

HB 4015-11  
(LC 121)  
2/24/20 (RLM/ps)

Requested by HOUSE COMMITTEE ON RULES (at the request of Representative Tina Kotek,  
Representative Akasha Lawrence Spence)

**PROPOSED AMENDMENTS TO  
HOUSE BILL 4015**

1 In line 2 of the printed bill, after “housing;” insert “creating new pro-  
2 visions; amending ORS 197.290 and 197.299 and sections 7 and 22, chapter 640,  
3 Oregon Laws 2019;”.

4 Delete lines 4 through 7 and insert:

5 **“SECTION 1. (1) As used in this section:**

6 **“(a) ‘Accessory dwelling unit’ has the meaning given that term in**  
7 **ORS 215.501.**

8 **“(b) ‘ADU community pilot program’ means one or more programs**  
9 **established, implemented and operated by a nonprofit organization to**  
10 **invest in developing accessory dwelling units for eligible homeowners**  
11 **and available for lease by eligible tenants.**

12 **“(c) ‘Area median income’ has the meaning given that term in ORS**  
13 **458.610.**

14 **“(d) ‘Eligible homeowner’ means a person or household that owns**  
15 **and resides in a home and has an income at or below the area median**  
16 **income.**

17 **“(e) ‘Eligible tenant’ means a person or household with an income**  
18 **that is below 60 percent of the area median income.**

19 **“(f) ‘Nonprofit organization’ means an organization or group of or-**  
20 **ganizations that is described in section 501(c)(3) of the Internal Reve-**  
21  **nue Code and is exempt from income tax under section 501(a) of the**

1 **Internal Revenue Code.**

2 **“(2) The Housing and Community Services Department shall pro-**  
3 **vide a grant to a nonprofit organization to fund ADU community pilot**  
4 **programs developed by the organization or its subgrantees that must:**

5 **“(a) Assess the suitability of an eligible homeowner’s property for**  
6 **siting and construction of an accessory dwelling unit;**

7 **“(b) Provide or assist with the financing, documentation, siting,**  
8 **construction and cleanup of an accessory dwelling unit on an eligible**  
9 **homeowner’s property;**

10 **“(c) Identify, screen and enter into lease agreements with eligible**  
11 **tenants who will reside in accessory dwelling units developed under**  
12 **the program on an eligible homeowner’s property;**

13 **“(d) Provide professional property management services for the el-**  
14 **igible homeowner; and**

15 **“(e) Require that eligible homeowners maintain the accessory**  
16 **dwelling units as affordable to eligible tenants for a period of no less**  
17 **than 10 years.**

18 **“(3) The nonprofit organization receiving a grant under subsection**  
19 **(2) of this section may distribute grant funds to subgrantees that are**  
20 **nonprofit organizations for ADU community pilot programs described**  
21 **in subsection (2) of this section.**

22 **“(4) Upon being awarded a grant under this section, the grant re-**  
23 **cipient shall enter into an agreement with the department that:**

24 **“(a) Indicates the purposes for which the grant funds may be used;**

25 **“(b) Includes the repayment provisions set forth in subsection (5)**  
26 **of this section;**

27 **“(c) Permits the department to conduct audits and monitoring of**  
28 **the grant recipient regarding the purposes for which grant funds have**  
29 **been used; and**

30 **“(d) Requires the grant recipient to report on the use of funds in a**

1 manner described by the department.

2 “(5)(a) The grant recipient shall repay to the department, in whole  
3 or in part, grant funds received under this section, to the extent that:

4 “(A) The grant recipient does not use the grant funds in accordance  
5 with the provisions of the grant agreement executed between the de-  
6 partment and the grant recipient under subsection (4) of this section;  
7 or

8 “(B) The Director of the Housing and Community Services Depart-  
9 ment determines that the grant recipient must repay all or part of the  
10 grant funds on grounds of misappropriation, fraud or similar reasons  
11 after monitoring the grant recipient’s operations and conducting an  
12 administrative hearing under ORS 183.413 to 183.470.

