

# Senate Bill 187

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## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Land Conservation and Development Commission to encourage local governments to provide land dedicated to affordable housing. Authorizes commission to establish process to expedite inclusion within urban growth boundary of land dedicated to affordable housing.

## A BILL FOR AN ACT

1 Relating to affordable housing; creating new provisions; and amending ORS 197.298 and 197.309.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS 197.295 to**  
4 **197.314.**

5 **SECTION 2. (1) The Legislative Assembly finds that an adequate supply of land dedicated**  
6 **to affordable housing and planned and zoned to protect the land's use for affordable housing**  
7 **over the long term is necessary for the economic prosperity of Oregon communities.**

8 **(2) The Land Conservation and Development Commission shall adopt or amend statewide**  
9 **land use planning goals or rules and initiate other programs as necessary to:**

10 **(a) Encourage local governments to provide an adequate supply of land within urban**  
11 **growth boundaries that is dedicated to affordable housing pursuant to this section;**

12 **(b) Encourage the development of affordable housing on land dedicated to affordable**  
13 **housing pursuant to this section; and**

14 **(c) Protect land dedicated to affordable housing pursuant to this section from conversion**  
15 **to other uses before or after the development of affordable housing.**

16 **(3) Notwithstanding the presence within an urban growth boundary of a 20-year supply**  
17 **of buildable lands for housing, the commission by rule may:**

18 **(a) Establish a process for amending urban growth boundaries that expedites amend-**  
19 **ments initiated at any time to include land dedicated to affordable housing pursuant to this**  
20 **section.**

21 **(b) Require that land included within an urban growth boundary pursuant to this section:**

22 **(A) Remain available for affordable housing over the long term; and**

23 **(B) Be planned and zoned to limit uses that convert affordable housing to other uses.**

24 **(c) Notwithstanding the priority for inclusion of land under ORS 197.298, authorize the**  
25 **inclusion within an urban growth boundary under this section of land dedicated to affordable**  
26 **housing that is:**

27 **(A) Adjacent to the urban growth boundary; and**

28 **(B) Served, or capable of being served within six months to one year, by transportation**  
29

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 facilities, sewer and water service and other public facilities that are necessary for the de-  
2 velopment of affordable housing.

3 (d) Authorize land dedicated to affordable housing pursuant to this section to be exempt  
4 from the 20-year supply of buildable lands established by ORS 197.296 and the statewide  
5 planning goal pertaining to urbanization.

6 (4) A local government may exclude undeveloped land within an urban growth boundary  
7 that is dedicated to affordable housing pursuant to this section from the buildable lands in-  
8 ventory.

9 (5) A local government that amends its urban growth boundary pursuant to this section  
10 to facilitate the development of affordable housing:

11 (a) Shall ensure that housing developed on these lands continues to be used to provide  
12 affordable housing through:

13 (A) Zoning restrictions;

14 (B) Guaranteed rental rates or sales prices;

15 (C) Regulations, provisions or conditions such as those described in ORS 197.309 (2); or

16 (D) Other regulations, provisions or conditions determined by the local government to  
17 be effective in maintaining the affordability of housing on land dedicated to that purpose  
18 pursuant to this section.

19 (b) May authorize a mix of affordable housing and other housing types on a site, provided  
20 the percentage of affordable housing units developed on the site meets or exceeds a per-  
21 centage required by rules of the commission.

22 (6) Except under exceptional circumstances determined by rules of the commission, if  
23 land is included within an urban growth boundary to provide for affordable housing, a local  
24 government may not rezone that land to allow a use other than the use allowed pursuant to  
25 this section.

26 (7) The commission shall define “affordable housing,” taking into consideration regional  
27 factors and issues including, but not limited to, the benefits and burdens of rental housing  
28 versus home ownership and issues related to government assisted housing and mobile home  
29 parks.

30 (8) This section does not authorize a local government to convert land within an urban  
31 growth boundary that is planned for needed housing to other uses due to the inclusion of  
32 land for affordable housing pursuant to this section.

33 **SECTION 3.** ORS 197.298 is amended to read:

34 197.298. (1) In addition to any requirements established by rule addressing urbanization, land  
35 may not be included within an urban growth boundary except under the following priorities:

36 (a) First priority is land that is designated urban reserve land under ORS 195.145, rule or met-  
37 ropolitan service district action plan.

38 (b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of  
39 land needed, second priority is land adjacent to an urban growth boundary that is identified in an  
40 acknowledged comprehensive plan as an exception area or nonresource land. Second priority may  
41 include resource land that is completely surrounded by exception areas unless such resource land  
42 is high-value farmland as described in ORS 215.710.

43 (c) If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the  
44 amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247  
45 (1991 Edition).

1 (d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the  
 2 amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan  
 3 for agriculture or forestry, or both.

4 (2) Higher priority shall be given to land of lower capability as measured by the capability  
 5 classification system or by cubic foot site class, whichever is appropriate for the current use.

6 (3) Land of lower priority under subsection (1) of this section may be included in an urban  
 7 growth boundary if land of higher priority is found to be inadequate to accommodate the amount  
 8 of land estimated in subsection (1) of this section for one or more of the following reasons:

9 (a) Specific types of identified land needs cannot be [*reasonably*] accommodated **reasonably** on  
 10 higher priority lands;

11 (b) Future urban services could not [*reasonably*] be provided **reasonably** to the higher priority  
 12 lands due to topographical or other physical constraints; or

13 (c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion  
 14 of lower priority lands in order to include or to provide services to higher priority lands.

15 **(4) Subsections (1) to (3) of this section do not apply to limit inclusion in an urban growth**  
 16 **boundary of land dedicated to affordable housing under section 2 of this 2007 Act.**

17 **SECTION 4.** ORS 197.309 is amended to read:

18 197.309. (1) Except as provided in [*subsection (2)*] **subsections (2) and (3)** of this section, a [*city,*  
 19 *county or metropolitan service district*] **local government** may not adopt a land use regulation or  
 20 functional plan provision, or impose as a condition for approving a permit under ORS 215.427 or  
 21 227.178, a requirement that has the effect of establishing the sales price for a housing unit or resi-  
 22 dential building lot or parcel, or that requires a housing unit or residential building lot or parcel  
 23 to be designated for sale to any particular class or group of purchasers.

24 (2) [*Nothing in this section is intended to*] **Subsection (1) of this section does not** limit the  
 25 authority of a [*city, county or metropolitan service district*] **local government** to adopt or enforce a  
 26 land use regulation, functional plan provision or condition of approval creating or implementing an  
 27 incentive, contract commitment, density bonus or other voluntary regulation, provision or condition  
 28 designed to increase the supply of moderate or lower cost housing units.

29 **(3) Subsection (1) of this section does not apply to regulations, provisions or conditions**  
 30 **adopted by a local government that are intended to establish and maintain affordable housing**  
 31 **pursuant to section 2 of this 2007 Act.**

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