

D R A F T

SUMMARY

Establishes Oregon Housing Needs Analysis within Housing and Community Services Department. Establishes timeline by which department must adopt rules and implement analysis components.

Amends land use requirements for local governments related to urbanization, including requiring Metro to adopt housing coordination strategy and allowing cities outside of Metro to adopt rural reserves. Requires Land Conservation and Development Commission to adopt or amend implementing rules by January 1, 2026.

A BILL FOR AN ACT

1
2 Relating to housing development; creating new provisions; amending ORS
3 94.536, 195.033, 195.036, 195.060, 195.141, 195.143, 195.145, 195.300, 197.015,
4 197.286, 197.290, 197.291, 197.293, 197.296, 197.297, 197.298, 197.299, 197.302,
5 197.303, 197.304, 197.307, 197.313, 197.480, 197.522, 197.637, 197.764, 197.831,
6 197A.300, 197A.305, 197A.310, 197A.312, 197A.320, 215.457, 215.501, 270.005,
7 456.586, 466.055 and 527.755 and sections 6 and 9, chapter 552, Oregon
8 Laws 2021; and repealing ORS 197.178, 197.766, 197A.405, 197A.407,
9 197A.409, 197A.411 and 197A.413.

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

OREGON HOUSING NEEDS ANALYSIS

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14 **SECTION 1. Sections 2 to 6 of this 2023 Act are added to and made**
15 **a part of ORS 197.286 to 197.314.**

16 **SECTION 2. (1) There is established within the Housing and Com-**
17 **munity Services Department the Oregon Housing Needs Analysis,**

1 **consisting of five components as follows:**

- 2 **(a) The housing analysis under section 3 (1) of this 2023 Act;**
- 3 **(b) The housing need allocation under section 3 (2) of this 2023 Act;**
- 4 **(c) The production targets under section 4 of this 2023 Act;**
- 5 **(d) The housing production dashboard under section 5 of this 2023**
- 6 **Act; and**
- 7 **(e) The housing equity indicator under section 6 of this 2023 Act.**

8 **(2)(a) The department shall adopt rules setting forth the methodol-**
9 **ogy, process and timing for conducting and updating each component**
10 **of the Oregon Housing Needs Analysis under sections 2 to 6 of this 2023**
11 **Act.**

12 **(b) The department must review the rules under this section and**
13 **amend or repeal the rules within one year following the completion**
14 **of each federal decennial census.**

15 **(3)(a) Actions taken by the department under sections 2 to 6 of this**
16 **2023 Act are not subject to ORS 197.180 and are not land use decisions.**

17 **(b) The Department of State Lands and the Oregon Department of**
18 **Administrative Services shall assist the Housing and Community Ser-**
19 **vices Department in the department's duties under sections 2 to 6 of**
20 **this 2023 Act.**

21 **SECTION 3. (1) On an annual basis the Housing and Community**
22 **Services Department shall conduct a statewide housing analysis. The**
23 **analysis shall include a statewide count or estimate, segmented re-**
24 **gionally, of:**

- 25 **(a) Existing housing units;**
- 26 **(b) Currently needed housing units;**
- 27 **(c) Vacant housing units, including units occupied entirely by per-**
28 **sons who have a usual residence elsewhere, such as units used for**
29 **vacation occupancies or second homes;**
- 30 **(d) Current housing underproduction; and**
- 31 **(e) Anticipated changes during the next 20 years of housing need.**

1 **(2)(a) At the time the department performs the housing analysis**
2 **under subsection (1) of this section, the department shall allocate for**
3 **the areas outside of the urban growth boundary for each county and**
4 **for each urban growth boundary except for Metro, the total housing**
5 **need that it must plan for.**

6 **(b) In making an allocation under this section, the department shall**
7 **consider the forecasted population growth under ORS 195.033 or**
8 **195.036, forecasted regional job growth, an equitable statewide distrib-**
9 **ution of housing for varying income levels under subsection (3)(c) of**
10 **this section and the information collected or estimated under this**
11 **section.**

12 **(3) In counting, estimating, calculating or allocating housing need**
13 **under this section, the department shall:**

14 **(a) Include individuals experiencing homelessness;**

15 **(b) Consider vacant housing units; and**

16 **(c) Segment need by the following family income levels:**

17 **(A) Extremely low income, meaning less than 30 percent of median**
18 **family income;**

19 **(B) Very low income, meaning 30 percent or more and less than 60**
20 **percent of median family income;**

21 **(C) Low income, meaning 60 percent or more and less than 80 per-**
22 **cent of median family income;**

23 **(D) Moderate income, meaning 80 percent or more and less than 120**
24 **percent of median family income; and**

25 **(E) High income, meaning 120 percent or more of median family**
26 **income.**

27 **SECTION 4. (1) On an annual basis the Housing and Community**
28 **Services Department shall establish housing production targets for**
29 **each city with a population greater than 10,000.**

30 **(2) The targets must be for six years for cities inside of Metro and**
31 **for eight years for cities outside of Metro.**

1 (3) The targets must be separated into subsidized affordable housing
2 and total housing.

3 **SECTION 5.** (1) On an annual basis the Housing and Community
4 Services Department shall update a publicly available statewide hous-
5 ing production dashboard.

6 (2) The dashboard shall include, for each city with a housing pro-
7 duction target under section 4 of this 2023 Act:

8 (a) Progress toward subsidized affordable and total housing targets
9 developed; and

10 (b) A comparative analysis of progress in comparison to the region
11 and other local governments with similar market typologies.

12 (3) Information in the dashboard must be based on:

13 (a) Inventory of publicly supported housing, as defined in ORS
14 456.250, that is maintained by the department; and

15 (b) Information submitted to the department under section 31 (3)
16 of this 2023 Act.

17 **SECTION 6.** (1) On a periodic basis the Housing and Community
18 Services Department shall update a publicly available statewide hous-
19 ing equity indicator.

20 (2) The indicator shall include, to the extent that the department
21 can locate or estimate the data, for each city of a population greater
22 than 10,000:

23 (a) Housing outcomes, such as cost burden, tenure, housing condi-
24 tion for various demographics, including race or ethnicity, disability
25 status, English proficiency, and age;

26 (b) Information on housing types produced and overall land effi-
27 ciency of housing production;

28 (c) Accessibility and visitability of existing and new housing stock;

29 (d) Information related to risk of gentrification and displacement;

30 (e) Housing segregation by race and income;

31 (f) Factors that affect climate and natural hazards resiliency; and

1 (g) Other measurable factors or indicators identified by the depart-
2 ment.

3 **SECTION 7. The Housing and Community Services Department**
4 **shall:**

5 (1) No later than January 1, 2025, adopt initial rules under section
6 2 of this 2023 Act.

7 (2) No later than July 1, 2025, conduct the initial housing analysis
8 and housing allocation under section 3 of this 2023 Act.

9 (3) No later than January 1, 2026:

10 (a) Establish the initial housing production targets under section 4
11 of this 2023 Act;

12 (b) Publish the housing production dashboard under section 5 of
13 this 2023 Act; and

14 (c) Publish a housing equity indicator under section 6 of this 2023
15 Act.

16 **SECTION 8. In addition to and not in lieu of any other appropri-**
17 **ation, there is appropriated to the Housing and Community Services**
18 **Department, for the biennium beginning July 1, 2023, out of the Gen-**
19 **eral Fund, the amount of \$1, to adopt rules and to develop and perform**
20 **the Oregon Housing Needs Analysis under sections 2 to 6 of this 2023**
21 **Act.**

22
23 **URBANIZATION GENERALLY**
24

25 **SECTION 9. (1) In adopting rules under ORS 197.286 to 197.314, or**
26 **implementing statewide planning rules related to housing or**
27 **urbanization, the Land Conservation and Development Commission**
28 **may approve a range of methodologies, calculations or assumptions**
29 **that a local government may adopt in determining:**

30 (a) Needed housing;

31 (b) Housing production strategies or housing capacity strategies;

1 (c) **Buildable lands or housing capacity;**

2 (d) **Amendments to urban growth boundaries, including under ORS**
3 **197.296 (6)(a), 197.299, 197.764 and 197A.300 to 197A.325 and section 16**
4 **(5)(a) of this 2023 Act; or**

5 (e) **Adoption or amendments to urban or rural reserves under ORS**
6 **195.137 to 195.145.**

7 (2) **A person may not challenge a local government’s amendment**
8 **to a land use regulation or comprehensive plan based on a claim that**
9 **the local government should have used a better methodology, calcu-**
10 **lation, assumption or information if the local government has relied**
11 **on:**

12 (a) **A methodology, calculation or assumption adopted under sub-**
13 **section (1) of this section;**

14 (b) **Information produced by the Oregon Housing Needs Analysis**
15 **under sections 2 to 6 of this 2023 Act; or**

16 (c) **A population forecast under ORS 195.033 or 195.036.**

17 **SECTION 10. (1) On or before January 1, 2026, the Land Conserva-**
18 **tion and Development Commission shall adopt rules and amendments**
19 **to rules related to urbanization to implement ORS 197.286 to 197.314 to**
20 **provide greater flexibility, options and certainty for local governments**
21 **amending urban growth boundaries or adopting comprehensive plan**
22 **amendments and land use regulations to support their housing pro-**
23 **duction strategies.**

24 (2) **In adopting rules under this section, the commission shall pri-**
25 **oritize:**

26 (a) **Facilitating the adoption and acknowledgement of urban growth**
27 **boundary amendments, urban growth boundary exchanges or urban**
28 **reserves to support accommodating needed housing;**

29 (b) **Reducing analytical burden, minimizing procedural redundancy**
30 **and increasing legal certainty for local jurisdictions pursuing urban**
31 **growth boundary amendments, urban growth boundary exchanges or**

1 **urban reserves, especially for smaller cities, consistent with the ap-**
2 **propriate protection of resource lands;**

3 **(c) Increasing clarity on how a local jurisdiction can sufficiently**
4 **complete urbanization-related analyses and demonstrate consistency**
5 **with statute and administrative rule; and**

6 **(d) Supporting coordinated public facilities planning, annexation,**
7 **and comprehensive plan amendments to facilitate the development of**
8 **lands brought into the urban growth boundary.**

9 **(3) In adopting rules under this section to implement housing pro-**
10 **duction strategies under ORS 197.290, 197.291 or 197.293, the commis-**
11 **sion shall:**

12 **(a) Consult with the Housing and Community Services Department,**
13 **Department of Transportation, Department of Environmental Quality,**
14 **Department of State Lands, Oregon Health Authority and Oregon**
15 **Business Development Department;**

16 **(b) Provide clear parameters on the types and extent of measures**
17 **needed or allowed under ORS 197.290 (3) that are consistent with the**
18 **technical and resource capacities of varying sized jurisdictions; and**

19 **(c) Prioritize the following considerations:**

20 **(A) Recognizing actions on housing already taken by local govern-**
21 **ments in response to the rules of the commission implementing ORS**
22 **197.758 and the Governor's executive order regarding climate change;**

23 **(B) Increasing housing diversity, efficiency and affordability, in-**
24 **cluding new construction and the preservation of naturally occurring**
25 **affordable housing;**

26 **(C) Enhancing flexibility in housing choice and location;**

27 **(D) Reducing cost or delay and increasing procedural certainty for**
28 **the production of housing; and**

29 **(E) Preparing land for development or redevelopment, including:**

30 **(i) Public facilities planning and other investment strategies that**
31 **increase the development-readiness of land for housing production;**

1 (ii) Site preparation, financial incentives or other incentive-based
2 measures that increase the likelihood of development or redevelop-
3 ment of land; and

4 (iii) The redevelopment of underutilized commercial and employ-
5 ment lands for housing or a mix of housing and commercial uses.

6 **SECTION 11.** In addition to and not in lieu of any other appropri-
7 ation, there is appropriated to the Land Conservation and Develop-
8 ment Commission, for the biennium beginning July 1, 2023, out of the
9 General Fund, the amount of \$1,000,000, to adopt rules under section
10 10 of this 2023 Act.

11 **SECTION 12.** ORS 197.286, as amended by section 5, chapter 54, Oregon
12 Laws 2022, is amended to read:

13 197.286. As used in ORS 197.286 to 197.314 and 197.475 to 197.490:

14 (1) **“Allocated housing need” means the housing need allocated to**
15 **a city under section 3 (2) of this 2023 Act as segmented under section**
16 **3 (3) of this 2023 Act.**

17 [(1)] (2) **“Buildable lands” means lands in urban and urbanizable areas**
18 **that are suitable, available and necessary for [residential uses. “Buildable**
19 **lands” includes] the development of needed housing over a 20-year**
20 **planning period, including both vacant land and developed land likely to**
21 **be redeveloped.**

22 (3) **“Cities with a population greater than 10,000” includes unincor-**
23 **porated urbanized areas within the Metro urban growth boundary.**

24 [(2)] (4) **“Government assisted housing” means housing that is financed**
25 **in whole or part by either a federal or state housing agency or a housing**
26 **authority as defined in ORS 456.005, or housing that is occupied by a tenant**
27 **or tenants who benefit from rent supplements or housing vouchers provided**
28 **by either a federal or state housing agency or a local housing authority.**

29 (5) **“Housing capacity” means the number of needed housing units**
30 **anticipated to be developed on buildable lands based on the land’s**
31 **zoning and capacity for density.**

1 (a) At periodic review pursuant to ORS 197.628 to 197.651;

2 (b) On a schedule established by the Land Conservation and Devel-
3 opment Commission for cities with a population greater than 10,000,
4 not to exceed once each eight years;

5 (c) At any other legislative review of the comprehensive plan that
6 requires the application of a statewide planning goal related to
7 buildable lands for residential use; or

8 (d) At the election of a city with a population less than 10,000.

9 (3) A city shall, according to rules of the commission:

10 (a) Determine its needed housing under section 17 of this 2023 Act;

11 (b) Inventory the supply of buildable lands available within the ur-
12 ban growth boundary to accommodate needed housing; and

13 (c) Take any necessary action described in ORS 197.290 (3), whether
14 or not the actions are described within the city's housing production
15 strategy, to accommodate needed housing.

16 SECTION 16. (1) This section applies only to local governments with
17 jurisdiction over lands inside the urban growth boundary of:

18 (a) Cities located outside of Metro with a population greater than
19 25,000; and

20 (b) Cities that the Land Conservation and Development Commission
21 determines should be included, based on the size of the city, the rate
22 of population growth of the city or the proximity of the city to another
23 city with a population of 25,000 or more or to Metro.

24 (2) A local government shall determine its needed housing under
25 section 17 of this 2023 Act and inventory its buildable lands and de-
26 termine the lands' housing capacity under this section:

27 (a) At periodic review under ORS 197.628 to 197.651;

28 (b) As scheduled by the commission at least once each eight years;
29 or

30 (c) At any other legislative review of the comprehensive plan that
31 concerns the urban growth boundary and requires the application of

1 a statewide planning goal related to buildable lands for residential use.

2 (3)(a) For the purpose of the inventory of supply of buildable lands
3 and the determination of housing capacity the local government shall
4 consider:

5 (A) The extent that residential development is prohibited or re-
6 stricted by local regulation and ordinance, state law and rule or fed-
7 eral statute and regulation;

8 (B) A written long term contract or easement for radio, telecom-
9 munications or electrical facilities, if the written contract or easement
10 is provided to the local government; and

11 (C) The presence of a single family dwelling or other structure on
12 a lot or parcel.

13 (b) Except for land that may be used for residential infill or rede-
14 velopment, a local government shall create a map or document that
15 may be used to verify and identify specific lots or parcels that have
16 been determined to be buildable lands.

17 (4)(a) Except as provided in paragraphs (b) and (c) of this sub-
18 section, the determination of housing capacity must be based on data
19 related to land within the urban growth boundary that has been col-
20 lected since the last review under subsection (2)(b) of this section. The
21 data must include:

22 (A) The number, density and average mix of housing types of urban
23 residential development that have actually been developed;

24 (B) Trends in density and average mix of housing types of urban
25 residential development;

26 (C) Market factors that may substantially impact future urban
27 residential development;

28 (D) The number, density and average mix of housing types that
29 have been developed on the buildable lands described in subsection
30 (3)(a) of this section;

31 (E) Consideration of the effects of the housing production strategy

1 and measures taken and reasonability anticipated to be taken to im-
2 plement the strategy; and

3 (F) Consideration of factors that influence available housing supply,
4 including short-term rentals, second homes and vacation homes.

5 (b) A local government shall make the determination described in
6 paragraph (a) of this subsection using a shorter time period than the
7 time period described in paragraph (a) of this subsection if the local
8 government finds that the shorter time period will provide more ac-
9 curate and reliable data related to housing capacity. The shorter time
10 period may not be less than three years.

11 (c) A local government shall use data from a wider geographic area
12 or use a time period longer than the time period described in para-
13 graph (a) of this subsection if the analysis of a wider geographic area
14 or the use of a longer time period will provide more accurate, complete
15 and reliable data related to trends affecting housing need than an
16 analysis performed pursuant to paragraph (a) of this subsection. The
17 local government must clearly describe the geographic area, time
18 frame and source of data used in a determination performed under this
19 paragraph.

