



1000 Friends of Oregon
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February 26, 2025

Rep. Pam Marsh, Chair, and Members
House Committee on Housing and Homelessness
State Capitol
Salem, OR

Re: HB 3031- Infrastructure for housing

Dear Chair Marsh and Committee Members:

1000 Friends of Oregon **supports** HB 3031, as modified by the -1 amendment. We understand there will be a -2 amendment, with technical changes and a few refinements, and we look forward to working on these with the Governor's office and others.

1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice. 1000 Friends of Oregon has long been involved in advocating for the full implementation of Goal 10, the statewide land use planning goal that sets the Housing objectives for our towns and cities to reach in their land use planning:

"To provide for the housing needs of citizens of the state. Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density."

Achieving the goal of housing for all in every community requires more than land use planning - it also requires infrastructure to actually produce the homes, and the state has a key role in this.

The elements of HB 3031-1 are very important to us. The bill establishes a housing infrastructure financing program through which the Oregon Infrastructure Finance Authority may provide grants, loans, or forgivable loans to cities to support specific housing developments

We have worked with Oregonians to enhance our quality of life by building livable urban and rural communities, protecting family farms and forests, and conserving natural areas since 1974.

with funding for transportation, water, wastewater, or stormwater infrastructure, or site development.

To be eligible for financing under HB 3031-1, the residential development – whether affordable or market rate – must meet certain **density** requirements. To be eligible for a grant or forgivable loan, the project must also meet certain **affordability** criteria. The bill defines eligible housing as affordable to those with incomes ranging from the very low to moderate income levels, which is up to 120% of area median income (AMI).

1000 Friend supports this bill for the following reasons:

First, It will enable a significant amount of affordable and market rate housing to be produced quickly:

- Housing needs analyses developed by cities across Oregon show that today there are tens of thousands of acres inside UGBs, intended for residential development, including in large parcels, but infrastructure funding is needed to enable the homes to actually be built.
- 1000 Friends, in conjunction with Housing Oregon, conducted a survey of housing developers. This revealed that, even among just the 20+ developers who responded, over 10,000 homes could start being built now, and over half of those homes would be for those with incomes below the area median income.
- Data from Oregon Housing & Community Services shows more than 100 affordable housing projects in the approval pipeline, across the state, where these investments could start producing many units of affordable housing in short order.

Second, the bill ensures that public dollars will be spent to meet broad community needs for both affordable housing and market rate housing. These are critical components of the bill:

- Grants and forgivable loans are available only for projects that meet certain affordability criteria – which is appropriate because that reflects the largest unmet housing need. State data (OHNA) shows that almost half the housing Oregon needs is for those earning at or below 80% AMI.
- Whether market rate or affordable housing, the density minimums ensure that we are not squandering valuable public dollars to fund infrastructure for just a few homes. And the required density levels are realistic – they are the same as those required by last

session's SB 1537, and they are in-line with densities most cities already provide for, in all regions of the state.

Third, we support this programmatic level approach to infrastructure funding.

We urge you to support HB 3031-1. Thank you for considering our comments.

Sincerely,

A handwritten signature in black ink that reads "Mary Kyle McCurdy". The signature is fluid and cursive, with "Mary" and "Kyle" connected at the top, and "McCurdy" written below them.

Associate Director