



Eugene Intergovernmental Relations

February 28, 2025

Chair Marsh
House Committee on Housing and Homelessness
900 Court St. NE
Salem, OR 97301

RE: City of Eugene Supports HB 3031 and -1 amendment with revisions.

The City of Eugene supports the concepts within HB 3031 and the -1 amendment, yet requests further revisions to best implement the Governor's vision at the local level. Cities and LOC have been working with the Governor's Housing Policy team to collaborate on a future amendment.

We have deep appreciation for Governor Kotek in bringing this concept forth, as cities have identified infrastructure funding as a critical hurdle for many housing projects to move forward in communities such as Eugene. We ask that the Legislature fund the full \$100M request in the very least, with the recognition that more investment will result in more housing units sooner. We also appreciate that the bill creates a new program within OBDD that would provide a variety of financial products including loans, forgivable loans, and grants to fund infrastructure serving housing.

As you heard during the Public Hearing, Eugene agrees that Section 2 of the -1 amendment is too restrictive related to density and affordability thresholds and that will likely limit the applicability of funds to very few projects. We ask that there be a demonstrated tie to our DLCD-approved Housing Production Strategy (HPS). Eugene believes it makes more sense for a housing infrastructure funding framework to live in rule versus statute. Removing specific unit numbers in statute would allow the program to be more adaptable and responsive to changing housing needs in local communities. Criteria such as density and affordability could still hold weight in project scoring, alongside other criteria like HPS compliance, number of units, shovel-readiness, and any other criteria identified by the Legislature or that emerges from rulemaking. Each criteria could then serve as a "dial" to be turned up or down for weighted scoring based on the housing needs of the day without a need to revisit the statute.

Lastly, Eugene asks that the program support the variety of infrastructure projects that cities are working on to advance housing starts, both projects in the pipeline and also investments to get new areas of development shovel ready. Such system level infrastructure projects were funded in SB 1530 (2024) projects, where Eugene received \$6M for water related infrastructure. We completed design in summer of 2024 and are hoping to complete construction in fall of 2025. Of the 250 acres of residentially zoned property in this area, already 98 acres of property has submitted annexation requests, the first step towards building higher density housing within our UGB.

Please support cities efforts to land HB 3031 and have state investment result in housing units faster.

Respectfully,

submitted electronically

Ethan Nelson, Intergovernmental Relations Manager