20 (5) If the needed housing is greater than the housing capacity the
21 local government shall take one or both of the following actions to
22 accommodate allocated housing need for the next 20 years:

23 (a) Amend its urban growth boundary to include sufficient buildable
24 lands to accommodate housing needs for the next 20 years consistent
25 with the requirements of ORS 197A.320 and statewide planning goals.
26 As part of this process, the local government shall consider the effects
27 of actions taken pursuant to paragraph (b) of this subsection. The
28 amendment must include sufficient land reasonably necessary to ac-
29 commodate the siting of new public school facilities. The need and
30 inclusion of lands for new public school facilities must be a coordi-
31 nated process between the affected public school districts and the local

1 **government that has the authority to approve the urban growth**
2 **boundary.**

3 **(b) Take any action under ORS 197.290 (3), whether or not the action**
4 **was described in an approved housing production strategy, anticipated**
5 **to change housing capacity to produce additional needed housing.**
6 **Actions under this paragraph may include amending a comprehensive**
7 **plan or land use regulations to include new measures that**
8 **demonstrably increase the likelihood that residential development will**
9 **occur at densities sufficient to accommodate needed housing for the**
10 **next 20 years without expansion of the urban growth boundary.**

11 **(6) A local government that takes any actions under subsection (5)**
12 **of this section shall:**

13 **(a) Demonstrate that the comprehensive plan and land use regu-**
14 **lations comply with goals and rules adopted by the commission.**

15 **(b) Adopt findings regarding the changes in housing capacity as-**
16 **sumed to result from actions adopted based on data collected under**
17 **subsection (4)(a) of this section. The density expectations may not**
18 **project an increase in residential capacity above achieved density by**
19 **more than three percent without quantifiable validation of such de-**
20 **partures. A quantifiable validation must demonstrate that the as-**
21 **sumed housing capacity has been achieved in areas that are zoned to**
22 **allow no greater than the same authorized density level, as defined in**
23 **ORS 227.175, within the local government's jurisdiction or a jurisdic-**
24 **tion in the same region.**

25 **(c) In establishing that actions adopted under subsection (5) of this**
26 **section demonstrably increase housing capacity, ensure that buildable**
27 **lands are in locations appropriate for needed housing, are zoned at**
28 **density ranges that are likely to be achieved by the housing market**
29 **and are in areas where sufficient urban services are planned to enable**
30 **the higher density development to occur over the 20-year period.**

31 **SECTION 17. (1) As used in sections 15 and 16 of this 2023 Act,**

1 **“needed housing” means housing by type, density and affordability**
2 **level, as described in section 3 (3) of this 2023 Act, necessary to ac-**
3 **commodate the local government’s housing need over a 20-year plan-**
4 **ning period. “Needed housing” includes the following housing types:**

5 (a) **Detached single-family housing, middle housing types as de-**
6 **scribed in ORS 197.758 and multifamily housing that is owned or**
7 **rented;**

8 (b) **Government assisted housing;**

9 (c) **Mobile home or manufactured dwelling parks as provided in ORS**
10 **197.475 to 197.490;**

11 (d) **Manufactured homes on individual lots planned and zoned for**
12 **single-family residential use that are in addition to lots within desig-**
13 **nated manufactured dwelling subdivisions;**

14 (e) **Housing for agricultural workers;**

15 (f) **Housing for individuals with a variety of disabilities, related to**
16 **mobility or communications that require accessibility features;**

17 (g) **Housing for older persons, as defined in ORS 659A.421; and**

18 (h) **Housing for college or university students, if relevant to the**
19 **region.**

20 (2) **When a local government is required to inventory its buildable**
21 **lands under section 15 or 16 of this 2023 Act, the local government shall**
22 **determine its needed housing.**

23 (3) **Subsection (1)(a) and (d) of this section does not apply to:**

24 (a) **A city with a population of less than 2,500.**

25 (b) **A county with a population of less than 15,000.**

26 (4) **The determination of needed housing shall include, for each**
27 **housing type:**

28 (a) **The total number of units needed;**

29 (b) **The average anticipated household sizes;**

30 (c) **The average anticipated land use density; and**

31 (d) **The estimated demographic proportions of occupying house-**

1 **holds.**

2 **SECTION 18.** ORS 197A.320 is amended to read:

3 197A.320. (1) [*Notwithstanding the priority in ORS 197.298 for inclusion*
4 *of land within an urban growth boundary,*] A city outside of Metro shall
5 comply with this section when determining which lands to include within the
6 urban growth boundary of the city, **including when amending an urban**
7 **growth boundary under ORS** [*pursuant to ORS 197.286 to 197.314,*] 197A.310
8 or 197A.312 **or section 16 (5)(a) of this 2023 Act.**

9 (2) The Land Conservation and Development Commission shall provide,
10 by rule, that:

11 (a) When evaluating lands for inclusion within the urban growth bound-
12 ary, the city shall establish a study area that includes all land that is con-
13 tiguous to the urban growth boundary and within a distance specified by
14 commission.

15 (b) The city shall evaluate all land in the study area for inclusion in the
16 urban growth boundary as provided in subsection (4) of this section, except
17 for land excluded from the study area because:

18 (A) It is impracticable, as provided in subsection (3) of this section, to
19 provide necessary public facilities or services to the land.

20 (B) The land is subject to significant development hazards, including a
21 risk of land slides, a risk of flooding because the land is within the 100-year
22 floodplain or is subject to inundation during storm surges or tsunamis, and
23 other risks determined by the commission.

24 (C) The long-term preservation of significant scenic, natural, cultural or
25 recreational resources requires limiting or prohibiting urban development of
26 the land that contains the resources.

27 (D) The land is owned by the federal government and managed primarily
28 for rural uses.

29 **(E) The land is designated as rural reserve under ORS 195.137 to**
30 **195.145.**

31 (c) When evaluating the priority of land for inclusion under paragraph (b)

1 of this subsection:

2 (A) The city shall evaluate the land within the study area that is desig-
3 nated as an urban reserve under ORS 195.145 in an acknowledged compre-
4 hensive plan[.].

5 **(B) If the amount of land appropriate for selection under subpara-**
6 **graph (A) of this paragraph is not sufficient to satisfy the need for the**
7 **land, the city shall evaluate the** land that is subject to an acknowledged
8 exception under ORS 197.732 or land that is nonresource land and select as
9 much of the land as necessary to satisfy the need for land using criteria es-
10 tablished by the commission and criteria in an acknowledged comprehensive
11 plan and land use regulations.

12 [(B)] (C) If the amount of land appropriate for selection under [*subpara-*
13 *graph (A)] subparagraphs (A) and (B)* of this paragraph is not sufficient
14 to satisfy the need for land, the city shall evaluate the land within the study
15 area that is designated as marginal land under ORS 197.247 (1991 Edition)
16 in the acknowledged comprehensive plan and select as much of the land as
17 necessary to satisfy the need for land using criteria established by the com-
18 mission and criteria in an acknowledged comprehensive plan and land use
19 regulations.

20 [(C)] (D) If the amount of land appropriate for selection under subpara-
21 graphs (A) [*and (B)*] **to (C)** of this paragraph is not sufficient to satisfy the
22 amount of land needed, the city shall evaluate land within the study area
23 that is designated for agriculture or forest uses in the acknowledged com-
24 prehensive plan that is not predominantly high-value farmland, as defined in
25 ORS 195.300, or does not consist predominantly of prime or unique soils, as
26 determined by the United States Department of Agriculture Natural Re-
27 sources Conservation Service, and select as much of that land as necessary
28 to satisfy the need for land:

29 (i) Using criteria established by the commission and criteria in an ac-
30 knowledged comprehensive plan and land use regulations; and

31 (ii) Using the predominant capability classification system or the pre-

1 dominant cubic site class, as appropriate for the acknowledged comprehen-
2 sive plan designation, to select lower capability or cubic site class lands
3 first.

4 [(D)] (E) If the amount of land appropriate for selection under subpara-
5 graphs (A) to [(C)] (D) of this paragraph is not sufficient to satisfy the need
6 for land, the city shall evaluate land within the study area that is designated
7 as agricultural land in an acknowledged comprehensive plan and is predom-
8 inantly high value farmland and select as much of that land as necessary to
9 satisfy the need for land. A local government may not select land that is
10 predominantly made up of prime or unique farm soils, as defined by the
11 United States Department of Agriculture Natural Resources Conservation
12 Service, unless there is an insufficient amount of other land to satisfy its
13 land need.

14 (3) For purposes of subsection (2)(b)(A) of this section, the commission
15 shall determine impracticability by rule, considering the likely amount of
16 development that could occur on the lands within the planning period, the
17 likely cost of facilities and services, physical, topographical or other imped-
18 iments to service provision and whether urban development has occurred on
19 similarly situated lands such that it is likely that the lands will be developed
20 at an urban level during the planning period. When impracticability is pri-
21 marily a result of existing development patterns, the rules of the commission
22 shall require that the lands be included within the study area, but may allow
23 the development capacity forecast for the lands to be specified at a lower
24 level over the planning period. The rules of the commission must be based
25 on an evaluation of how similarly situated lands have, or have not, developed
26 over time.

27 (4) For purposes of subsection (2)(b)(C) of this section, the commission by
28 rule shall determine the circumstances in which and the resources to which
29 this exclusion will apply.

30 (5) Notwithstanding subsection [(2)(c)(D)] (2)(c)(E) of this section, the
31 rules must allow land that would otherwise be excluded from an urban

1 growth boundary to be included if:

2 (a) The land contains a small amount of resource land that is not impor-
3 tant to the commercial agricultural enterprise in the area and the land must
4 be included to connect a nearby and significantly larger area of land of
5 higher priority for inclusion within the urban growth boundary; or

6 (b) The land contains a small amount of resource land that is not pre-
7 dominantly high-value farmland or predominantly made up of prime or
8 unique farm soils and the land is completely surrounded by land of higher
9 priority for inclusion into the urban growth boundary.

10 (6) When the primary purpose for expansion of the urban growth bound-
11 ary is to accommodate a particular industry use that requires specific site
12 characteristics, or to accommodate a public facility that requires specific site
13 characteristics and the site characteristics may be found in only a small
14 number of locations, the city may limit the study area to land that has, or
15 could be improved to provide, the required site characteristics. Lands in-
16 cluded within an urban growth boundary for a particular industrial use, or
17 a particular public facility, must remain planned and zoned for the intended
18 use:

19 (a) Except as allowed by rule of the commission that is based on a sig-
20 nificant change in circumstance or the passage of time; or

21 (b) Unless the city removes the land from within the urban growth
22 boundary.

23 (7) Notwithstanding any other provision of this section, the commission
24 may adopt rules that specify circumstances under which a city may exchange
25 land within the urban growth boundary of the city for land that is outside
26 of the urban growth boundary and that is designed to avoid adverse effects
27 of an exchange on agricultural or forest operations in the surrounding area.

28

29

METRO URBANIZATION

30

31 **SECTION 19.** ORS 197.296 is amended to read:

1 197.296. (1) **This section applies only to Metro.**

2 [(1)(a) *The provisions of subsections (2) to (9) of this section apply to met-*
3 *ropolitan service district regional framework plans and local government com-*
4 *prehensive plans for lands within the urban growth boundary of a city that is*
5 *located outside of a metropolitan service district and has a population of 25,000*
6 *or more.*]

7 [(b) *The Land Conservation and Development Commission may establish a*
8 *set of factors under which additional cities are subject to the provisions of this*
9 *section. In establishing the set of factors required under this paragraph, the*
10 *commission shall consider the size of the city, the rate of population growth*
11 *of the city or the proximity of the city to another city with a population of*
12 *25,000 or more or to a metropolitan service district.*]

13 (2)(a) [A local government] **Metro** shall demonstrate that its [*comprehen-*
14 *sive plan or*] regional framework plan provides sufficient buildable lands
15 within the urban growth boundary established pursuant to statewide plan-
16 ning goals to accommodate estimated housing needs for 20 years:

17 (A) At periodic review under ORS 197.628 to 197.651;

18 (B) As scheduled by the **Land Conservation and Development**
19 **Commission**[:]

20 [*i*] *at least once each eight years for local governments that are not within*
21 *a metropolitan service district; or*]

22 [*ii*] *at least once each six years [for a metropolitan service district]; or*

23 (C) At any other legislative review of the [*comprehensive plan or*] regional
24 framework plan that concerns the urban growth boundary and requires the
25 application of a statewide planning goal relating to buildable lands for resi-
26 dential use.

27 (b) The 20-year period shall commence on the date initially scheduled for
28 completion of the review under paragraph (a) of this subsection.

29 (3) In performing the duties under subsection (2) of this section, [*a local*
30 *government*] **Metro** shall:

31 (a) Inventory the supply of buildable lands within the urban growth

1 boundary and determine the housing capacity of the buildable lands; and

2 (b) Conduct an analysis of existing and projected housing need by type
3 and density range, in accordance with all factors under ORS 197.303 and
4 statewide planning goals and rules relating to housing, to determine the
5 number of units and amount of land needed for each needed housing type for
6 the next 20 years.

7 (4)(a) For the purpose of the inventory described in subsection (3)(a) of
8 this section, “buildable lands” includes:

9 (A) Vacant lands planned or zoned for residential use;

10 (B) Partially vacant lands planned or zoned for residential use;

11 (C) Lands that may be used for a mix of residential and employment uses
12 under the existing planning or zoning; and

13 (D) Lands that may be used for residential infill or redevelopment.

14 (b) For the purpose of the inventory and determination of housing ca-
15 pacity described in subsection (3)(a) of this section, [*the local government*]
16 **Metro** must demonstrate consideration of:

17 (A) The extent that residential development is prohibited or restricted by
18 local regulation and ordinance, state law and rule or federal statute and
19 regulation;

20 (B) A written long term contract or easement for radio, telecommuni-
21 cations or electrical facilities, if the written contract or easement is provided
22 to [*the local government; and*] **Metro**;

23 (C) The presence of a single family dwelling or other structure on a lot
24 or parcel[.]; **and**

25 **(D) Factors that influence available housing supply, including**
26 **short-term rentals, second homes and vacation homes.**

27 (c) Except for land that may be used for residential infill or redevelop-
28 ment, [*a local government*] **Metro** shall create a map or document that may
29 be used to verify and identify specific lots or parcels that have been deter-
30 mined to be buildable lands.

31 (5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the

1 determination of housing capacity pursuant to subsection (3)(a) of this sec-
2 tion must be based on data relating to land within the urban growth
3 boundary that has been collected since the last review under subsection
4 (2)(a)(B) of this section. The data shall include:

5 (A) The number, density and average mix of housing types of urban resi-
6 dential development that have actually occurred;

7 (B) Trends in density and average mix of housing types of urban resi-
8 dential development;

9 (C) Market factors that may substantially impact future urban residential
10 development; and

11 (D) The number, density and average mix of housing types that have oc-
12 curred on the buildable lands described in subsection (4)(a) of this section.

13 (b) [A *local government*] **Metro** shall make the determination described
14 in paragraph (a) of this subsection using a shorter time period than the time
15 period described in paragraph (a) of this subsection if the local government
16 finds that the shorter time period will provide more accurate and reliable
17 data related to housing capacity. The shorter time period may not be less
18 than three years.

19 (c) [A *local government*] **Metro** shall use data from a wider geographic
20 area or use a time period longer than the time period described in paragraph
21 (a) of this subsection if the analysis of a wider geographic area or the use
22 of a longer time period will provide more accurate, complete and reliable
23 data relating to trends affecting housing need than an analysis performed
24 pursuant to paragraph (a) of this subsection. [The *local government*] **Metro**
25 must clearly describe the geographic area, time frame and source of data
26 used in a determination performed under this paragraph.

27 (6) If the housing need determined pursuant to subsection (3)(b) of this
28 section is greater than the housing capacity determined pursuant to sub-
29 section (3)(a) of this section, [the *local government*] **Metro** shall take one or
30 both of the following actions to accommodate the additional housing need:

31 (a) Amend its urban growth boundary to include sufficient buildable lands

1 to accommodate housing needs for the next 20 years. As part of this process,
2 [*the local government*] **Metro** shall consider the effects of measures taken
3 pursuant to paragraph (b) of this subsection. The amendment shall include
4 sufficient land reasonably necessary to accommodate the siting of new public
5 school facilities. The need and inclusion of lands for new public school fa-
6 cilities shall be a coordinated process between the affected public school
7 districts and [*the local government*] **Metro** that has the authority to approve
8 the urban growth boundary.

9 (b) Amend its [*comprehensive plan,*] regional framework plan, functional
10 plan or land use regulations to include new measures **or take any actions**
11 **allowed under section 23 (4) of this 2023 Act, whether or not the actions**
12 **are included within Metro’s housing coordination strategy**, that
13 demonstrably increase the likelihood that residential development will occur
14 at densities sufficient to accommodate housing needs for the next 20 years
15 without expansion of the urban growth boundary. [*A local government or*
16 *metropolitan service district that*] **If Metro** takes this action, **Metro** shall
17 adopt findings regarding the density expectations assumed to result from
18 measures adopted under this paragraph based upon the factors listed in ORS
19 197.303 (2) and data in subsection (5)(a) of this section. The density expecta-
20 tions may not project an increase in residential capacity above achieved
21 density by more than three percent without quantifiable validation of such
22 departures. [*For a local government located outside of a metropolitan service*
23 *district, a quantifiable validation must demonstrate that the assumed housing*
24 *capacity has been achieved in areas that are zoned to allow no greater than*
25 *the same authorized density level within the local jurisdiction or a jurisdiction*
26 *in the same region. For a metropolitan service district,*] A quantifiable vali-
27 dation must demonstrate that the assumed housing capacity has been
28 achieved in areas **within Metro** that are zoned to allow no greater than the
29 same authorized density level, **as defined in ORS 227.175** [*within the met-*
30 *ropolitan service district*].

31 [(c) As used in this subsection, “authorized density level” has the meaning

1 *given that term in ORS 227.175.]*

2 (7) Using the housing need analysis conducted under subsection (3)(b) of
3 this section, [*the local government*] **Metro** shall determine the overall aver-
4 age density and overall mix of housing types at which residential develop-
5 ment of needed housing types must occur in order to meet housing needs over
6 the next 20 years. If that density is greater than the actual density of de-
7 velopment determined under subsection (5)(a)(A) of this section, or if that
8 mix is different from the actual mix of housing types determined under sub-
9 section (5)(a)(A) of this section, [*the local government*] **Metro**, as part of its
10 periodic review, shall adopt measures that demonstrably increase the likeli-
11 hood that residential development will occur at the housing types and den-
12 sity and at the mix of housing types required to meet housing needs over the
13 next 20 years.

14 (8)(a) [*A local government outside a metropolitan service district that*] **If**
15 **Metro** takes any actions under subsection (6) or (7) of this section, **Metro**
16 shall demonstrate that the comprehensive plan and land use regulations
17 comply with goals and rules adopted by the commission and implement ORS
18 197.286 to 197.314.

19 (b) [*A local government*] **Metro** shall determine the density and mix of
20 housing types anticipated as a result of actions taken under subsections (6)
21 and (7) of this section and monitor and record the actual density and mix
22 of housing types achieved following the adoption of these actions. [*The local*
23 *government*] **Metro** shall compare actual and anticipated density and mix.
24 [*The local government*] **Metro** shall submit its comparison to the commission
25 at the next review of its urban growth boundary under subsection (2)(a) of
26 this section.

