

HB 3031: Infrastructure for residential development

Making it possible to actually build housing in our communities, where we have planned for it



Directly tackles major barrier to building affordable housing

Creates financial assistance for cities

Builds housing where communities want it

Is climate-friendly

The issue

Oregon's cities have tens of thousands of acres designated for residential use inside their urban growth boundaries (UGBs), but many of these lands lack some or all infrastructure, or they need upgrades – roads, sewers, water, sidewalks.

The solution

HB 3031 helps Oregon take the most important step toward unlocking the potential to build thousands of homes where they are needed, focusing state investment in infrastructure to support residential development, especially for housing for people with moderate and lower incomes. These are lands that communities have already decided are good for housing, and because they are already inside urban growth boundaries, they are nearer to schools, stores, and services.

More than 10,000 homes possible with infrastructure investments

A survey of affordable housing developers and partner organizations found that 5,600 to 10,100 homes could be more easily built with necessary infrastructure investments.

- More than half of these units would likely serve households earning below the median income and would include a mix of rental and homeownership opportunities.
- System-wide upgrade examples included improvements to sewer and water-treatment systems.
- Project-based investments most often related to public utility needs, right-of-way improvements or extensions, and complex or unexpected site conditions.
- The average cost per unit for project-specific investments is just below \$30,000.

Since 1974, 1000 Friends of Oregon has 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.



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Project-specific example: Eastern Oregon

A La Grande-based developer has established a modular construction facility in Eastern Oregon, supporting a replicable development model to address housing needs across the region.

- An estimated \$3 million in infrastructure investment would support the development of approximately 100 affordable homes.
- These infrastructure investments would support a mix of home-ownership and rental housing across three projects.
- If infrastructure funding is received, units would be built and ready for residents 12–16 months after infrastructure funding is secured.

System-wide examples: Bend

While HB 3031 targets project-specific funding, this system-wide example highlights additional infrastructure investments that can support significant housing production complementing individual project funding.

Expansion areas

- More than 2,500 acres for residential development have been added to the UGB since 2016 – less than 21 percent of the units have been built (approx. 1,133 out of 5,300 units), and infrastructure needs have been a key barrier to building more.
- In the 479-acre SE Expansion Area, sewer upgrades would cost \$26 million, with a funding need of up to \$14 million. The area would support 1,230 dwellings, 2,800 jobs, a neighborhood park, elementary school, and multi-use paths.

Opportunity areas

- In Bend's central district, the Central Interceptor Sewer Line project would cost \$30–35 million, with a funding need of up to \$20 million.
- In the core area, 6,000 housing units and 4,500 jobs would support increased redevelopment.

Created in partnership with:



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