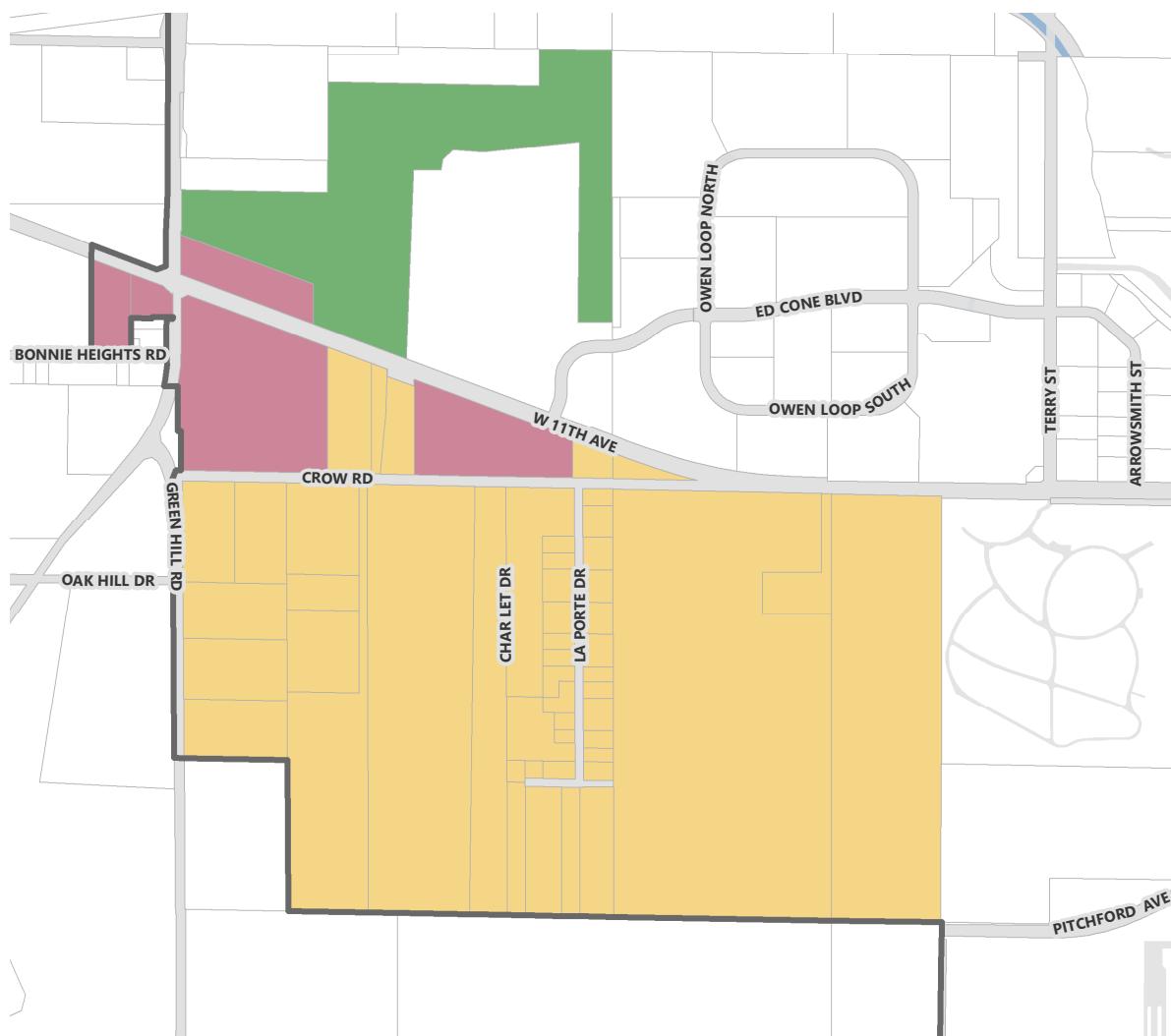
	Local	State	Total
Wastewater	\$2,000,000	\$900,000	\$2,900,000
Water		\$2,200,000	\$2,200,000
Stormwater		\$2,200,000	\$2,200,000
Transportation	\$200,000	\$900,000	\$1,100,000
<b>TOTAL</b>	<b>\$2,200,000</b>	<b>\$6,300,000</b>	<b>\$8,500,000</b>

*Project cost estimate as of Jan. 1, 2024, includes all design, permitting, construction and contingency estimated expenses.*



*The Bailey at Amazon Creek Apartments in Eugene.*

# Crow Road Investment Area



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