27 (9) In establishing that actions and measures adopted under subsections
28 (6) and (7) of this section demonstrably increase the likelihood of higher
29 density residential development, [*the local government*] **Metro** shall at a
30 minimum ensure that land zoned for needed housing is in locations appro-
31 priate for the housing types identified under subsection (3) of this section,

1 is zoned at density ranges that are likely to be achieved by the housing
2 market using the analysis in subsection (3) of this section and is in areas
3 where sufficient urban services are planned to enable the higher density de-
4 velopment to occur over the 20-year period. Actions or measures, or both,
5 may include *[but are not limited to:]* **those actions listed in section 23 (4)**
6 **of this 2023 Act.**

7 *[(a) Increases in the permitted density on existing residential land;]*

8 *[(b) Financial incentives for higher density housing;]*

9 *[(c) Provisions permitting additional density beyond that generally allowed*
10 *in the zoning district in exchange for amenities and features provided by the*
11 *developer;]*

12 *[(d) Removal or easing of approval standards or procedures;]*

13 *[(e) Minimum density ranges;]*

14 *[(f) Redevelopment and infill strategies;]*

15 *[(g) Authorization of housing types not previously allowed by the plan or*
16 *regulations;]*

17 *[(h) Adoption of an average residential density standard; and]*

18 *[(i) Rezoning or redesignation of nonresidential land.]*

19 *[(10)(a) The provisions of this subsection apply to local government com-*
20 *prehensive plans for lands within the urban growth boundary of a city that is*
21 *located outside of a metropolitan service district and has a population of less*
22 *than 25,000.]*

23 *[(b) As required under paragraph (c) of this subsection, a city shall, ac-*
24 *cording to rules of the commission:]*

25 *[(A) Determine the estimated housing needs within the jurisdiction for the*
26 *next 20 years;]*

27 *[(B) Inventory the supply of buildable lands available within the urban*
28 *growth boundary to accommodate the estimated housing needs determined un-*
29 *der this subsection; and]*

30 *[(C) Adopt measures necessary to accommodate the estimated housing needs*
31 *determined under this subsection.]*

1 [(c) *The actions required under paragraph (b) of this subsection shall be*
2 *undertaken.*]

3 [(A) *At periodic review pursuant to ORS 197.628 to 197.651;*]

4 [(B) *On a schedule established by the commission for cities with a popu-*
5 *lation greater than 10,000, not to exceed once each eight years; or]*

6 [(C) *At any other legislative review of the comprehensive plan that requires*
7 *the application of a statewide planning goal relating to buildable lands for*
8 *residential use.*]

9 [(d) *For the purpose of the inventory described in this subsection,*
10 *“buildable lands” includes those lands described in subsection (4)(a) of this*
11 *section.*]

12 [(11) *If a city with a population of 10,000 or less conducts an inventory of*
13 *the supply of buildable lands or an estimate of housing need, it must satisfy*
14 *the requirements of subsection (10) of this section.*]

15 **SECTION 20.** ORS 197.303 is amended to read:

16 197.303. (1) As used in ORS [~~197.286 to 197.314~~] **197.296 to 197.303**, “needed
17 housing” means all housing on land zoned for residential use or mixed resi-
18 dential and commercial use that is determined to meet the need shown for
19 housing within an urban growth boundary at price ranges and rent levels
20 that are affordable to households within the county with a variety of in-
21 comes, including but not limited to households with low incomes, very low
22 incomes and extremely low incomes, as those terms are defined by the United
23 States Department of Housing and Urban Development under 42 U.S.C.
24 1437a. “Needed housing” includes the following housing types:

25 (a) Attached and detached single-family housing, **middle housing types**
26 **as described in ORS 197.758** and multiple family housing for both owner
27 and renter occupancy;

28 (b) Government assisted housing;

29 (c) Mobile home or manufactured dwelling parks as provided in ORS
30 197.475 to 197.490;

31 (d) Manufactured homes on individual lots planned and zoned for single-

1 family residential use that are in addition to lots within designated manu-
2 factured dwelling subdivisions; *[and]*

3 (e) **Agriculture workforce** housing *[for farmworkers.]*;

4 (f) **Housing for individuals with a variety of disabilities related to**
5 **mobility or communications that require accessibility features;**

6 (g) **Housing for older persons, as defined in ORS 659A.421; and**

7 (h) **Housing for college or university students, if relevant to the**
8 **region.**

9 (2) For the purpose of estimating housing needs, as described in ORS
10 197.296 (3)(b), a *[local government]* **Metro** shall use the population projections
11 prescribed by ORS *[195.033 or]* 195.036 and shall consider and adopt findings
12 related to changes in each of the following factors since the last review un-
13 der ORS 197.296 (2)(a)(B) and the projected future changes in these factors
14 over a 20-year planning period:

15 (a) Household sizes;

16 (b) Household demographics;

17 (c) Household incomes;

18 (d) Vacancy rates; and

19 (e) Housing costs.

20 (3) *[A local government]* **Metro** shall make the estimate described in sub-
21 section (2) of this section using a shorter time period than since the last
22 review under ORS 197.296 (2)(a)(B) if *[the local government]* **Metro** finds that
23 the shorter time period will provide more accurate and reliable data related
24 to housing need. The shorter time period may not be less than three years.

25 (4) *[A local government]* **Metro** shall use data from a wider geographic
26 area or use a time period longer than the time period described in subsection
27 (2) of this section if the analysis of a wider geographic area or the use of a
28 longer time period will provide more accurate, complete and reliable data
29 relating to trends affecting housing need than an analysis performed pursu-
30 ant to subsection (2) of this section. *[The local government]* **Metro** must
31 clearly describe the geographic area, time frame and source of data used in

1 an estimate performed under this subsection.

2 (5) Subsection (1)(a) and (d) of this section does not apply to[:]

3 [(a)] a city with a population of less than 2,500.

4 [(b) *A county with a population of less than 15,000.*]

5 (6) A local government may take an exception under ORS 197.732 to the
6 definition of “needed housing” in subsection (1) of this section in the same
7 manner that an exception may be taken under the goals.

8

9 **HOUSING STRATEGIES**

10

11 **SECTION 21.** ORS 197.290 is amended to read:

12 197.290. (1) A city with a population greater than 10,000 shall develop and
13 adopt a housing production strategy under this section no later than one
14 year after the city’s deadline for completing a housing capacity analysis un-
15 der ORS [197.296 (2)(a) or (10)(b) or] 197.297 (1) **or section 15 (2) or 16 (2)**
16 **of this 2023 Act.**

17 (2) A housing production strategy must include a list of specific actions,
18 including the adoption of measures and policies, that the city shall undertake
19 to promote [*development within the city to address a housing need identified*
20 *under ORS 197.296 (6)(b) or (10)(b) or 197.297.*]:

21 (a) **The development of needed housing;**

22 (b) **The development and maintenance of housing that is of diverse**
23 **housing types, high-quality, physically accessible and affordable;**

24 (c) **Housing with access to economic opportunities, services and**
25 **amenities; and**

26 (d) **Development patterns that replace segregated housing patterns**
27 **with racially integrated housing and that transform racially and eth-**
28 **nically concentrated areas of poverty into areas of opportunity in**
29 **compliance with fair housing laws.**

30 (3) Actions [*under this subsection*] **constituting a housing production**
31 **strategy** may include:

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

4 (b) The creation of financial and regulatory incentives for development
5 of needed housing, including creating incentives for needed housing at higher
6 densities or that is affordable; [*and*]

7 (c) The development of a plan to access resources available at local, re-
8 gional, state and national levels to increase the availability and affordability
9 of needed housing[.];

10 **(d) Actions that would help prepare lands for development;**

11 **(e) Actions that would measure and improve the local city's effi-
12 ciency in approving permits to develop or redevelop needed housing;**

13 **(f) Amendments to the comprehensive plan or land use regulations
14 that would:**

15 **(A) Increase the permitted density on existing residential land;**

16 **(B) Permit additional density in exchange for amenities and fea-
17 tures provided by the developer;**

18 **(C) Encourage redevelopment and infill to generate additional
19 needed housing;**

20 **(D) Authorize additional needed housing types not previously al-
21 lowed;**

22 **(E) Adoption of an average residential density standard;**

23 **(F) Rezone or redesignate nonresidential land for residential uses
24 after giving consideration to the need to maintain the economic ben-
25 efits of industrial lands and the public benefits of park lands; or**

26 **(G) Simplify the process by which nonresidential lands may be re-
27 zoned to allow the development of needed housing; or**

28 **(g) Any other actions identified by rule of the Land Conservation
29 and Development Commission intended to promote the diversity,
30 affordability, quantity, quality, or speed or flexibility of development
31 of housing in a city.**

1 **(4) Actions proposed in a city’s housing production strategy shall**
2 **include clear deadlines by which the city expects to undertake the**
3 **action.**

4 [(3)] **(5)** In creating a housing production strategy, a city shall review and
5 consider:

6 (a) Socioeconomic and demographic characteristics of households living
7 in existing needed housing;

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

9 (c) Measures already adopted by the city to promote the development of
10 needed housing;

11 (d) Existing and expected barriers to the development of needed housing;
12 and

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

14 (A) The schedule for its adoption;

15 (B) The schedule for its implementation;

16 (C) Its expected magnitude of impact on the development of needed hous-
17 ing; and

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

19 [(4)] *The housing production strategy must include within its index a copy*
20 *of the city’s most recently completed survey under ORS 456.586 (2).]*

21 [(5)] **(6)** The adoption of a housing production strategy is not a land use
22 decision and is not subject to appeal or review except as provided in ORS
23 197.291.

24 [(6)] **(7)** A city with a population of 10,000 or less may develop a housing
25 production strategy as provided in this section.

26 **SECTION 22. Section 23 of this 2023 Act is added to and made a part**
27 **of ORS 197.296 to 197.303.**

28 **SECTION 23. (1) Metro shall develop and adopt a housing coordi-**
29 **nation strategy under this section no later than one year after the**
30 **deadline for completing a housing capacity analysis under ORS 197.296.**

31 **(2) Regional governments other than Metro, including counties or**

1 **intergovernmental entities described under ORS 190.003 to 190.130, may**
2 **adopt a housing coordination strategy as provided in this section.**

3 **(3) A housing coordination strategy must include a list of actions,**
4 **including the adoption of measures and policies or coordinating**
5 **actions among local governments and other entities within a region,**
6 **that the regional entity shall undertake to promote:**

7 **(a) The development of needed housing;**

8 **(b) The development and maintenance of housing that is of diverse**
9 **housing types, high-quality, physically accessible and affordable;**

10 **(c) Housing with access to economic opportunities, services and**
11 **amenities; and**

12 **(d) Development patterns that replace segregated housing patterns**
13 **with racially integrated housing and that transform racially and eth-**
14 **nically concentrated areas of poverty into areas of opportunity in**
15 **compliance with fair housing laws.**

16 **(4) Actions constituting a housing coordination strategy may in-**
17 **clude:**

18 **(a) The identification or coordination of resources that support the**
19 **production of needed housing, including funding, staff capacity or**
20 **technical support at the regional or state level;**

21 **(b) The identification of local or regional impediments to developing**
22 **needed housing, including financial, regulatory or capacity-related**
23 **constraints;**

24 **(c) Regional strategies that coordinate production of needed hous-**
25 **ing between local governments within a region and that are developed**
26 **in consultation with impacted local governments;**

27 **(d) The identification of specific actions that cities in the region**
28 **may consider as part of a housing production strategy under ORS**
29 **197.290; and**

30 **(e) Any other actions identified by rule of the Land Conservation**
31 **and Development Commission that may promote the quantity or**

1 **quality of developed housing in the region.**

2 **(5) A housing coordination strategy does not include changes to the**
3 **amount of buildable lands under ORS 197.296.**

4 **(6) In creating a housing coordination strategy, a regional govern-**
5 **ment shall review and consider:**

6 **(a) Socioeconomic and demographic characteristics of households**
7 **living in existing needed housing;**

8 **(b) Market conditions affecting the provision of needed housing;**

9 **(c) Measures already implemented by the regional entity to promote**
10 **the development of needed housing;**

11 **(d) Existing and expected barriers to the planning or development**
12 **of needed housing; and**

13 **(e) For each action the regional entity includes in its housing pro-**
14 **duction strategy:**

15 **(A) The schedule for its adoption, if applicable;**

16 **(B) The schedule for its implementation, if applicable;**

17 **(C) Its expected magnitude of impact on the development of needed**
18 **housing; and**

19 **(D) The time frame over which it is expected to impact needed**
20 **housing.**

21 **(7) The adoption of a housing coordination strategy is not a land**
22 **use decision and is not subject to appeal or review except as provided**
23 **in ORS 197.291.**

24 **SECTION 24.** ORS 197.291 is amended to read:

25 197.291. (1) No later than 20 days after a city's adoption or amendment
26 of a housing production strategy under ORS 197.290, a city shall submit the
27 adopted strategy or amended strategy to the Department of Land Conserva-
28 tion and Development.

29 (2) The submission under subsection (1) of this section must include
30 copies of:

31 (a) The signed decision adopting the housing production strategy or

1 amended strategy;

2 (b) The text of the housing production strategy clearly indicating any
3 amendments to the most recent strategy submitted under this section;

4 (c) A brief narrative summary of the housing production strategy; and

5 (d) The information reviewed and considered under ORS 197.293 (2).

6 (3) On the same day the city submits notice of the housing production
7 strategy or amended strategy, the city shall provide a notice to persons that
8 participated in the proceedings that led to the adoption of the strategy and
9 requested notice in writing.

10 (4) Within 10 days of receipt of the submission under subsection (1) of this
11 section, the department shall provide notice to persons described under ORS
12 197.615 (3).

13 (5) The notices given under subsections (3) and (4) of this section must
14 state:

15 (a) How and where materials described in subsection (2) of this section
16 may be freely obtained;

17 (b) That comments on the strategy may be submitted to the department
18 within 45 days after the department has received the submission; and

19 (c) That there is no further right of appeal.

20 (6) Based upon criteria adopted by the Land Conservation and Develop-
21 ment Commission, including any criteria adopted under ORS 197.293 (2), the
22 department shall, within 120 days after receiving the submission under sub-
23 section (1) of this section:

24 (a) Approve the housing production strategy;

25 (b) Approve the housing production strategy, subject to further review
26 and actions under ORS 197.293 (2); or

27 (c) Remand the housing production strategy for further modification as
28 identified by the department.

29 (7) A determination by the department under subsection (6) of this section
30 is not a land use decision and is final and not subject to appeal.

31 **(8) A city's amendment to a comprehensive plan or adoption of a**

1 **land use regulation is not subject to review, including under ORS**
2 **197.610 to 197.625, for compliance with a statewide land use planning**
3 **goal related to transportation or economic development if the amend-**
4 **ment or adoption is included within a housing production strategy that**
5 **has been approved under subsection (6) of this section.**

6 **SECTION 25.** ORS 197.293 is amended to read:

7 197.293. (1) The Land Conservation and Development Commission, in
8 consultation with the Housing and Community Services Department, shall
9 adopt criteria for reviewing and identifying cities with a population greater
10 than 10,000 that have not sufficiently:

- 11 (a) Achieved production of needed housing within their jurisdiction; or
12 (b) Implemented a housing production strategy adopted under ORS
13 197.290.

14 (2) The criteria adopted by the commission under subsection (1) of this
15 section may include the *[city's]* **local government's**:

16 (a) Unmet housing *[need as described in ORS 197.296 (6)]* **production**
17 **targets as described in section 4 of this 2023 Act;**

18 (b) Unmet housing *[need]* **production targets** in proportion to the city's
19 population;

20 (c) Percentage of households identified as severely rent burdened as de-
21 scribed in ORS 456.586;

22 (d) Recent housing development;

23 (e) Recent adoption of a housing production strategy under ORS 197.290
24 or adoption of actions pursuant to a housing production strategy;

25 (f) Recent or frequent previous identification by the Department of Land
26 Conservation and Development under this section; or

27 (g) Other attributes that the commission considers relevant.

28 (3) The Department of Land Conservation and Development may review
29 cities under the criteria adopted under subsection (2) of this section for the
30 purposes of prioritizing actions by the department, including:

- 31 (a) Awarding available technical or financial resources;

1 (b) Providing enhanced review and oversight of the city's housing pro-
2 duction strategy;

3 (c) Requiring a report and explanation if a city does not implement an
4 action within the approximate time frame scheduled within a housing pro-
5 duction strategy;

6 (d) Entering into agreements with the city relating to the city's modifi-
7 cation or implementation of its housing production strategy; or

8 (e) Petitioning the commission to act under ORS 197.319 to 197.335 to re-
9 quire the city to comply with ORS 197.286 to 197.314 or statewide land use
10 planning goals related to housing or urbanization.

11

12

URBAN AND RURAL RESERVES

13

14 **SECTION 26.** ORS 195.141 is amended to read:

15 195.141. (1) A county and a [*metropolitan service district established under*
16 *ORS chapter 268*] **city with a population greater than 10,000 or a county**
17 **and Metro** may enter into an intergovernmental agreement pursuant to ORS
18 190.003 to 190.130, 195.025 or 197.652 to 197.658 to designate rural reserves
19 pursuant to this section [*and*] **at the same time as designating** urban re-
20 serves pursuant to ORS 195.145 (1)[*(b)*].

21 (2) Land designated as a rural reserve:

22 (a) Must be outside an urban growth boundary.

23 (b) May not be designated as an urban reserve during the urban reserve
24 planning period described in ORS 195.145 (4).

25 (c) May not be included within an urban growth boundary during the
26 period of time described in paragraph (b) of this subsection.