13 “(b) Funds received by the department under this subsection shall  
14 be paid into the State Treasury and credited to the General Housing  
15 Account created under ORS 458.620.

16 “SECTION 2. Section 1 of this 2020 Act is repealed on January 2,  
17 2022.

18 “SECTION 3. No later than September 15, 2023, the Housing and  
19 Community Services Department shall provide a report to an appro-  
20 priate interim committee of the Legislative Assembly in the manner  
21 provided under ORS 192.245 on the ADU community pilot programs  
22 established under section 1 of this 2020 Act, including the amounts  
23 expended and information reported by the grant recipient.

24 “SECTION 4. Section 5 of this 2020 Act is added to and made a part  
25 of ORS 197.286 to 197.314.

26 “SECTION 5. (1) At least once every six years, by a date scheduled  
27 by the Land Conservation and Development Commission, a city that  
28 is within a metropolitan service district and has a population greater  
29 than 10,000 shall:

30 “(a) Inventory the supply of buildable lands within the city and de-

1 **termine the housing capacity of the buildable lands; and**

2 **“(b) Conduct an analysis of the city’s existing and projected needed**  
3 **housing and statewide planning goals and rules related to housing by**  
4 **type, mix and density range to determine the number of units and**  
5 **amount of land needed for each needed housing type for the next 20**  
6 **years.**

7 **“(2) The housing capacity and needed housing analysis conducted**  
8 **under this section must be adopted as part of the city’s comprehensive**  
9 **plan no later than one year after completion of the needed housing**  
10 **analysis.**

11 **“(3) If the housing capacity and needed housing analysis conducted**  
12 **under this section demonstrate a housing need, the city shall amend**  
13 **its comprehensive plan or land use regulations to include new meas-**  
14 **ures that demonstrably increase the likelihood that development of**  
15 **needed housing will occur for the type, mix and densities sufficient to**  
16 **accommodate needed housing for the next 20 years.**

17 **“SECTION 6.** ORS 197.290 is amended to read:

18 **“197.290. (1) A city with a population greater than 10,000 shall develop**  
19 **and adopt a housing production strategy under this section no later than one**  
20 **year after[.]**

21 **“[(a)] the city’s deadline for completing a housing capacity analysis under**  
22 **ORS 197.296 (2)(a)[;] or (10)(b) or section 5 of this 2020 Act.**

23 **“[(b) *The city’s deadline for completing a housing capacity analysis under***  
24 ***ORS 197.296 (10)(b); or]***

25 **“[(c) *A date scheduled by the Land Conservation and Development Com-***  
26 ***mission following the allocation of housing capacity to the city by a metropol-***  
27 ***itan service district under ORS 197.299 (2)(d).]***

28 **“(2) A housing production strategy must include a list of specific actions,**  
29 **including the adoption of measures and policies, that the city shall undertake**  
30 **to promote development within the city to address a housing need identified**

1 under ORS 197.296 (6)(b) [*for the most recent 20-year period described in ORS*  
2 *197.296 (2)(b)*] **or (10)(b) or section 5 of this 2020 Act**. Actions under this  
3 subsection may include:

4 “(a) The reduction of financial and regulatory impediments to developing  
5 needed housing, including removing or easing approval standards or proce-  
6 dures for needed housing at higher densities or that is affordable;

7 “(b) The creation of financial and regulatory incentives for development  
8 of needed housing, including creating incentives for needed housing at higher  
9 densities or that is affordable; and

10 “(c) The development of a plan to access resources available at local, re-  
11 gional, state and national levels to increase the availability and affordability  
12 of needed housing.

