A BILL FOR AN ACT

Relating to workforce housing.

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

SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS chapter 197.

SECTION 2. (1) As used in this section:

(a) “Workforce commercial” means commercial use, in buildings not larger than 2,000 square feet, that is of a type and scale supportive of nearby households in workforce housing.

(b) “Workforce housing” means housing that is affordable to households with incomes equal to the area median income as defined in ORS 456.270.

(2) The governing body of a city may amend its urban growth boundary upon a petition from a landowner to include land if:

(a) The land:

(A) Is not larger than 100 acres;

(B) Is designated as an urban reserve under ORS 195.137 to 195.145;

(C) Is a contiguous parcel and adjacent to the city’s existing urban growth boundary;

(D) Does not include areas designated for protection in an acknowledged comprehensive plan pursuant to open spaces, scenic and historic areas and natural resource goals unless the areas retain this designation after inclusion within the urban growth boundary under this section; and

(E) May be rezoned for workforce housing and workforce commercial consistent with any land use planning goal relating to transportation planning;

(b) The city has:

(A) Identified a need for additional workforce housing in its comprehensive plan provisions under a statewide planning goal relating to housing;

(B) Not approved an expansion of its urban growth boundary under this section within the previous five years; and

(C) Accepted public comment for a period of not less than 60 days; and

(c) The approval of the petition and urban growth boundary expansion is contingent upon certain conditions being met.

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

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the city:

(A) Entering into a binding agreement with the property owner and with any other necessary local government, a district as defined in ORS 195.060 or a combination thereof to ensure that there exists a commitment to provide the land with all necessary urban services, as defined in ORS 195.065, in a specific location and by a specific date that is within two years of the city's approval of the petition;

(B) Amending its comprehensive plan or land use regulations to allow the land to be solely used for workforce housing or both workforce housing and workforce commercial; and

(C) Serving as the covenant holder of an affordable housing covenant as described in ORS 456.270 to 456.295 with a duration of no less than 60 years and that allows the development and use of the land only for:

(i) Workforce housing uses; and

(ii) Workforce commercial uses.

(3) Within six months following the receipt of an amendment to a city's urban growth boundary under this section, the approval of the amendment must be given by:

(a) For lands within the urban growth boundary of Metro, Metro.

(b) For lands not within the urban growth boundary of Metro, the county or counties in which the lands are located.

(4) A city amending its urban growth boundary under this section to add land zoned for workforce housing and workforce commercial may not thereafter rezone the land for any other use for a period of 50 years.

(5) Nothing in this section prohibits a city from imposing additional conditions on housing affordability on the land that are allowed under ORS 197.309.