27 (3) When designating a rural reserve under this section to provide long-
28 term protection to the agricultural industry, [*a county and a metropolitan*
29 *service district shall base the designation*] **the designation must be based**
30 on consideration of factors including, but not limited to, whether land pro-
31 posed for designation as a rural reserve:

1 (a) Is situated in an area that is otherwise potentially subject to
2 urbanization during the period described in subsection (2)(b) of this section,
3 as indicated by proximity to the urban growth boundary and to properties
4 with fair market values that significantly exceed agricultural values;

5 (b) Is capable of sustaining long-term agricultural operations;

6 (c) Has suitable soils and available water where needed to sustain long-
7 term agricultural operations; and

8 (d) Is suitable to sustain long-term agricultural operations, taking into
9 account:

10 (A) The existence of a large block of agricultural or other resource land
11 with a concentration or cluster of farms;

12 (B) The adjacent land use pattern, including its location in relation to
13 adjacent nonfarm uses and the existence of buffers between agricultural op-
14 erations and nonfarm uses;

15 (C) The agricultural land use pattern, including parcelization, tenure and
16 ownership patterns; and

17 (D) The sufficiency of agricultural infrastructure in the area.

18 **(4) Designation and protection of rural reserves pursuant to this**
19 **section or urban reserves pursuant to ORS 195.145 (1):**

20 **(a) Is not a basis for a claim for compensation under ORS 195.305**
21 **unless the designation and protection of rural reserves or urban re-**
22 **serves imposes a new restriction on the use of private real property.**

23 **(b) Does not impair the rights and immunities provided under ORS**
24 **30.930 to 30.947.**

25 [(4)] **(5)** The Land Conservation and Development Commission shall[, *after*
26 *consultation*] **consult** with the State Department of Agriculture[, *adopt by*
27 *goal or by rule a process and criteria for designating rural reserves pursuant*
28 *to this section*] **in adopting, amending or repealing rules under this**
29 **section.**

30 **SECTION 27.** ORS 195.145 is amended to read:

31 195.145. (1) To ensure that the supply of land available for urbanization

1 is maintained:

2 (a) Local governments may cooperatively designate lands outside urban
3 growth boundaries as urban reserves subject to ORS 197.610 to 197.625 and
4 197.626.

5 (b) Alternatively, [*a metropolitan service district established under ORS*
6 *chapter 268*] **Metro** and a county may enter into a written agreement pursu-
7 ant to ORS 190.003 to 190.130, 195.025 or 197.652 to 197.658 to designate urban
8 reserves. A process and criteria developed pursuant to this paragraph are an
9 alternative to a process or criteria adopted pursuant to paragraph (a) of this
10 subsection.

11 (2)[(a)] The Land Conservation and Development Commission may require
12 a local government to designate [*an urban reserve*] **urban reserves** pursuant
13 to subsection (1)(a) of this section during its periodic review in accordance
14 with the conditions for periodic review under ORS 197.628.

15 [(b) *Notwithstanding paragraph (a) of this subsection, the commission may*
16 *require a local government to designate an urban reserve pursuant to sub-*
17 *section (1)(a) of this section outside of its periodic review if:]*

18 [(A) *The local government is located inside a Primary Metropolitan Sta-*
19 *tistical Area or a Metropolitan Statistical Area as designated by the Federal*
20 *Census Bureau upon November 4, 1993; and]*

21 [(B) *The local government has been required to designate an urban reserve*
22 *by rule prior to November 4, 1993.]*

23 (3) In carrying out subsections (1) and (2) of this section:

24 (a) Within an urban reserve, [*neither the commission nor any*] **a** local
25 government [*shall*] **may not** prohibit the siting on a legal parcel of a single
26 family dwelling that would otherwise have been allowed under law existing
27 prior to designation as an urban reserve.

28 (b) The commission shall provide to local governments a list of options,
29 rather than prescribing a single planning technique, to ensure the efficient
30 transition from rural to urban use in urban reserves.

31 (4) Urban reserves designated [*by a metropolitan service district and a*

1 *county pursuant to subsection (1)(b) of]* **under** this section must be planned
2 to accommodate population and employment growth for:

3 **(a) At least 40 years and not more than 50 years; or**

4 **(b) At least 20 years, and not more than 30 years, after the 20-year period**
5 **for which the district has [*demonstrated a buildable land supply in the most***
6 ***recent inventory, determination and analysis performed]* **inventoried**
7 **buildable lands under ORS 197.296 or section 15 or 16 of this 2023 Act.****

8 **(5) Urban reserves may be established at any time without regard**
9 **to a schedule under ORS 197.296 (2) or section 15 (2) or 16 (2) of this**
10 **2023 Act.**

11 *[(5)] (6) [A district and a county shall base]* The designation of urban re-
12 serves under *[subsection (1)(b) of]* this section **must be based** upon consid-
13 eration of factors including, but not limited to, whether land proposed for
14 designation as urban reserves, alone or in conjunction with land inside the
15 urban growth boundary:

16 (a) Can be developed at urban densities in a way that makes efficient use
17 of existing and future public infrastructure investments;

18 (b) Includes sufficient development capacity to support a healthy urban
19 economy;

20 (c) Can be served by public schools and other urban-level public facilities
21 and services efficiently and cost-effectively by appropriate and financially
22 capable service providers;

23 (d) Can be designed to be walkable and served by a well-connected system
24 of streets by appropriate service providers;

25 (e) Can be designed to preserve and enhance natural ecological systems;
26 and

27 (f) Includes sufficient land suitable for a range of housing types.

28 *[(6)] (7)* A county may take an exception under ORS 197.732 to a statewide
29 land use planning goal to allow the establishment of a transportation facility
30 in an area designated as urban reserve under *[subsection (1)(b) of]* this sec-
31 tion.

1 [(7)] (8) The commission shall adopt by goal or by rule a process and
2 criteria for designating urban reserves pursuant to [*subsection (1)(b) of*] this
3 section.

4 **SECTION 28. The amendments to ORS 195.141 and 195.145 by**
5 **sections 26 and 27 of this 2023 Act do not apply to urban reserves or**
6 **rural reserves that were acknowledged as of the effective date of this**
7 **2023 Act.**

8

9

LOCAL HOUSING REPORTS

10

11 **SECTION 29.** ORS 456.586 is amended to read:

12 456.586. (1) For purposes of this section[:]

13 [(a)] a household is severely rent burdened if the household spends more
14 than 50 percent of the income of the household on gross rent for housing.

15 [(b) *A regulated affordable unit is a residential unit subject to a regulatory*
16 *agreement that runs with the land and that requires affordability for an es-*
17 *tablished income level for a defined period of time.*]

18 (2)[(a)] The Housing and Community Services Department shall annually
19 provide to the governing body of each city in this state with a population
20 greater than 10,000 the most current data available from the United States
21 Census Bureau, or any other source the department considers at least as
22 reliable, showing the percentage of renter households in the city that are
23 severely rent burdened.

24 [(b) *The Department of Land Conservation and Development, in consulta-*
25 *tion with the Housing and Community Services Department, shall develop a*
26 *survey form on which the governing body of a city may provide specific infor-*
27 *mation related to the affordability of housing within the city, including the*
28 *actions relating to land use and other related matters that the city has taken*
29 *to encourage the development of needed housing, increase the affordability of*
30 *housing and reduce rent burdens for severely rent burdened households.*]

31 [(c) *The Department of Land Conservation and Development shall provide*

1 *the governing body of the city with the survey form developed pursuant to*
2 *paragraph (b) of this subsection.]*

3 *[(d) The governing body of the city shall return the completed survey form*
4 *to the Department of Land Conservation and Development at least 24 months*
5 *prior to a deadline for completing a housing production strategy under ORS*
6 *197.290.]*

7 (3)(a) In any year in which the governing body of a city is informed under
8 this section that at least 25 percent of the renter households in the city are
9 severely rent burdened, the governing body shall hold at least one public
10 meeting to discuss the causes and consequences of severe rent burdens within
11 the city, the barriers to reducing rent burdens and possible solutions.

12 (b) The Housing and Community Services Department may adopt rules
13 governing the conduct of the public meeting required under this subsection.

14 *[(4) No later than February 1 of each year, the governing body of each city*
15 *in this state with a population greater than 10,000 shall submit to the De-*
16 *partment of Land Conservation and Development a report for the immediately*
17 *preceding calendar year setting forth separately for each of the following cat-*
18 *egories the total number of units that were permitted and the total number that*
19 *were produced:]*

20 *[(a) Residential units.]*

21 *[(b) Regulated affordable residential units.]*

22 *[(c) Multifamily residential units.]*

23 *[(d) Regulated affordable multifamily residential units.]*

24 *[(e) Single-family homes.]*

25 *[(f) Regulated affordable single-family homes.]*

26 *[(g) Accessory dwelling units.]*

27 *[(h) Regulated affordable accessory dwelling units.]*

28 *[(i) Units of middle housing, as defined in ORS 197.758.]*

29 *[(j) Regulated affordable units of middle housing.]*

30 **SECTION 30. Sections 31 and 32 of this 2023 Act are added to and**
31 **made a part of ORS 197.286 to 197.314.**

1 **SECTION 31.** (1) No later than February 1 of each year, each city
2 with a population greater than 10,000 shall submit to the Department
3 of Land Conservation and Development a report for the immediately
4 preceding calendar year setting forth, for each of the following, the
5 total number of units that were permitted and the total number that
6 were produced:

7 (a) Total residential units, segmented by:

8 (A) Single-family homes.

9 (B) Accessory dwelling units.

10 (C) Units of middle housing.

11 (D) Multifamily residential units, not including middle housing.

12 (E) Units with accessibility features or of an accessibility category
13 as recognized by a building code established under ORS chapter 455.

14 (b) For each segment under paragraph (a)(A) to (E) of this sub-
15 section, the number of which that were subject to a recorded agree-
16 ment that runs with the land and that requires affordability for an
17 established income level for a defined period, but that would not be
18 included in the inventory of publicly supported housing described in
19 section 5 (3)(a) of this 2023 Act.

20 (2) The department, in consultation with the Housing and Commu-
21 nity Services Department, shall develop a format by which data re-
22 quired under this section must be submitted. The Department of Land
23 Conservation and Development shall provide a copy of any form or
24 notice of the format to each city required to provide a report.

25 (3) The department shall provide a copy of the data received under
26 this section to the Housing and Community Services Department by
27 July 1 of each year.

28 **SECTION 32.** Between 12 and 18 months before a city's deadline for
29 completing a housing capacity analysis under ORS 197.297 (1) or sec-
30 tion 15 (2) or 16 (2) of this 2023 Act, each city with a population greater
31 than 10,000 shall submit to the Department of Land Conservation and

1 **Development a report setting forth the actions that a city has taken**
2 **since its most recent housing capacity analysis to implement its**
3 **housing production strategy or to otherwise encourage the develop-**
4 **ment of needed housing, to increase the affordability of housing, to**
5 **reduce rent burdens or to otherwise meet the purposes of ORS 197.290**
6 **(2).**

7 **SECTION 33. ORS 197.178 is repealed.**

8

9 **POPULATION FORECAST**

10

11 **SECTION 34. ORS 195.033 is amended to read:**

12 195.033. (1) As used in this section, “affected local government” means:

13 (a) A city or county for which the Portland State University Population
14 Research Center is preparing a population forecast;

15 (b) A county that contains all or part of a city or an urban growth
16 boundary for which the center is preparing a population forecast; and

17 (c) A local service district, as defined in ORS 174.116, that includes ter-
18 ritory within the area subject to the population forecast.

19 (2) For the purpose of land use planning, the center shall issue a popu-
20 lation forecast for:

21 (a) Each county except Multnomah, Clackamas and Washington Counties;

22 (b) The portions of Multnomah, Clackamas and Washington Counties that
23 are not within Metro; and

24 (c) The area within each urban growth boundary other than the urban
25 growth boundary of Metro.

26 (3) A local government with land use jurisdiction over land for which the
27 center issues population forecasts under subsection (2) of this section shall
28 apply the current final population forecast when changing the comprehensive
29 plan or a land use regulation of the local government.

30 (4) The center shall issue population forecasts for each area described in
31 subsection (2) of this section not less than once every four years on a

1 schedule established by standards adopted by Portland State University in
2 consultation with the Department of Land Conservation and Development.

3 (5) When issuing a population forecast, the center shall:

4 (a) Consider and, if appropriate, incorporate available local data and in-
5 formation about local conditions received from representatives of local gov-
6 ernments and members of the public;

7 (b) Cause, directly or with the assistance of the Department of Land
8 Conservation and Development, the issuance of notice to all affected local
9 governments and to members of the public that have provided a written re-
10 quest for notice to the center; and

11 (c) Post the methodology and supporting data used to make the population
12 forecast on a publicly available website when the center causes notice to be
13 issued as described in paragraph (b) of this subsection.

14 (6) A population forecast must forecast population for a 50-year period
15 including:

16 (a) Forecasts for intervals, within the 50-year period, that are established
17 by standards adopted by Portland State University in consultation with the
18 Department of Land Conservation and Development; *[and]*

19 (b) Population cohorts as provided by standards adopted by the university
20 in consultation with the department[.];

21 **(c) Population data segmented by race, ethnicity and disability sta-**
22 **tus; and**

23 **(d) Segregated information for populations on tribal lands.**

24 (7) Within 45 days after the center issues a proposed population forecast
25 under this section, a member of the public or an affected local government
26 may file objections with the center. An objection must be supported by the
27 inclusion of data or information that supports the objection. If the center:

28 (a) Does not receive an objection within the 45-day period, the proposed
29 population forecast becomes final.

30 (b) Receives an objection within the 45-day period, the center shall review
31 the objections filed, make changes to the proposed population forecast, if

1 necessary in the discretion of the center, and issue a final population fore-
2 cast.

3 (8) Periodically, the Department of Land Conservation and Development
4 may require the center to submit its forecasting methodology and local data
5 collection practices for review by an advisory committee established by the
6 department and composed of experts in the field of population forecasting,
7 representatives of cities and counties and members of the public.

8 (9) The issuance of a final population forecast under this section is:

9 (a) Not a land use decision; and

10 (b) A final decision not subject to further review or appeal.

11 (10) The Land Conservation and Development Commission, in consulta-
12 tion with Portland State University, shall adopt rules to implement the
13 population forecasting program required by this section.

14 (11) Each biennium, the commission shall allocate, from the grant funding
15 described in ORS 197.639 (5), an amount of moneys that the Land Conserva-
16 tion and Development Commission, in consultation with Portland State
17 University, determines is sufficient to operate the population forecasting
18 program required by this section.

19 **SECTION 35.** ORS 195.036 is amended to read:

20 195.036. Metro, in coordination with local governments within its bound-
21 ary, shall issue a population forecast for the entire area within its boundary
22 to be applied by Metro and local governments within the boundary of Metro
23 as a basis for changes to comprehensive plans and land use regulations. **The**
24 **forecasted population data must be segmented by race, ethnicity and**
25 **disability status.**

26

27

CONFORMING AMENDMENTS

28

29 **SECTION 36.** ORS 195.137 to 195.145 are added to and made a part
30 of ORS 197.286 to 197.314.

31 **SECTION 37.** ORS 94.536 is amended to read:

1 94.536. As used in this section and ORS 94.538:

2 (1) "Conservation easement" has the meaning given that term in ORS
3 271.715.

4 (2) "Governmental unit" means a city, county, metropolitan service dis-
5 trict or state agency as defined in ORS 171.133.

6 (3) "Holder" has the meaning given that term in ORS 271.715.

7 (4) "Lot" has the meaning given that term in ORS 92.010.

8 (5) "Parcel" has the meaning given that term in ORS 92.010.

9 (6) "Receiving area" means a designated area of land to which a holder
10 of development credits generated from a sending area may transfer the de-
11 velopment credits and in which additional uses or development, not other-
12 wise allowed, are allowed by reason of the transfer.

13 (7) "Resource land" means:

14 (a) Lands outside an urban growth boundary planned and zoned for farm
15 use, forest use or mixed farm and forest use.

16 (b) Lands inside or outside urban growth boundaries identified:

17 (A) In an acknowledged local or regional government inventory as con-
18 taining significant wetland, riparian, wildlife habitat, historic, scenic or open
19 space resources; or

20 (B) As containing important natural resources, estuaries, coastal
21 shorelands, beaches and dunes or other resources described in the statewide
22 land use planning goals.

23 (c) "Conservation Opportunity Areas" identified in the "Oregon Conser-
24 vation Strategy" adopted by the State Fish and Wildlife Commission and
25 published by the State Department of Fish and Wildlife in September of 2006.

26 (8) "Sending area" means a designated area of resource land from which
27 development credits generated from forgone development are transferable, for
28 uses or development not otherwise allowed, to a receiving area.

29 (9) "Tract" has the meaning given that term in ORS 215.010.

30 (10) "Transferable development credit" means a severable development
31 interest in real property that can be transferred from a lot, parcel or tract

1 in a sending area to a lot, parcel or tract in a receiving area.

2 (11) “Transferable development credit system” means a land use planning
3 tool that allows the record owner of a lot, parcel or tract of resource land
4 in a sending area to voluntarily sever and sell development interests from
5 the lot, parcel or tract for purchase and use by a potential developer to de-
6 velop a lot, parcel or tract in a receiving area at a higher intensity than
7 otherwise allowed.

8 (12) “Urban growth boundary” has the meaning given that term in ORS
9 [195.060] **197.015**.

10 (13) “Urban reserve” has the meaning given that term in ORS 195.137.

11 **SECTION 38.** ORS 195.060 is amended to read:

12 195.060. As used in ORS 195.020[,] **and** 195.065 to 195.085 [*and 197.005*],
13 unless the context requires otherwise[:], **“district” or “special district” has**
14 **the meaning given the term “district” in ORS 198.010 and also**

15 [(1) “*District*” has the meaning given that term in ORS 198.010. In addi-
16 tion, the term] includes a county service district organized under ORS chap-
17 ter 451.

18 [(2) “*Urban growth boundary*” means an acknowledged urban growth
19 boundary contained in a city or county comprehensive plan or an acknowledged
20 urban growth boundary that has been adopted by a metropolitan service dis-
21 trict council under ORS 268.390 (3).]

22 [(3) “*Urban service*” has the meaning given that term in ORS 195.065.]

23 **SECTION 39.** ORS 195.143 is amended to read:

24 195.143. (1) A county and [*a metropolitan service district*] **Metro** must
25 consider simultaneously the designation and establishment of:

26 (a) Rural reserves pursuant to ORS 195.141; and

27 (b) Urban reserves pursuant to ORS 195.145 (1)(b).