13 “(3) In creating a housing production strategy, a city shall review and  
14 consider:

15 “(a) Socioeconomic and demographic characteristics of households living  
16 in existing needed housing;

17 “(b) Market conditions affecting the provision of needed housing;

18 “(c) Measures already adopted by the city to promote the development of  
19 needed housing;

20 “(d) Existing and expected barriers to the development of needed housing;  
21 and

22 “(e) For each action the city includes in its housing production strategy:

23 “(A) The schedule for its adoption;

24 “(B) The schedule for its implementation;

25 “(C) Its expected magnitude of impact on the development of needed  
26 housing; and

27 “(D) The time frame over which it is expected to impact needed housing.

28 “(4) The housing production strategy must include within its index a copy  
29 of the city’s most recently completed survey under ORS 456.586 (2).

30 “(5) The adoption of a housing production strategy is not a land use de-

1 cision and is not subject to appeal or review except as provided in ORS  
2 197.291.

3 **“SECTION 7.** ORS 197.299 is amended to read:

4 “197.299. (1) A metropolitan service district organized under ORS chapter  
5 268 shall complete the inventory, determination and analysis required under  
6 ORS 197.296 (3) not later than six years after completion of the previous in-  
7 ventory, determination and analysis.

8 “(2)(a) The metropolitan service district shall take such action as neces-  
9 sary under ORS 197.296 (6)(a) to accommodate one-half of a 20-year buildable  
10 land supply determined under ORS 197.296 (3) within one year of completing  
11 the analysis.

12 “(b) The metropolitan service district shall take all final action under  
13 ORS 197.296 (6)(a) necessary to accommodate a 20-year buildable land supply  
14 determined under ORS 197.296 (3) within two years of completing the analy-  
15 sis.

16 “(c) The metropolitan service district shall take action under ORS 197.296  
17 (6)(b), within one year after the analysis required under ORS 197.296 (3)(b)  
18 is completed, to provide sufficient buildable land within the urban growth  
19 boundary to accommodate the estimated housing needs for 20 years from the  
20 time the actions are completed.

21 “(d) The metropolitan service district shall consider and adopt new  
22 measures that the governing body deems appropriate under ORS 197.296  
23 (6)(b). *[and shall allocate any housing capacity that is not accommodated un-  
24 der this section to be accommodated by the application of ORS 197.296 (6)(b)  
25 by cities within the metropolitan service district with a population greater than  
26 10,000.]*

27 “[*(e) Cities to which housing capacity is allocated under paragraph (d) of  
28 this subsection shall take steps, at least once every six years as scheduled by  
29 the Land Conservation and Development Commission, to demonstrably increase  
30 the likelihood that residential development will occur at densities sufficient to*

1 *accommodate housing needs for the next 20 years as required by ORS 197.296*  
2 *(6)(b).]*

3 “(3) The commission may grant an extension to the time limits of sub-  
4 section (2) of this section if the Director of the Department of Land Con-  
5 servation and Development determines that the metropolitan service district  
6 has provided good cause for failing to meet the time limits.

7 “(4)(a) The metropolitan service district shall establish a process to ex-  
8 pand the urban growth boundary to accommodate a need for land for a public  
9 school that cannot reasonably be accommodated within the existing urban  
10 growth boundary. The metropolitan service district shall design the process  
11 to:

12 “(A) Accommodate a need that must be accommodated between periodic  
13 analyses of urban growth boundary capacity required by subsection (1) of  
14 this section; and

15 “(B) Provide for a final decision on a proposal to expand the urban  
16 growth boundary within four months after submission of a complete appli-  
17 cation by a large school district as defined in ORS 195.110.

18 “(b) At the request of a large school district, the metropolitan service  
19 district shall assist the large school district to identify school sites required  
20 by the school facility planning process described in ORS 195.110. A need for  
21 a public school is a specific type of identified land need under ORS 197.298  
22 (3).