28 (2) An agreement [*between a county and a metropolitan service district*] to
29 establish rural reserves pursuant to ORS 195.141 and urban reserves pursuant
30 to ORS 195.145 (1)(b) must provide for a coordinated and concurrent process
31 for adoption by the county of comprehensive plan provisions and by [*the*

1 *district*] **Metro** of regional framework plan provisions to implement the
2 agreement. [A *district*] **Metro** may not designate urban reserves pursuant to
3 ORS 195.145 (1)(b) in a county until the county and [*the district*] **Metro** have
4 entered into an agreement pursuant to ORS 195.145 (1)(b) that identifies the
5 land to be designated by [*the district in the district's*] **Metro in Metro's** re-
6 gional framework plan as urban reserves. A county may not designate rural
7 reserves pursuant to ORS 195.141 until the county and [*the district*] **Metro**
8 have entered into an agreement pursuant to ORS 195.141 that identifies the
9 land to be designated as rural reserves by the county in the county's com-
10 prehensive plan.

11 (3) A county and [*a metropolitan service district*] **Metro** may not enter
12 into an intergovernmental agreement to designate urban reserves in the
13 county pursuant to ORS 195.145 (1)(b) unless the county and [*the district*]
14 **Metro** also agree to designate rural reserves in the county.

15 [(4) *Designation and protection of rural reserves pursuant to ORS 195.141*
16 *or urban reserves pursuant to ORS 195.145 (1)(b):*]

17 [(a) *Is not a basis for a claim for compensation under ORS 195.305 unless*
18 *the designation and protection of rural reserves or urban reserves imposes a*
19 *new restriction on the use of private real property.*]

20 [(b) *Does not impair the rights and immunities provided under ORS 30.930*
21 *to 30.947.*]

22 **SECTION 40.** ORS 195.300 is amended to read:

23 195.300. As used in this section and ORS 195.301 and 195.305 to 195.336
24 and sections 5 to 11, chapter 424, Oregon Laws 2007, and sections 2 to 9 and
25 17, chapter 855, Oregon Laws 2009, and sections 2 to 7, chapter 8, Oregon
26 Laws 2010:

27 (1) "Acquisition date" means the date described in ORS 195.328.

28 (2) "Claim" means a written demand for compensation filed under:

29 (a) ORS 195.305, as in effect immediately before December 6, 2007; or

30 (b) ORS 195.305 and 195.310 to 195.314, as in effect on and after December
31 6, 2007.

1 (3) “Enacted” means enacted, adopted or amended.

2 (4) “Fair market value” means the value of property as determined under
3 ORS 195.332.

4 (5) “Farming practice” has the meaning given that term in ORS 30.930.

5 (6) “Federal law” means:

6 (a) A statute, regulation, order, decree or policy enacted by a federal en-
7 tity or by a state entity acting under authority delegated by the federal
8 government;

9 (b) A requirement contained in a plan or rule enacted by a compact en-
10 tity; or

11 (c) A requirement contained in a permit issued by a federal or state
12 agency pursuant to a federal statute or regulation.

13 (7) “File” means to submit a document to a public entity.

14 (8) “Forest practice” has the meaning given that term in ORS 527.620.

15 (9) “Ground water restricted area” means an area designated as a critical
16 ground water area or as a ground water limited area by the Water Resources
17 Department or Water Resources Commission before December 6, 2007.

18 (10) “High-value farmland” means:

19 (a) High-value farmland as described in ORS 215.710 that is land in an
20 exclusive farm use zone or a mixed farm and forest zone, except that the
21 dates specified in ORS 215.710 (2), (4) and (6) are December 6, 2007.

22 (b) Land west of U.S. Highway 101 that is composed predominantly of the
23 following soils in Class III or IV or composed predominantly of a combina-
24 tion of the soils described in ORS 215.710 (1) and the following soils:

25 (A) Subclassification IIIw, specifically Ettersburg Silt Loam and
26 Croftland Silty Clay Loam;

27 (B) Subclassification IIIe, specifically Klooqueth Silty Clay Loam and
28 Winchuck Silt Loam; and

29 (C) Subclassification IVw, specifically Huffling Silty Clay Loam.

30 (c) Land that is in an exclusive farm use zone or a mixed farm and forest
31 zone and that on June 28, 2007, is:

1 (A) Within the place of use for a permit, certificate or decree for the use
2 of water for irrigation issued by the Water Resources Department;

3 (B) Within the boundaries of a district, as defined in ORS 540.505; or

4 (C) Within the boundaries of a diking district formed under ORS chapter
5 551.

6 (d) Land that contains not less than five acres planted in wine grapes.

7 (e) Land that is in an exclusive farm use zone and that is at an elevation
8 between 200 and 1,000 feet above mean sea level, with an aspect between 67.5
9 and 292.5 degrees and a slope between zero and 15 percent, and that is lo-
10 cated within:

11 (A) The Southern Oregon viticultural area as described in 27 C.F.R. 9.179;

12 (B) The Umpqua Valley viticultural area as described in 27 C.F.R. 9.89;

13 or

14 (C) The Willamette Valley viticultural area as described in 27 C.F.R. 9.90.

15 (f) Land that is in an exclusive farm use zone and that is no more than
16 3,000 feet above mean sea level, with an aspect between 67.5 and 292.5 de-
17 grees and a slope between zero and 15 percent, and that is located within:

18 (A) The portion of the Columbia Gorge viticultural area as described in
19 27 C.F.R. 9.178 that is within the State of Oregon;

20 (B) The Rogue Valley viticultural area as described in 27 C.F.R. 9.132;

21 (C) The portion of the Columbia Valley viticultural area as described in
22 27 C.F.R. 9.74 that is within the State of Oregon;

23 (D) The portion of the Walla Walla Valley viticultural area as described
24 in 27 C.F.R. 9.91 that is within the State of Oregon; or

25 (E) The portion of the Snake River Valley viticultural area as described
26 in 27 C.F.R. 9.208 that is within the State of Oregon.

27 (11) "High-value forestland" means land:

28 (a) That is in a forest zone or a mixed farm and forest zone, that is lo-
29 cated in western Oregon and composed predominantly of soils capable of
30 producing more than 120 cubic feet per acre per year of wood fiber and that
31 is capable of producing more than 5,000 cubic feet per year of commercial

1 tree species; or

2 (b) That is in a forest zone or a mixed farm and forest zone, that is lo-
3 cated in eastern Oregon and composed predominantly of soils capable of
4 producing more than 85 cubic feet per acre per year of wood fiber and that
5 is capable of producing more than 4,000 cubic feet per year of commercial
6 tree species.

7 (12) “Home site approval” means approval of the subdivision or partition
8 of property or approval of the establishment of a dwelling on property.

9 (13) “Just compensation” means:

10 (a) Relief under sections 5 to 11, chapter 424, Oregon Laws 2007, sections
11 2 to 9 and 17, chapter 855, Oregon Laws 2009, and sections 2 to 7, chapter
12 8, Oregon Laws 2010, for land use regulations enacted on or before January
13 1, 2007; and

14 (b) Relief under ORS 195.310 to 195.314 for land use regulations enacted
15 after January 1, 2007.

16 (14) “Land use regulation” means:

17 (a) A statute that establishes a minimum lot or parcel size;

18 (b) A provision in ORS 227.030 to 227.300, 227.350, 227.400, 227.450 or
19 227.500 or in ORS chapter 215 that restricts the residential use of private
20 real property;

21 (c) A provision of a city comprehensive plan, zoning ordinance or land
22 division ordinance that restricts the residential use of private real property
23 zoned for residential use;

24 (d) A provision of a county comprehensive plan, zoning ordinance or land
25 division ordinance that restricts the residential use of private real property;

26 (e) A provision, enacted or adopted on or after January 1, 2010, of:

27 (A) The Oregon Forest Practices Act;

28 (B) An administrative rule of the State Board of Forestry; or

29 (C) Any other law enacted, or rule adopted, solely for the purpose of
30 regulating a forest practice;

31 (f) ORS 561.191, a provision of ORS 568.900 to 568.933 or an administrative

1 rule of the State Department of Agriculture that implements ORS 561.191 or
2 568.900 to 568.933;

3 (g) An administrative rule or goal of the Land Conservation and Devel-
4 opment Commission; or

5 (h) A provision of a Metro functional plan that restricts the residential
6 use of private real property.

7 (15) “Lawfully established unit of land” has the meaning given that term
8 in ORS 92.010.

9 (16) “Lot” has the meaning given that term in ORS 92.010.

10 (17) “Measure 37 permit” means a final decision by Metro, a city or a
11 county to authorize the development, subdivision or partition or other use
12 of property pursuant to a waiver.

13 (18) “Owner” means:

14 (a) The owner of fee title to the property as shown in the deed records
15 of the county where the property is located;

16 (b) The purchaser under a land sale contract, if there is a recorded land
17 sale contract in force for the property; or

18 (c) If the property is owned by the trustee of a revocable trust, the settlor
19 of a revocable trust, except that when the trust becomes irrevocable only the
20 trustee is the owner.

21 (19) “Parcel” has the meaning given that term in ORS 92.010.

22 (20) “Property” means the private real property described in a claim and
23 contiguous private real property that is owned by the same owner, whether
24 or not the contiguous property is described in another claim, and that is not
25 property owned by the federal government, an Indian tribe or a public body,
26 as defined in ORS 192.311.

27 (21) “Protection of public health and safety” means a law, rule, ordinance,
28 order, policy, permit or other governmental authorization that restricts a use
29 of property in order to reduce the risk or consequence of fire, earthquake,
30 landslide, flood, storm, pollution, disease, crime or other natural or human
31 disaster or threat to persons or property including, but not limited to,

1 building and fire codes, health and sanitation regulations, solid or hazardous
2 waste regulations and pollution control regulations.

3 (22) “Public entity” means the state, Metro, a county or a city.

4 [(23) “Urban growth boundary” has the meaning given that term in ORS
5 195.060.]

6 [(24)] (23) “Waive” or “waiver” means an action or decision of a public
7 entity to modify, remove or not apply one or more land use regulations under
8 ORS 195.305 to 195.336 and sections 5 to 11, chapter 424, Oregon Laws 2007,
9 sections 2 to 9 and 17, chapter 855, Oregon Laws 2009, and sections 2 to 7,
10 chapter 8, Oregon Laws 2010, or ORS 195.305, as in effect immediately before
11 December 6, 2007, to allow the owner to use property for a use permitted
12 when the owner acquired the property.

13 [(25)] (24) “Zoned for residential use” means zoning that has as its pri-
14 mary purpose single-family residential use.

15 **SECTION 41.** ORS 197.015 is amended to read:

16 197.015. As used in ORS chapters 195, 196 and 197 [*and ORS 197A.300 to*
17 *197A.325*], unless the context requires otherwise:

18 (1) “Acknowledgment” means a commission order that certifies that a
19 comprehensive plan and land use regulations, land use regulation or plan or
20 regulation amendment complies with the goals or certifies that Metro land
21 use planning goals and objectives, Metro regional framework plan, amend-
22 ments to Metro planning goals and objectives or amendments to the Metro
23 regional framework plan comply with the goals.

24 (2) “Board” means the Land Use Board of Appeals.

25 (3) “Carport” means a stationary structure consisting of a roof with its
26 supports and not more than one wall, or storage cabinet substituting for a
27 wall, and used for sheltering a motor vehicle.

28 (4) “Commission” means the Land Conservation and Development Com-
29 mission.

30 (5) “Comprehensive plan” means a generalized, coordinated land use map
31 and policy statement of the governing body of a local government that

1 interrelates all functional and natural systems and activities relating to the
2 use of lands, including but not limited to sewer and water systems, trans-
3 portation systems, educational facilities, recreational facilities, and natural
4 resources and air and water quality management programs.
5 “Comprehensive” means all-inclusive, both in terms of the geographic area
6 covered and functional and natural activities and systems occurring in the
7 area covered by the plan. “General nature” means a summary of policies and
8 proposals in broad categories and does not necessarily indicate specific lo-
9 cations of any area, activity or use. A plan is “coordinated” when the needs
10 of all levels of governments, semipublic and private agencies and the citizens
11 of Oregon have been considered and accommodated as much as possible.
12 “Land” includes water, both surface and subsurface, and the air.

13 (6) “Department” means the Department of Land Conservation and De-
14 velopment.

15 (7) “Director” means the Director of the Department of Land Conserva-
16 tion and Development.

17 (8) “Goals” means the mandatory statewide land use planning standards
18 adopted by the commission pursuant to ORS chapters 195, 196 and 197.

19 (9) “Guidelines” means suggested approaches designed to aid cities and
20 counties in preparation, adoption and implementation of comprehensive plans
21 in compliance with goals and to aid state agencies and special districts in
22 the preparation, adoption and implementation of plans, programs and regu-
23 lations in compliance with goals. Guidelines [*shall be advisory and shall*] **are**
24 **advisory and do** not limit state agencies, cities, counties and special dis-
25 tricts to a single approach.

26 (10) “Land use decision”:

27 (a) Includes:

28 (A) A final decision or determination made by a local government or
29 special district that concerns the adoption, amendment or application of:

30 (i) The goals;

31 (ii) A comprehensive plan provision;

- 1 (iii) A land use regulation; or
2 (iv) A new land use regulation;
- 3 (B) A final decision or determination of a state agency other than the
4 commission with respect to which the agency is required to apply the goals;
5 or
- 6 (C) A decision of a county planning commission made under ORS 433.763;
- 7 (b) Does not include a decision of a local government:
- 8 (A) That is made under land use standards that do not require interpre-
9 tation or the exercise of policy or legal judgment;
- 10 (B) That approves or denies a building permit issued under clear and ob-
11 jective land use standards;
- 12 (C) That is a limited land use decision;
- 13 (D) That determines final engineering design, construction, operation,
14 maintenance, repair or preservation of a transportation facility that is oth-
15 erwise authorized by and consistent with the comprehensive plan and land
16 use regulations;
- 17 (E) That is an expedited land division as described in ORS 197.360;
- 18 (F) That approves, pursuant to ORS 480.450 (7), the siting, installation,
19 maintenance or removal of a liquefied petroleum gas container or receptacle
20 regulated exclusively by the State Fire Marshal under ORS 480.410 to
21 480.460;
- 22 (G) That approves or denies approval of a final subdivision or partition
23 plat or that determines whether a final subdivision or partition plat sub-
24 stantially conforms to the tentative subdivision or partition plan; or
- 25 (H) That a proposed state agency action subject to ORS 197.180 (1) is
26 compatible with the acknowledged comprehensive plan and land use regu-
27 lations implementing the plan, if:
- 28 (i) The local government has already made a land use decision authorizing
29 a use or activity that encompasses the proposed state agency action;
- 30 (ii) The use or activity that would be authorized, funded or undertaken
31 by the proposed state agency action is allowed without review under the

1 acknowledged comprehensive plan and land use regulations implementing the
2 plan; or

3 (iii) The use or activity that would be authorized, funded or undertaken
4 by the proposed state agency action requires a future land use review under
5 the acknowledged comprehensive plan and land use regulations implementing
6 the plan;

7 (c) Does not include a decision by a school district to close a school;

8 (d) Does not include, except as provided in ORS 215.213 (13)(c) or 215.283
9 (6)(c), authorization of an outdoor mass gathering as defined in ORS 433.735,
10 or other gathering of fewer than 3,000 persons that is not anticipated to
11 continue for more than 120 hours in any three-month period; and

12 (e) Does not include:

13 (A) A writ of mandamus issued by a circuit court in accordance with ORS
14 215.429 or 227.179;

15 (B) Any local decision or action taken on an application subject to ORS
16 215.427 or 227.178 after a petition for a writ of mandamus has been filed
17 under ORS 215.429 or 227.179; or

18 (C) A state agency action subject to ORS 197.180 (1), if:

19 (i) The local government with land use jurisdiction over a use or activity
20 that would be authorized, funded or undertaken by the state agency as a
21 result of the state agency action has already made a land use decision ap-
22 proving the use or activity; or

23 (ii) A use or activity that would be authorized, funded or undertaken by
24 the state agency as a result of the state agency action is allowed without
25 review under the acknowledged comprehensive plan and land use regulations
26 implementing the plan.

27 (11) "Land use regulation" means any local government zoning ordinance,
28 land division ordinance adopted under ORS 92.044 or 92.046 or similar gen-
29 eral ordinance establishing standards for implementing a comprehensive
30 plan.

31 (12) "Limited land use decision":

1 (a) Means a final decision or determination made by a local government
2 pertaining to a site within an urban growth boundary that concerns:

3 (A) The approval or denial of a tentative subdivision or partition plan,
4 as described in ORS 92.040 (1).

5 (B) The approval or denial of an application based on discretionary stan-
6 dards designed to regulate the physical characteristics of a use permitted
7 outright, including but not limited to site review and design review.

8 (b) Does not mean a final decision made by a local government pertaining
9 to a site within an urban growth boundary that concerns approval or denial
10 of a final subdivision or partition plat or that determines whether a final
11 subdivision or partition plat substantially conforms to the tentative subdivi-
12 sion or partition plan.

13 (13) “Local government” means any city, county or [*metropolitan service*
14 *district formed under ORS chapter 268*] **Metro** or an association of local
15 governments performing land use planning functions under ORS 195.025.

16 (14) “Metro” means a metropolitan service district organized under ORS
17 chapter 268.

18 (15) “Metro planning goals and objectives” means the land use goals and
19 objectives that [*a metropolitan service district*] **Metro** may adopt under ORS
20 268.380 (1)(a). The goals and objectives do not constitute a comprehensive
21 plan.

22 (16) “Metro regional framework plan” means the regional framework plan
23 required by the 1992 Metro Charter or its separate components. Neither the
24 regional framework plan nor its individual components constitute a compre-
25 hensive plan.

26 (17) “New land use regulation” means a land use regulation other than
27 an amendment to an acknowledged land use regulation adopted by a local
28 government that already has a comprehensive plan and land regulations ac-
29 knowledged under ORS 197.251.

30 (18) “Person” means any individual, partnership, corporation, association,
31 governmental subdivision or agency or public or private organization of any

1 kind. The Land Conservation and Development Commission or its designee
2 is considered a person for purposes of appeal under ORS chapters 195 and
3 197.

4 (19) “Special district” means any unit of local government, other than a
5 city, county, [*metropolitan service district formed under ORS chapter 268*]
6 **Metro** or an association of local governments performing land use planning
7 functions under ORS 195.025, authorized and regulated by statute and in-
8 cludes but is not limited to water control districts, domestic water associ-
9 ations and water cooperatives, irrigation districts, port districts, regional air
10 quality control authorities, fire districts, school districts, hospital districts,
11 mass transit districts and sanitary districts.

12 (20) “Urban growth boundary” means an acknowledged urban
13 growth boundary contained in a city or county comprehensive plan or
14 adopted by Metro under ORS 268.390 (3).

15 [(20)] (21) “Urban unincorporated community” means an area designated
16 in a county’s acknowledged comprehensive plan as an urban unincorporated
17 community after December 5, 1994.

18 [(21)] (22) “Voluntary association of local governments” means a regional
19 planning agency in this state officially designated by the Governor pursuant
20 to the federal Office of Management and Budget Circular A-95 as a regional
21 clearinghouse.

22 [(22)] (23) “Wetlands” means those areas that are inundated or saturated
23 by surface or ground water at a frequency and duration that are sufficient
24 to support, and that under normal circumstances do support, a prevalence
25 of vegetation typically adapted for life in saturated soil conditions.

26 **SECTION 42.** ORS 197.297 is amended to read:

27 197.297. (1) At least once every six years, by a date scheduled by the Land
28 Conservation and Development Commission, a city that is within [*a metro-*
29 *politan service district*] **Metro** and has a population greater than 10,000 shall:

30 (a) Inventory the supply of buildable lands within the city and determine
31 the housing capacity of the buildable lands; and

1 (b) Conduct an analysis of the city's existing and projected needed hous-
2 ing under statewide planning goals and rules related to housing by type, mix,
3 affordability and density range to Determine the number of units and amount
4 of land needed for each needed housing type **under ORS 197.303** for the next
5 20 years.

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

9 (3) If the housing capacity and needed housing analysis conducted under
10 this section demonstrates a housing need, the city shall amend its compre-
11 hensive plan or land use regulations **or take actions to update or imple-**
12 **ment its housing production strategy** to include new measures that
13 demonstrably increase the likelihood that development of needed housing
14 will occur for the type, mix, affordability and densities sufficient to accom-
15 modate needed housing for the next 20 years.

16 **SECTION 43.** ORS 197.298 is amended to read:

17 197.298. (1) In addition to any requirements established by rule addressing
18 urbanization, land may not be included within an urban growth boundary
19 of Metro except under the following priorities:

20 (a) First priority is land that is designated urban reserve land under ORS
21 195.145, rule or [*metropolitan service district*] **Metro** action plan.

22 (b) If land under paragraph (a) of this subsection is inadequate to ac-
23 commodate the amount of land needed, second priority is land adjacent to
24 an urban growth boundary that is identified in an acknowledged compre-
25 hensive plan as an exception area or nonresource land. Second priority may
26 include resource land that is completely surrounded by exception areas un-
27 less such resource land is high-value farmland as described in ORS 215.710.

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

31 (d) If land under paragraphs (a) to (c) of this subsection is inadequate to

1 accommodate the amount of land needed, fourth priority is land designated
2 in an acknowledged comprehensive plan for agriculture or forestry, or both.

3 (2) **Under this section**, higher priority [*shall*] **must** be given to land of
4 lower capability as measured by the capability classification system or by
5 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
7 included in an urban growth boundary if land of higher priority is found to
8 be inadequate to accommodate the amount of land estimated in subsection
9 (1) of this section for one or more of the following reasons:

10 (a) Specific types of identified land needs cannot be reasonably accom-
11 modated on higher priority lands;

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

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

17 [(4) *When a city includes land within the urban growth boundary of the*
18 *city pursuant to ORS 197.286 to 197.314, the city shall prioritize lands for*
19 *inclusion as provided in ORS 197A.320.*]

20 **SECTION 44.** ORS 197.299 is amended to read:

21 197.299. (1) [*A metropolitan service district organized under ORS chapter*
22 *268*] **Metro** shall complete the inventory, determination and analysis re-
23 quired under ORS 197.296 (3) not later than six years after completion of the
24 previous inventory, determination and analysis.

25 (2)(a) [*The metropolitan service district*] **Metro** shall take such action as
26 necessary under ORS 197.296 (6)(a) to accommodate one-half of a 20-year
27 buildable land supply determined under ORS 197.296 (3) within one year of
28 completing the analysis.

29 (b) [*The metropolitan service district*] **Metro** shall take all final action
30 under ORS 197.296 (6)(a) necessary to accommodate a 20-year buildable land
31 supply determined under ORS 197.296 (3) within two years of completing the

1 analysis.

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

7 (d) The metropolitan service district shall consider and adopt new meas-
8 ures that the governing body deems appropriate under ORS 197.296 (6)(b).

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

13 (4)(a) [*The metropolitan service district*] **Metro** shall establish a process
14 to expand the urban growth boundary to accommodate a need for land for a
15 public school that cannot reasonably be accommodated within the existing
16 urban growth boundary. [*The metropolitan service district*] **Metro** shall de-
17 sign the process to:

18 (A) Accommodate a need that must be accommodated between periodic
19 analyses of urban growth boundary capacity required by subsection (1) of
20 this section; and

21 (B) Provide for a final decision on a proposal to expand the urban growth
22 boundary within four months after submission of a complete application by
23 a large school district as defined in ORS 195.110.

24 (b) At the request of a large school district, [*the metropolitan service dis-*
25 *trict*] **Metro** shall assist the [*large school*] district to identify school sites
26 required by the school facility planning process described in ORS 195.110. A
27 need for a public school is a specific type of identified land need under ORS
28 197.298 (3).

29 (5) **At least** three years after completing its most recent demonstration
30 of sufficient buildable lands under ORS 197.296, [*a metropolitan service dis-*
31 *trict*] **Metro** may, on a single occasion, revise the determination and analysis

1 required as part of the demonstration for the purpose of considering an
2 amendment to the [*metropolitan service district's*] **Metro's** urban growth
3 boundary, provided:

4 [(a) *The metropolitan service district has entered into an intergovernmental*
5 *agreement and has designated rural reserves and urban reserves under ORS*
6 *195.141 and 195.145 with each county located within the district;*]

7 [(b) *The commission has acknowledged the rural reserve and urban reserve*
8 *designations described in paragraph (a) of this subsection;*]

9 [(c)] (a) One or more cities within [*the metropolitan service district*] **Metro**
10 have proposed a development that would require expansion of the urban
11 growth boundary;

12 [(d)] (b) The city or cities proposing the development have provided evi-
13 dence to [*the metropolitan service district*] **Metro** that the proposed develop-
14 ment would provide additional needed housing to the needed housing
15 included in the most recent determination and analysis;

16 [(e)] (c) The location chosen for the proposed development is adjacent to
17 the city proposing the development; and

18 [(f)] (d) The location chosen for the proposed development is located
19 within an area designated and acknowledged as an urban reserve.

20 (6)(a) If [*a metropolitan service district*] **Metro**, after revising its most re-
21 cent determination and analysis pursuant to subsection (5) of this section,
22 concludes that an expansion of its urban growth boundary is warranted, [*the*
23 *metropolitan service district*] **Metro** may take action to expand its urban
24 growth boundary in one or more locations to accommodate the proposed de-
25 velopment, provided the urban growth boundary expansion does not exceed
26 a total of 1,000 acres.

27 (b) [*A metropolitan service district that*] **If Metro** expands its urban
28 growth boundary under this subsection, **Metro**:

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

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

3 **SECTION 45.** ORS 197.302 is amended to read:

4 197.302. (1) After gathering and compiling information on the performance
5 measures as described in ORS 197.301 but prior to submitting the information
6 to the Department of Land Conservation and Development, [*a metropolitan*
7 *service district*] **Metro** shall determine if actions taken under ORS 197.296 (6)
8 have established the buildable land supply and housing densities necessary
9 to accommodate estimated housing needs determined under ORS 197.296 (3).
10 If [*the metropolitan service district*] **Metro** determines that the actions
11 undertaken will not accommodate estimated need, [*the district*] **Metro** shall
12 develop a corrective action plan, including a schedule for implementation.
13 [*The district*] **Metro** shall submit the plan to the department along with the
14 report on performance measures required under ORS 197.301. Corrective
15 action under this section may include amendment of the urban growth
16 boundary, [*comprehensive plan,*] regional framework plan, functional plan or
17 land use regulations as described in ORS 197.296 (6)(b).

18 (2) Within two years of submitting a corrective action plan to the de-
19 partment, [*the metropolitan service district*] **Metro** shall demonstrate by ref-
20 erence to the performance measures described in ORS 197.301 that
21 implementation of the plan has resulted in the buildable land supply and
22 housing density within the urban growth boundary necessary to accommo-
23 date the estimated housing needs for each housing type as determined under
24 ORS 197.296 (3).

25 (3) The failure of [*the metropolitan service district*] **Metro** to demonstrate
26 the buildable land supply and housing density necessary to accommodate
27 housing needs as required under this section and ORS 197.296 may be the
28 basis for initiation of enforcement action pursuant to ORS 197.319 to 197.335.

29 **SECTION 46.** ORS 197.304 is amended to read:

30 197.304. (1) Notwithstanding an intergovernmental agreement pursuant to
31 ORS 190.003 to 190.130 or acknowledged comprehensive plan provisions to the

1 contrary, a city within Lane County [*that has a population of 50,000 or more*
2 *within its boundaries*] **with a population greater than 50,000** shall meet its
3 obligation under ORS 197.286 to 197.314 separately from any other city
4 within Lane County. The city shall, separately from any other city:

5 (a) Establish an urban growth boundary, consistent with the jurisdic-
6 tional area of responsibility specified in the acknowledged comprehensive
7 plan; and

8 (b) Demonstrate, as required by [*ORS 197.296*] **section 16 of this 2023**
9 **Act**, that its comprehensive plan provides sufficient buildable lands within
10 an urban growth boundary [*established pursuant to statewide planning goals*
11 *to accommodate estimated housing needs for 20 years*] **to accommodate**
12 **needed housing**.

13 (2) Except as provided in subsection (1) of this section, this section does
14 not alter or affect an intergovernmental agreement pursuant to ORS 190.003
15 to 190.130 or acknowledged comprehensive plan provisions adopted by Lane
16 County or local governments in Lane County.

17 **SECTION 47.** ORS 197.307, as amended by section 14, chapter 401, Oregon
18 Laws 2019, and section 2, chapter 54, Oregon Laws 2022, is amended to read:

19 197.307. (1) The availability of affordable, decent, safe and sanitary hous-
20 ing opportunities for persons of lower, middle and fixed income, including
21 **agriculture workforce** housing [*for farmworkers*], is a matter of statewide
22 concern.

23 (2) Many persons of lower, middle and fixed income depend on government
24 assisted housing as a source of affordable, decent, safe and sanitary housing.

25 (3) [*When a need has been shown for housing within an urban growth*
26 *boundary at particular price ranges and rent levels, needed housing shall be*
27 *permitted*] **A local government shall permit needed housing** in one or
28 more zoning districts or in zones described by some comprehensive plans as
29 overlay zones with sufficient buildable land to satisfy that need.

30 (4) Except as provided in subsection (6) of this section, a local government
31 may adopt and apply only clear and objective standards, conditions and

1 procedures regulating the development of housing, including needed housing.

2 The standards, conditions and procedures:

3 (a) May include, but are not limited to, one or more provisions regulating
4 the density or height of a development.

5 (b) May not have the effect, either in themselves or cumulatively, of dis-
6 couraging needed housing through unreasonable cost or delay.

7 (5) The provisions of subsection (4) of this section do not apply to:

8 (a) An application or permit for residential development in an area iden-
9 tified in a formally adopted central city plan, or a regional center as defined
10 by Metro, in a city with a population of 500,000 or more.

11 (b) An application or permit for residential development in historic areas
12 designated for protection under a land use planning goal protecting historic
13 areas.

14 (6) In addition to an approval process for needed housing based on clear
15 and objective standards, conditions and procedures as provided in subsection
16 (4) of this section, a local government may adopt and apply an alternative
17 approval process for applications and permits for residential development
18 based on approval criteria regulating, in whole or in part, appearance or
19 aesthetics that are not clear and objective if:

20 (a) The applicant retains the option of proceeding under the approval
21 process that meets the requirements of subsection (4) of this section;

22 (b) The approval criteria for the alternative approval process comply with
23 applicable statewide land use planning goals and rules; and

24 (c) The approval criteria for the alternative approval process authorize a
25 density at or above the density level authorized in the zone under the ap-
26 proval process provided in subsection (4) of this section.

27 (7) Subject to subsection (4) of this section, this section does not infringe
28 on a local government's prerogative to:

29 (a) Set approval standards under which a particular housing type is per-
30 mitted outright;

31 (b) Impose special conditions upon approval of a specific development

1 proposal; or

2 (c) Establish approval procedures.

3 **SECTION 48.** ORS 197.313 is amended to read:

4 197.313. [*Nothing in ORS 197.312 or in the amendments to ORS 197.286,*
5 *197.303, 197.307 by sections 1, 2 and 3, chapter 795, Oregon Laws 1983, shall*
6 *be construed to*] **ORS 197.286 to 197.314 do not** require a city or county to
7 contribute to the financing, administration or sponsorship of government
8 assisted housing.

9 **SECTION 49.** ORS 197.480 is amended to read:

10 197.480. (1) Each city and county governing body shall provide[, *in ac-*
11 *cordance with urban growth management agreements,*] for mobile home or
12 manufactured dwelling parks as an allowed use[, *by July 1, 1990, or by the*
13 *next periodic review after January 1, 1988, whichever comes first*]:

14 (a) By zoning ordinance and by comprehensive plan designation on
15 buildable lands within urban growth boundaries; and

16 (b) In areas planned and zoned for a residential density of six to 12 units
17 per acre sufficient to accommodate the need established pursuant to sub-
18 sections (2) and (3) of this section.

19 (2) A city or county shall establish a projection of need for mobile home
20 or manufactured dwelling parks based on:

21 (a) Population projections;

22 (b) Household income levels;

23 (c) Housing market trends of the region; and

24 (d) An inventory of mobile home or manufactured dwelling parks sited in
25 areas planned and zoned or generally used for commercial, industrial or high
26 density residential development.

27 (3) The inventory required by subsection (2)(d) and subsection (4) of this
28 section shall establish the need for areas to be planned and zoned to ac-
29 commodate the potential displacement of the inventoried mobile home or
30 manufactured dwelling parks.

31 (4) Notwithstanding the provisions of subsection (1) of this section, a city

1 or county within [*a metropolitan service district, established pursuant to ORS*
2 *chapter 268*] **Metro**, shall inventory the mobile home or manufactured
3 dwelling parks sited in areas planned and zoned or generally used for com-
4 mercial, industrial or high density residential development [*no later than two*
5 *years from September 27, 1987*].

6 (5)(a) A city or county may establish clear and objective criteria and
7 standards for the placement and design of mobile home or manufactured
8 dwelling parks.

9 (b) If a city or county requires a hearing before approval of a mobile home
10 or manufactured dwelling park, application of the criteria and standards
11 adopted pursuant to paragraph (a) of this subsection shall be the sole issue
12 to be determined at the hearing.

13 (c) No criteria or standards established under paragraph (a) of this sub-
14 section [*shall*] **may** be adopted which would preclude the development of
15 mobile home or manufactured dwelling parks within the intent of ORS
16 [*197.286 and*] 197.475 to 197.490.

17 **SECTION 50.** ORS 197.522 is amended to read:

18 197.522. (1) As used in this section:

19 (a) “Needed housing” has the meaning given that term in ORS [*197.303*]
20 **197.286.**

21 (b) “Partition” has the meaning given that term in ORS 92.010.

22 (c) “Permit” means a permit as defined in ORS 215.402 and a permit as
23 defined in ORS 227.160.

24 (d) “Subdivision” has the meaning given that term in ORS 92.010.

25 (2) A local government shall approve an application for a permit, au-
26 thorization or other approval necessary for the subdivision or partitioning
27 of, or construction on, any land for needed housing that is consistent with
28 the comprehensive plan and applicable land use regulations.

29 (3) If an application is inconsistent with the comprehensive plan and ap-
30 plicable land use regulations, the local government, prior to making a final
31 decision on the application, shall allow the applicant to offer an amendment

1 or to propose conditions of approval that would make the application con-
2 sistent with the plan and applicable regulations. If an applicant seeks to
3 amend the application or propose conditions of approval:

4 (a) A county may extend the time limitation under ORS 215.427 for final
5 action by the governing body of a county on an application for needed
6 housing and may set forth a new time limitation for final action on the
7 consideration of future amendments or proposals.

8 (b) A city may extend the time limitation under ORS 227.178 for final
9 action by the governing body of a city on an application for needed housing
10 and may set forth a new time limitation for final action on the consideration
11 of future amendments or proposals.

12 (4) A local government shall deny an application that is inconsistent with
13 the comprehensive plan and applicable land use regulations and that cannot
14 be made consistent through amendments to the application or the imposition
15 of reasonable conditions of approval.

16 **SECTION 51. ORS 197.637 and 197.764 are added to and made a part**
17 **of ORS 197.286 to 197.314.**

18 **SECTION 52.** ORS 197.637 is amended to read:

19 197.637. (1) Upon request of the Department of Land Conservation and
20 Development, the Housing and Community Services Department shall review
21 the inventory and analysis of housing, and measures taken to address the
22 housing need, required of certain local governments under ORS 197.296 **or**
23 **197.297 or section 15 or 16 of this 2023 Act.** The review shall address the
24 likely effect of measures developed by a local government [*under ORS 197.296*
25 *(6) or (7)*] on the adequacy of the supply of buildable land and [*opportunities*
26 *to satisfy needs identified under ORS 197.296 (3)*] **measures to address**
27 **needed housing.**

28 (2) The Land Conservation and Development Commission and the Director
29 of the Department of Land Conservation and Development shall consider the
30 review and any recommendations of the Housing and Community Services
31 Department when determining whether a local government has complied with

1 the statewide land use planning goals and the requirements of ORS 197.296
2 **or 197.297 or section 15 or 16 of this 2023 Act.**

3 **SECTION 53.** ORS 197.764 is amended to read:

4 197.764. (1) A local government may **make a land use decision to ap-**
5 **prove an application to remove a lot or parcel from within an urban growth**
6 **boundary if:**

7 (a) The application is submitted by the owner of the lot or parcel;

8 (b)(A) The lot or parcel is adjacent to the edge of the urban growth
9 boundary; or

10 (B) The lot or parcel is adjacent to another lot or parcel that is removed
11 under this section;

12 (c) The lot or parcel is assessed under ORS 308A.050 to 308A.128 for its
13 value for farm use;

14 (d) The lot or parcel is not within the boundaries of a city; and

15 (e) The lot or parcel is not included in an area identified for urban ser-
16 vices under ORS 197.754.