23 “(5) Three years after completing its most recent demonstration of suffi-  
24 cient buildable lands under ORS 197.296, a metropolitan service district may,  
25 on a single occasion, revise the determination and analysis required as part  
26 of the demonstration for the purpose of considering an amendment to the  
27 metropolitan service district’s urban growth boundary, provided:

28 “(a) The metropolitan service district has entered into an intergovern-  
29 mental agreement and has designated rural reserves and urban reserves un-  
30 der ORS 195.141 and 195.145 with each county located within the district;

1 “(b) The commission has acknowledged the rural reserve and urban re-  
2 serve designations described in paragraph (a) of this subsection;

3 “(c) One or more cities within the metropolitan service district have  
4 proposed a development that would require expansion of the urban growth  
5 boundary;

6 “(d) The city or cities proposing the development have provided evidence  
7 to the metropolitan service district that the proposed development would  
8 provide additional needed housing to the needed housing included in the  
9 most recent determination and analysis;

10 “(e) The location chosen for the proposed development is adjacent to the  
11 city proposing the development; and

12 “(f) The location chosen for the proposed development is located within  
13 an area designated and acknowledged as an urban reserve.

14 “(6)(a) If a metropolitan service district, after revising its most recent  
15 determination and analysis pursuant to subsection (5) of this section, con-  
16 cludes that an expansion of its urban growth boundary is warranted, the  
17 metropolitan service district may take action to expand its urban growth  
18 boundary in one or more locations to accommodate the proposed develop-  
19 ment, provided the urban growth boundary expansion does not exceed a total  
20 of 1,000 acres.

21 “(b) A metropolitan service district that expands its urban growth  
22 boundary under this subsection:

23 “(A) Must adopt the urban growth boundary expansion not more than  
24 four years after completing its most recent demonstration of sufficient  
25 buildable lands under ORS 197.296; and

26 “(B) Is exempt from the boundary location requirements described in the  
27 statewide land use planning goals relating to urbanization.

28 “**SECTION 8.** Section 7, chapter 640, Oregon Laws 2019, is amended to  
29 read:

30 “**Sec. 7.** No later than December 31, [2019] **2020**, the Land Conservation



1 and Development Commission shall adopt a schedule by which metropolitan  
2 service districts and cities described in ORS 197.296 (2)(a)(B) and (10)(c)(B)  
3 **and section 5 of this 2020 Act** shall demonstrate sufficient buildable lands.  
4 Dates in the schedule may not be earlier than two years following the  
5 commission's creation of rules implementing [*sections 4 to 6 of this 2019*  
6 *Act*] **ORS 197.290, 197.291 and 197.293** and the amendments to ORS 197.296  
7 and 197.299 by sections [8] **8a** and 9 [*of this 2019 Act*], **chapter 640, Oregon**  
8 **Laws 2019.**

9 **SECTION 9.** Section 22, chapter 640, Oregon Laws 2019, is amended to  
10 read:

11 **"Sec. 22.** In addition to and not in lieu of any other appropriation, there  
12 is appropriated to the Department of Land Conservation and Development,  
13 for the biennium beginning July 1, 2019, out of the General Fund, the amount  
14 of \$1,000,000, to provide:

15 **"(1)** Technical assistance to local governments to implement [*sections 4*  
16 *to 6 and 15 of this 2019 Act*] **ORS 197.290, 197.291, 197.293 and 197.779** and  
17 the amendments to ORS 197.296, 197.299, 197.303, 197.319, 197.320, 215.416,  
18 215.441, 227.175, [*and*] 227.500 and [*section 1, chapter 47, Oregon Laws 2018,*]  
19 **456.586** by sections [8] **8a, 9, 10a and 11** to 13 and 17 to 20, **chapter 640,**  
20 **Oregon Laws 2019; and** [*of this 2019 Act.*]

21 **"(2)** Technical assistance to local governments to increase the  
22 **affordability and availability of housing within their jurisdictions.**

23 **SECTION 10.** In addition to and not in lieu of any other appropri-  
24 **ation, there is appropriated to the Housing and Community Services**  
25 **Department, for the biennium ending June 30, 2021, out of the General**  
26 **Fund, the amount of \$960,000, to award a grant under section 1 (2) of**  
27 **this 2020 Act to the Hacienda Community Development Corporation."**

28 In line 8, delete "2" and insert "11".

29