17 (2) A local government, in deciding whether to approve an application
18 under subsection (1) of this section, shall consider:

19 (a) The projected costs and other consequences of extending urban ser-
20 vices to the affected lot or parcel;

21 (b) The potential value in the investment of providing urban services to
22 the affected lot or parcel;

23 (c) Any requirement for expanding the urban growth boundary in other
24 areas to compensate for any loss in buildable lands; and

25 (d) The projected costs and other consequences of providing urban ser-
26 vices to other areas brought in under an expanded urban growth boundary.

27 (3)(a) Land that is removed from within an urban growth boundary pur-
28 suant to an application approved under this section shall be removed from
29 any inventory of buildable lands maintained by the local government.

30 (b) A local government that approves an application under this section
31 shall either expand the urban growth boundary to compensate for any re-

1 sulting reduction in available buildable lands or increase the development
2 capacity of the remaining supply of buildable lands **consistent with ORS**
3 **197.296 (6) or 197A.300 to 197A.325 or section 15 or 16 of this 2023 Act.**

4 **SECTION 54. ORS 197.766 is repealed.**

5 **SECTION 55.** ORS 197.831 is amended to read:

6 197.831. In a proceeding before the Land Use Board of Appeals or an ap-
7 pellate court that involves an ordinance required to contain clear and ob-
8 jective approval standards, conditions and procedures for [*needed*] housing,
9 **including under ORS 197.307**, the local government imposing the provisions
10 of the ordinance shall demonstrate that the approval standards, conditions
11 and procedures are capable of being imposed only in a clear and objective
12 manner.

13 **SECTION 56. ORS 197A.300 to 197A.325 are added to and made a part**
14 **of ORS 197.286 to 197.314.**

15 **SECTION 57.** ORS 197A.300 is amended to read:

16 197A.300. As used in ORS 197A.300 to 197A.325[:]

17 [(1) "*Buildable lands*" means land in urban or urbanizable areas that are
18 suitable for urban uses.]

19 [(2)] "serviceable" means, with respect to land, that:

20 [(a)] (1) Adequate sewer, water and transportation capacity for planned
21 urban development is available or can be either provided or made subject to
22 committed financing; or

23 [(b)] (2) Committed financing can be in place to provide adequate sewer,
24 water and transportation capacity for planned urban development.

25 **SECTION 58.** ORS 197A.310 is amended to read:

26 197A.310. (1) [*In addition to and not in lieu of*] **As an alternative to the**
27 **method prescribed in [ORS 197.286 to 197.314 and the statewide land use**
28 **planning goals] section 16 (5)(a) of this 2023 Act**, the Land Conservation
29 and Development Commission shall adopt a method by which a city outside
30 Metro that has a population of less than 10,000 may evaluate or amend its
31 urban growth boundary.

1 (2) The commission shall design the method so that:

2 (a) A city using the method:

3 (A) Will have within its boundaries sufficient buildable lands and other
4 development capacity, including land and capacity for needed housing and
5 employment opportunities, to meet the growth in population and employment
6 forecast to occur over a 14-year period.

7 (B) Will not become less efficient in its use of land as a result of a change
8 to the urban growth boundary.

9 (b) The urban population per square mile will continue, subject to market
10 conditions, to increase over time on a statewide basis and in major regions
11 of the state, including that portion of the Willamette Valley outside of
12 Metro.

13 (c) The rate of conversion of agricultural and forest lands to urban uses
14 does not increase over time in any major region of the state.

15 (3) Under the method adopted by the commission:

16 (a) A city's determination of the amount of buildable lands [*needed for*]
17 **sufficient for needed** housing, employment and other urban uses must be
18 based on the population and employment growth forecast to occur over a
19 14-year period.

20 (b) A city's determination of the supply and development capacity of lands
21 within its urban growth boundary must be based on:

22 (A) A simple inventory of vacant and partially vacant buildable lands
23 within the urban growth boundary;

24 (B) The comprehensive plan designation and the zoning of the portion of
25 the buildable lands that is urban; and

26 (C) Simple factors established by the commission for forecasting:

27 (i) The development and redevelopment capacity of urbanizable lands
28 within the urban growth boundary; and

29 (ii) The redevelopment capacity of developed urban lands within the ur-
30 ban growth boundary.

31 (c) A city's determination of the supply and development capacity of lands

1 the city proposes to include within the urban growth boundary must be based
2 on:

3 (A) A simple inventory of vacant and partially vacant lands; and

4 (B) Simple factors established by the commission for forecasting the de-
5 velopment and redevelopment capacity of the lands.

6 (d) A city shall demonstrate that lands included within the urban growth
7 boundary:

8 (A) Include sufficient serviceable land for at least a seven-year period.

9 (B) Can all be serviceable over a 14-year period.

10 (e) Lands included within the urban growth boundary:

11 (A) Must be planned and zoned for categories of land uses in amounts
12 that are roughly proportional to the land need determined for each category
13 of use;

14 (B) Must be planned and zoned for an intensity of use that is generally
15 consistent with the estimates that were used to determine the amount of land
16 needed;

17 (C) Must be planned and zoned to meet the requirements for needed
18 housing, and those requirements must be specified by rule of the commission
19 in a manner that is as objective as practicable; and

20 (D) May be either:

21 (i) Planned and zoned, or otherwise conditioned, to avoid significantly
22 affecting a state highway, a state highway interchange or a freight route
23 designated in the Oregon Highway Plan; or

24 (ii) Allowed to significantly affect a state highway, a state highway
25 interchange or a freight route designated in the Oregon Highway Plan sub-
26 ject to mitigation, consistent with rules of the commission, if the lands are
27 planned and zoned for compact urban development or industrial uses.

28 (4) For purposes of subsection (3)(a) of this section, population growth
29 must be forecast as provided in ORS 195.033. Employment growth must be
30 forecast based on the population growth forecast for the city or the employ-
31 ment growth forecast issued by the Employment Department for the county

1 or region. The commission shall establish factors, by rule, for converting the
2 forecasted population and employment growth into forecasts of land need for
3 housing, employment and other categories of uses. The factors must:

4 (a) Be based on an empirical evaluation of the relation between popu-
5 lation and employment growth and the rate and trends of land utilization in
6 the recent past in the applicable major region of the state;

7 (b) Reflect consideration by the commission of any significant changes
8 occurring or expected to occur in the markets for urban land uses in that
9 major region of the state;

10 (c) Be designed to encourage an increase in the land use efficiency of a
11 city, subject to market conditions; and

12 (d) Provide a range of policy choices for a city about the form of its fu-
13 ture growth.

14 (5) For purposes of subsection (3)(b) of this section, the commission shall
15 establish factors for supply and development capacity that are:

16 (a) Based on an empirical evaluation of the population and employment
17 growth that has occurred on similarly situated lands through development
18 and redevelopment;

19 (b) Based on consideration by the commission of any significant changes
20 occurring or expected to occur in the markets for urban land uses in that
21 major region of the state;

22 (c) Designed to encourage an increase in the land use efficiency of the
23 city, subject to market conditions; and

24 (d) Designed to provide a range of policy choices for a city about the form
25 of its future growth.

26 (6) For purposes of subsection (3)(c) of this section, the commission shall
27 establish factors that are:

28 (a) Based on an empirical evaluation of the population and employment
29 growth that has occurred on similarly situated lands through development
30 and redevelopment;

31 (b) Based on consideration by the commission of any significant changes

1 occurring or expected to occur in the markets for urban land uses in each
2 major region of the state;

3 (c) Designed to encourage an increase in the land use efficiency of the
4 city, subject to market conditions; and

5 (d) Designed to provide a range of policy choices for a city about the form
6 of its future growth.

7 (7) For lands that are included within an urban growth boundary pursu-
8 ant to this section and not made serviceable within 20 years after the date
9 of their inclusion, the commission may provide by rule that:

10 (a) The lands must be removed from within the urban growth boundary
11 the next time the city evaluates the urban growth boundary; or

12 (b) The planned development capacity of the lands must be reduced if
13 there are significant increases in the cost of making the lands serviceable.

14 (8) When lands included within the urban growth boundary pursuant to
15 this section are planned and zoned for industrial or residential uses, the
16 lands must remain planned and zoned for the use unless a rule of the com-
17 mission allows a change in planning and zoning based on a significant
18 change in circumstance.

19 **SECTION 59.** ORS 197A.305 is amended to read:

20 197A.305. (1) [*In addition to and not in lieu of*] **As an alternative to** the
21 method prescribed in [*ORS 197.286 to 197.314 and the statewide land use*
22 *planning goals*] **section 16 (5)(a) of this 2023 Act**, the Land Conservation
23 and Development Commission shall adopt by rule methods by which a city
24 that is outside Metro may evaluate or amend the urban growth boundary of
25 the city.

26 (2) A city outside Metro may use the methods adopted pursuant to:

27 (a) ORS 197A.310 if the city has a population of less than 10,000.

28 (b) ORS 197A.312 if the city has a population of 10,000 or more.

29 (3) A city that elects to include land within the urban growth boundary
30 of the city under a method established pursuant to ORS 197A.310 or 197A.312:

31 (a) May use the method again when:

1 (A) The population of the city has grown by at least 50 percent of the
2 amount of growth forecast to occur in conjunction with the previous use of
3 the method by the city; or

4 (B) At least one-half of the lands identified as buildable lands during the
5 previous use of the method by the city have been developed.

6 (b) Shall evaluate whether the city needs to include within the urban
7 growth boundary additional land for residential or employment uses before
8 the population of the city has grown by 100 percent of the population growth
9 forecast to occur in conjunction with the previous use of the method by the
10 city.

11 (4) A city that elects to use a method established pursuant to ORS
12 197A.310 or 197A.312 shall notify the Department of Land Conservation and
13 Development of the election in the manner required by ORS 197.610 for no-
14 tice of a post-acknowledgment plan amendment. The city may revoke the
15 election until the city makes a final decision whether to amend the urban
16 growth boundary of the city. A city that has initiated, but not completed,
17 an amendment of its urban growth boundary before January 1, 2014, may
18 withdraw the proposed amendment and use a method established pursuant
19 to ORS 197A.310 or 197A.312 by filing notice of the election with the de-
20 partment in the manner required by ORS 197.610 and 197.615 for notice of a
21 post-acknowledgment plan amendment.

22 (5) Beginning on or before January 1, 2023, the commission shall:

23 (a) Evaluate, every five years, the impact of the implementation of ORS
24 197A.310 (2) and 197A.312 (2) on the population per square mile, livability in
25 the area, the provision and cost of urban facilities and services, the rate of
26 conversion of agriculture and forest lands and other considerations;

27 (b) Consider changes to the statewide land use planning goals or rules to
28 address adverse outcomes; and

29 (c) Make recommendations to the Legislative Assembly, as necessary, for
30 statutory changes.

31 **SECTION 60.** ORS 197A.312 is amended to read:

1 197A.312. (1) *[In addition to and not in lieu of]* **As an alternative to** the
2 method prescribed in *[ORS 197.286 to 197.314 and the statewide land use*
3 *planning goals]* **section 16 (5)(a) of this 2023 Act**, the Land Conservation
4 and Development Commission shall adopt a method by which a city outside
5 Metro that has a population of 10,000 or more may evaluate or amend its
6 urban growth boundary.

7 (2) The commission shall design the method so that:

8 (a) A city using the method:

9 (A) Will have within its boundaries sufficient buildable lands and other
10 development capacity, including land and capacity for needed housing and
11 employment opportunities, to meet the growth in population and employment
12 forecast to occur over a 14-year period.

13 (B) Will not become less efficient in its use of land as a result of a change
14 to the urban growth boundary.

15 (b) The urban population per square mile will continue to increase over
16 time on a statewide basis and in major regions of the state, including that
17 portion of the Willamette Valley outside of Metro.

18 (c) The rate of conversion of agricultural and forest lands to urban uses
19 does not increase over time in any major region of the state.

20 (3) Under the method adopted by the commission:

21 (a) A city's determination of the amount of buildable lands *[needed for]*
22 **sufficient for needed** housing, employment and other urban uses must be
23 based on the population and employment growth forecast to occur over a
24 14-year period.

25 (b) A city's determination of the supply and development capacity of lands
26 within its urban growth boundary must be based on:

27 (A) An inventory of vacant and partially vacant buildable lands within
28 the urban growth boundary;

29 (B) The comprehensive plan designation and the zoning of the portion of
30 the buildable lands that is urban; and

31 (C) Factors established by the commission for forecasting:

1 (i) The development and redevelopment capacity of urbanizable lands
2 within the urban growth boundary; and

3 (ii) The redevelopment capacity of developed urban lands within the ur-
4 ban growth boundary.

5 (c) A city's determination of the supply and development capacity of lands
6 the city proposes to include within the urban growth boundary must be based
7 on:

8 (A) An inventory of vacant and partially vacant lands; and

9 (B) Factors established by the commission for forecasting the development
10 and redevelopment capacity of the lands.

11 (d) A city shall consider a range or combination of measures identified
12 by rule of the commission to accommodate future need for land within the
13 urban growth boundary and implement at least one measure or satisfy an
14 alternate performance standard established by the commission. The commis-
15 sion shall design the alternate performance standard so that the standard is
16 satisfied when the city:

17 (A) Has a development code that contains specified provisions designed
18 to encourage the development of needed housing; and

19 (B) Demonstrates that, during the preceding planning period, the city:

20 (i) If located in the Willamette Valley, exceeded the median rate of rede-
21 velopment and infill for cities with a population of 10,000 or more in the
22 Willamette Valley that are outside of the boundaries of Metro by an amount
23 set by commission rule; and

24 (ii) If located outside of the Willamette Valley, exceeded the median rate
25 of redevelopment and infill for cities with a population of 10,000 or more that
26 are outside the Willamette Valley by an amount set by commission rule.

27 (e) A city shall demonstrate that lands included within the urban growth
28 boundary:

29 (A) Include sufficient serviceable land for at least a seven-year period.

30 (B) Can all be serviceable over a 14-year period.

31 (f) Lands included within the urban growth boundary:

1 (A) Must be planned and zoned for categories of land uses in amounts
2 that are roughly proportional to the land need determined for each category
3 of use;

4 (B) Must be planned and zoned for an intensity of use that is generally
5 consistent with the estimates that were used to determine the amount of land
6 needed;

7 (C) Must be planned and zoned to meet the requirements for needed
8 housing, and those requirements must be specified by rule of the commission
9 in a manner that is as objective as practicable; and

10 (D) May be either:

11 (i) Planned and zoned, or otherwise conditioned, to avoid significantly
12 affecting a state highway, a state highway interchange or a freight route
13 designated in the Oregon Highway Plan; or

14 (ii) Allowed to significantly affect a state highway, a state highway
15 interchange or a freight route designated in the Oregon Highway Plan sub-
16 ject to mitigation, consistent with rules of the commission, if the lands are
17 planned and zoned for compact urban development or industrial uses.

18 (4) For purposes of subsection (3)(a) of this section, population growth
19 must be forecast as provided in ORS 195.033. Employment growth must be
20 forecast based on the population growth forecast for the city or the employ-
21 ment growth forecast issued by the Employment Department for the county
22 or region. The commission shall establish factors, by rule, for converting the
23 forecasted population and employment growth into forecasts of land need for
24 housing, employment and other categories of uses. The factors must:

25 (a) Be based on an empirical evaluation of the relation between popu-
26 lation and employment growth and the rate and trends of land utilization in
27 the recent past in the applicable major region of the state;

28 (b) Reflect consideration by the commission of any significant changes
29 occurring or expected to occur in the markets for urban land uses in that
30 major region of the state;

31 (c) Be designed to encourage an increase in the land use efficiency of a

1 city, subject to market conditions; and

2 (d) Provide a range of policy choices for a city about the form of its fu-
3 ture growth.

4 (5) For purposes of subsection (3)(b) of this section, the commission shall
5 establish factors for supply and development capacity that are:

6 (a) Based on an empirical evaluation of the population and employment
7 growth that has occurred on similarly situated lands through development
8 and redevelopment;

9 (b) Based on consideration by the commission of any significant changes
10 occurring or expected to occur in the markets for urban land uses in that
11 major region of the state;

12 (c) Designed to encourage an increase in the land use efficiency of the
13 city, subject to market conditions; and

14 (d) Designed to provide a range of policy choices for a city about the form
15 of its future growth.

16 (6) For purposes of subsection (3)(c) of this section, the commission shall
17 establish factors that are:

18 (a) Based on an empirical evaluation of the population and employment
19 growth that has occurred on similarly situated lands through development
20 and redevelopment;

21 (b) Based on consideration by the commission of any significant changes
22 occurring or expected to occur in the markets for urban land uses in each
23 major region of the state;

24 (c) Designed to encourage an increase in the land use efficiency of the
25 city, subject to market conditions; and

26 (d) Designed to provide a range of policy choices for a city about the form
27 of its future growth.

28 (7) For lands that are included within an urban growth boundary pursu-
29 ant to this section and not made serviceable within 20 years after the date
30 of their inclusion, the commission may provide by rule that:

31 (a) The lands must be removed from within the urban growth boundary

1 the next time the city evaluates the urban growth boundary; or

2 (b) The planned development capacity of the lands must be reduced if
3 there are significant increases in the cost of making the lands serviceable.

4 (8) When lands included within the urban growth boundary pursuant to
5 this section are planned and zoned for industrial or residential uses, the
6 lands must remain planned and zoned for the use unless a rule of the com-
7 mission allows a change in planning and zoning based on a significant
8 change in circumstance.

9 **SECTION 61. ORS 197A.405, 197A.407, 197A.409, 197A.411 and 197A.413**
10 **are repealed.**

11 **SECTION 62. Any moneys remaining in the City Economic Devel-**
12 **opment Pilot Program Fund on the effective date of this 2023 Act that**
13 **are unexpended, unobligated and not subject to any conditions shall**
14 **revert to the General Fund.**

15 **SECTION 63. ORS 215.457 is amended to read:**

16 215.457. A person may establish a youth camp:

17 (1) On land zoned for forest use or mixed farm and forest use, consistent
18 with rules adopted by the Land Conservation and Development Commission.

19 (2) On land in eastern Oregon, as defined in ORS 321.805, that is zoned
20 for exclusive farm use and is composed predominantly of class VI, VII or
21 VIII soils, consistent with rules adopted by the Land Conservation and De-
22 velopment Commission. However, a person may not establish a youth camp
23 authorized under this subsection within an irrigation district or within three
24 miles of an urban growth boundary as defined in ORS [197.286] **197.015**. A
25 youth camp may be authorized under this subsection only on a lawfully es-
26 tablished unit of land as defined in ORS 92.010 of at least 1,000 acres.

27 **SECTION 64. ORS 215.501 is amended to read:**

28 215.501. (1) As used in this section:

29 (a) "Accessory dwelling unit" means a residential structure that is used
30 in connection with or that is auxiliary to a single-family dwelling.

31 (b) "Area zoned for rural residential use" means land that is not located

1 inside an urban growth boundary as defined in ORS [195.060] **197.015** and
2 that is subject to an acknowledged exception to a statewide land use plan-
3 ning goal relating to farmland or forestland and planned and zoned by the
4 county to allow residential use as a primary use.

5 (c) "Historic home" means a single-family dwelling constructed between
6 1850 and 1945.

7 (d) "New" means that the dwelling being constructed did not previously
8 exist in residential or nonresidential form. "New" does not include the ac-
9 quisition, alteration, renovation or remodeling of an existing structure.

10 (e) "Single-family dwelling" means a residential structure designed as a
11 residence for one family and sharing no common wall with another residence
12 of any type.

13 (2) Notwithstanding any local zoning or local regulation or ordinance
14 pertaining to the siting of accessory dwelling units in areas zoned for rural
15 residential use, a county may allow an owner of a lot or parcel within an
16 area zoned for rural residential use to construct a new single-family dwelling
17 on the lot or parcel, provided:

18 (a) The lot or parcel is not located in an area designated as an urban
19 reserve as defined in ORS 195.137;

20 (b) The lot or parcel is at least two acres in size;

21 (c) A historic home is sited on the lot or parcel;

22 (d) The owner converts the historic home to an accessory dwelling unit
23 upon completion of the new single-family dwelling; and

24 (e) The accessory dwelling unit complies with all applicable laws and
25 regulations relating to sanitation and wastewater disposal and treatment.

26 (3) An owner that constructs a new single-family dwelling under sub-
27 section (2) of this section may not:

28 (a) Subdivide, partition or otherwise divide the lot or parcel so that the
29 new single-family dwelling is situated on a different lot or parcel from the
30 accessory dwelling unit.

31 (b) Alter, renovate or remodel the accessory dwelling unit so that the

1 square footage of the accessory dwelling unit is more than 120 percent of the
2 historic home's square footage at the time construction of the new single-
3 family dwelling commenced.

4 (c) Rebuild the accessory dwelling unit if the structure is lost to fire.

5 (d) Construct an additional accessory dwelling unit on the same lot or
6 parcel.

7 (4) A county may require that a new single-family dwelling constructed
8 under this section be served by the same water supply source as the acces-
9 sory dwelling unit.

10 (5) A county may impose additional conditions of approval for con-
11 struction of a new single-family dwelling or conversion of a historic home
12 to an accessory dwelling unit under this section.

13 **SECTION 65.** ORS 270.005 is amended to read:

14 270.005. For purposes of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190,
15 273.416, 273.426 to 273.436 and 273.551:

16 (1) "Department" means the Oregon Department of Administrative Ser-
17 vices.

18 (2) "Improvements" means any and all structures on or attachments to
19 state-owned real property, but excluding public improvements as defined in
20 ORS 279A.010.

21 (3) "Real property" means all real property together with any and all
22 improvements thereon.

23 (4) "Rural community" means an unincorporated community that consists
24 primarily of permanent residential dwellings but also has at least two other
25 land uses that provide commercial, industrial or public uses to the commu-
26 nity, the surrounding rural area or persons traveling through the area.

27 (5) "Surplus real property" means all state-owned real property and im-
28 provements surplus to agency and state need.

29 (6) "Urban growth boundary" has the meaning given that term in ORS
30 [195.060] **197.015.**

31 (7) "Urban reserve" means any land designated as an urban reserve under

1 ORS 195.145.

2 (8) “Urban unincorporated community” has the meaning given that term
3 in ORS 197.015.

4 **SECTION 66.** ORS 466.055 is amended to read:

5 466.055. Before issuing a permit for a new facility designed to dispose of
6 or treat hazardous waste or PCB, the Environmental Quality Commission
7 must find, on the basis of information submitted by the applicant, the De-
8 partment of Environmental Quality or any other interested party, that the
9 proposed facility meets the following criteria:

10 (1) The proposed facility location:

11 (a) Is suitable for the type and amount of hazardous waste or PCB in-
12 tended for treatment or disposal at the facility;

13 (b) Provides the maximum protection possible to the public health and
14 safety and environment of Oregon from release of the hazardous waste or
15 PCB stored, treated or disposed of at the facility; and

16 (c) Is situated sufficient distance from urban growth boundaries, as de-
17 fined in ORS [197.286] **197.015**, to protect the public health and safety, ac-
18 cessible by transportation routes that minimize the threat to the public
19 health and safety and to the environment and sufficient distance from parks,
20 wilderness and recreation areas to prevent adverse impacts on the public use
21 and enjoyment of those areas.

22 (2) Subject to any applicable standards adopted under ORS 466.035, the
23 design of the proposed facility:

24 (a) Allows for treatment or disposal of the range of hazardous waste or
25 PCB as required by the commission; and

26 (b) Significantly adds to:

27 (A) The range of hazardous waste or PCB handled at a treatment or dis-
28 posal facility currently permitted under ORS 466.005 to 466.385; or

29 (B) The type of technology employed at a treatment or disposal facility
30 currently permitted under ORS 466.005 to 466.385.

31 (3) The proposed facility uses the best available technology for treating

1 or disposing of hazardous waste or PCB as determined by the department or
2 the United States Environmental Protection Agency.

3 (4) The need for the facility is demonstrated by:

4 (a) Lack of adequate current treatment or disposal capacity in Oregon,
5 Washington, Idaho and Alaska to handle hazardous waste or PCB generated
6 by Oregon companies;

7 (b) A finding that operation of the proposed facility would result in a
8 higher level of protection of the public health and safety or environment; or

9 (c) Significantly lower treatment or disposal costs to Oregon companies.

10 (5) The proposed hazardous waste or PCB treatment or disposal facility
11 has no major adverse effect on either:

12 (a) Public health and safety; or

13 (b) Environment of adjacent lands.

14 **SECTION 67.** ORS 527.755 is amended to read:

15 527.755. (1) The following highways are hereby designated as scenic
16 highways for purposes of the Oregon Forest Practices Act:

17 (a) Interstate Highways 5, 84, 205, 405; and

18 (b) State Highways 6, 7, 20, 18/22, 26, 27, 30, 31, 34, 35, 36, 38, 42, 58, 62,
19 66, 82, 97, 101, 126, 138, 140, 199, 230, 234 and 395.

20 (2) The purpose of designating scenic highways is to provide a limited
21 mechanism that maintains roadside trees for the enjoyment of the motoring
22 public while traveling through forestland, consistent with ORS 527.630,
23 safety and other practical considerations.

24 (3) The State Board of Forestry, in consultation with the Department of
25 Transportation, shall establish procedures and regulations as necessary to
26 implement the requirements of subsections (4), (5) and (6) of this section,
27 consistent with subsection (2) of this section, including provisions for alter-
28 nate plans. Alternate plans that modify or waive the requirements of sub-
29 section (4), (5) or (6) of this section may be approved when, in the judgment
30 of the State Forester, circumstances exist such as:

31 (a) Modification or waiver is necessary to maintain motorist safety, pro-

1 tect improvements such as dwellings and bridges, or protect forest health;

2 (b) Modification or waiver will provide additional scenic benefits to the
3 motoring public, such as exposure of distant scenic vistas;

4 (c) Trees that are otherwise required to be retained will not be visible to
5 motorists;

6 (d) The operation involves a change of land use that is inconsistent with
7 maintaining a visually sensitive corridor; or

8 (e) The retention of timber in a visually sensitive corridor will result in
9 severe economic hardship for the owner because all or nearly all of the
10 owner's property is within the visually sensitive corridor.

11 (4)(a) For harvest operations within a visually sensitive corridor, at least
12 50 healthy trees of at least 11 inches DBH, or that measure at least 40 square
13 feet in basal area, shall be temporarily left on each acre.

14 (b) Overstory trees initially required to be left under paragraph (a) of this
15 subsection may be removed when the reproduction understory reaches an
16 average height of at least 10 feet and has at least the minimum number of
17 stems per acre of free to grow seedlings or saplings required by the board
18 for reforestation, by rule.

19 (c) Alternatively, when the adjacent stand, extending from 150 feet from
20 the outermost edge of the roadway to 300 feet from the outermost edge of the
21 roadway, has attained an average height of at least 10 feet and has at least
22 the minimum number of stems per acre of free to grow seedlings or saplings
23 required by the board for reforestation, by rule, or at least 40 square feet
24 of basal area per acre, no trees are required to be left in the visually sensi-
25 tive corridor, or trees initially required to be left under paragraph (a) of this
26 subsection may be removed. When harvests within the visually sensitive
27 corridor are carried out under this paragraph, the adjacent stand, extending
28 from 150 feet from the outermost edge of the roadway to 300 feet from the
29 outermost edge of the roadway, shall not be reduced below the minimum
30 number of stems per acre of free to grow seedlings or saplings at least 10 feet
31 tall required by the board for reforestation, by rule, or below 40 square feet

1 of basal area per acre until the adjacent visually sensitive corridor has been
2 reforested as required under subsection (6) of this section and the stand has
3 attained an average height of at least 10 feet and has at least the minimum
4 number of stems per acre.

5 (5) Harvest areas within a visually sensitive corridor shall be cleared of
6 major harvest debris within 30 days of the completion of the harvest, or
7 within 60 days of the cessation of active harvesting activity on the site, re-
8 gardless of whether the harvest operation is complete.

9 (6) Notwithstanding the time limits established in ORS 527.745 (1)(a),
10 when harvesting within a visually sensitive corridor results in a harvest type
11 1 or harvest type 3, reforestation shall be completed by the end of the first
12 planting season after the completion of the harvest. All other provisions of
13 ORS 527.745 shall also apply to harvest type 1 or harvest type 3 within vis-
14 ually sensitive corridors.

15 (7) Landowners and operators shall not be liable for injury or damage
16 caused by trees left within the visually sensitive corridor for purposes of
17 fulfilling the requirements of this section, when carried out in compliance
18 with the provisions of the Oregon Forest Practices Act.

19 (8) The following are exempt from this section:

20 (a) Harvest on single ownerships less than five acres in size;

21 (b) Harvest within an urban growth boundary, as defined in ORS
22 [195.060] **197.015**; and

23 (c) Harvest within zones designated for rural residential development
24 pursuant to an exception adopted to the statewide land use planning goals
25 under ORS 197.732.

26 **SECTION 68.** Section 6, chapter 552, Oregon Laws 2021, is amended to
27 read:

28 **Sec. 6.** (1) Notwithstanding ORS 197.286 to 197.314, 197.626 or 197A.320
29 or any statewide land use planning goal related to housing or urbanization,
30 the Department of Land Conservation and Development shall approve an
31 expansion of the urban growth boundary submitted by the city and approved

1 by the city by ordinance, if the department determines that:

2 (a) The department has received the letters required by section 4, **chapter**
3 **552, Oregon Laws 2021** [*of this 2021 Act*];

4 (b) The department has approved the city's conceptual plan under section
5 **5, chapter 552, Oregon Laws 2021** [*of this 2021 Act*]; and

6 (c) The proposed urban growth boundary expansion adds all of the Stevens
7 Road tract and no other lands to the area within the city's urban growth
8 boundary.

9 (2) The city shall include the lands brought within the city's urban
10 growth boundary under this section in the city's inventory of buildable lands
11 under [*ORS 197.296 (3)(a)*] **section 16 (3)(a) of this 2023 Act**.

12 **SECTION 69.** Section 9, chapter 552, Oregon Laws 2021, is amended to
13 read:

14 **Sec. 9.** (1) Notwithstanding ORS 197.250 or 197.612 or any statewide land
15 use planning goal, the Department of Land Conservation and Development
16 shall approve Stevens Road planning amendments provided the department
17 determines, in its discretion, that the Stevens Road planning amendments,
18 with respect to the Stevens Road tract, include:

19 (a) An inventory of significant historical artifacts, cultural sites and na-
20 tural resources.

21 (b) Areas designated for recreational and open space.

22 (c) Land use regulations for the protection and preservation of significant
23 resources and designated areas identified in paragraphs (a) and (b) of this
24 subsection.

25 (d) Land use regulations that comply with applicable wildfire planning
26 and development requirements, including requirements in regulations
27 adopted to implement a statewide planning goal relating to natural disasters
28 and hazards.

29 (e) Areas designated for adequate employment lands that account for the
30 city's most recent economic opportunity analysis, including consideration of
31 subsequent economic development activities and trends.

1 (f) Within areas zoned for residential purposes, without counting the
2 lands designated under subsection (2) of this section, land use regulations for
3 housing that:

4 (A) Ensure adequate opportunities for the development of all needed
5 housing types, sizes and densities of market-rate housing, including middle
6 housing as defined in ORS 197.758;

7 (B) Exceed the proportions of single-family attached and multifamily
8 housing called for in the city's most recently adopted housing needs analysis
9 under ORS 197.296 (3) **(2021 Edition)**;

10 (C) Exceed a minimum density standard of nine residential units per gross
11 residential acre; and

12 (D) On the date the Stevens Road planning amendments are approved,
13 comply with land use regulations adopted by the city, or any minimum ap-
14 plicable rules adopted by the department, to implement ORS 197.758 and the
15 amendments to ORS 197.312 by section 7, chapter 639, Oregon Laws 2019.

16 (g) Sufficient areas designated for mixed use development to support and
17 integrate viable commercial and residential uses along with transportation
18 options, including walking, bicycling and transit use.

19 (h) Land use regulations ensuring that:

20 (A) Adequate capacity is available, or feasible with development, for wa-
21 ter, sewer and storm water services; and

22 (B) Adequate consideration is given to the financing, scheduling and de-
23 velopment of urban services, as defined in ORS 195.065.

24 (i) Land use regulations for transportation that:

25 (A) Ensure the development of adequate infrastructure to support walk-
26 ing, bicycling, public transit and motor vehicle movement; and

27 (B) Give adequate consideration to transportation networks that connect
28 the Stevens Road tract to other areas within the urban growth boundary of
29 the city.

30 (j) The adequate consideration of the recommendations and comments re-
31 ceived under section 8 (3) to (5), **chapter 552, Oregon Laws 2021** [*of this*

1 *2021 Act*].

2 (2) The department may not approve the planning amendments under
3 subsection (1) of this section unless the planning amendments designate at
4 least 20 net acres of land to be:

5 (a) Restricted so the area may be zoned, planned, sited or developed only
6 for residential housing units at a minimum density of nine residential units
7 per gross acre;

8 (b) Conveyed to the city at a price per acre established under section 4
9 (2)(b), **chapter 552, Oregon Laws 2021** [*of this 2021 Act*]; and

10 (c) Notwithstanding ORS 91.225 or 197.309, preserved for a period of no
11 less than 50 years as affordable to own or rent as follows:

12 (A) At least 12 net acres made affordable to:

13 (i) Households with incomes of 60 percent or less of the area median in-
14 come, as defined in ORS 456.270; or

15 (ii) If part of an income-averaging program approved by the Housing and
16 Community Services Department, households whose incomes average 60 per-
17 cent or less of the area median income.

18 (B) At least six net acres:

19 (i) Made affordable to households with incomes of 80 percent or less of
20 the area median income; and

21 (ii) Made available, to the extent permitted by law, in a manner that gives
22 a priority to households in which at least one individual is employed by an
23 education provider over other members of the public.

24 (C) At least two net acres in which at least 80 percent of the units in each
25 contiguous development tract are made affordable to households with 80
26 percent or less of the area median income, of which at least one net acre is
27 made available, to the extent permitted by law, in a manner that gives a
28 priority to households in which at least one individual is employed by an
29 education provider over other members of the public.

30 (3) Upon a partition or subdivision of the Stevens Road tract following
31 the approval of the planning amendments under subsection (1) of this section

1 establishing one or more lots or parcels described in subsection (2) of this
2 section, the owner shall transfer those lots or parcels to the city. For a pe-
3 riod of 99 years after the purchase of property under this section, if the city
4 resells any lot or parcel, the city may recover only the city's costs of the
5 purchase and resale of the property.

6 (4) Neither the city nor the Department of Land Conservation and De-
7 velopment is obligated to adopt any specific findings or evaluate any specific
8 criteria in exercising its discretion with respect to any Stevens Road plan-
9 ning amendments under this section and may receive, solicit or consider in-
10 formation from any source.

11 (5) As used in this section, "education provider" means a school district
12 as defined in ORS 332.002, an educational program under the Youth Cor-
13 rections Education Program or Juvenile Detention Education Program as
14 both are defined in ORS 326.695, or an education service district as defined
15 in ORS 334.003.

16

17

CAPTIONS

18

19 **SECTION 70. The unit captions used in this 2023 Act are provided**
20 **only for the convenience of the reader and do not become part of the**
21 **statutory law of this state or express any legislative intent in the**
22 **enactment of this 2023 Act.**

23
