

Senate Bill 701

Sponsored by Senator KNOPP

SUMMARY

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

Allows certain local governments to include within urban growth boundary lands for needed housing. Requires consent of city and affected properties. Provides that inclusion results in city annexation of land.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to urban growth boundary expansion to address low vacancy rates; creating new provisions; amending ORS 197.298; and declaring an emergency.

3
4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS 197.286 to**
6 **197.314.**

7 **SECTION 2. (1) Notwithstanding ORS 197.296 or 197.298 or a statewide planning goal addressing urbanization, a local government may amend its urban growth boundary to include**
8 **land for needed housing, as defined in ORS 197.303, if the local government determines that**
9 **in the immediately preceding calendar year:**
10

11 (a) **The number of new households within the jurisdiction of the local government exceeded the number of new housing units within the jurisdiction; and**

12 (b) **The average monthly vacancy rate for rental units within the jurisdiction of the local**
13 **government did not exceed six percent.**

14 (2) **Notwithstanding ORS 197.298 or 197A.320, a local government that amends its urban**
15 **growth boundary under this section shall prioritize including land dedicated to needed housing that is:**
16

17 (a) **Adjacent to the urban growth boundary;**

18 (b) **Served, or capable of being served within one year, by urban services, as defined in**
19 **ORS 195.065, necessary for the development of needed housing; and**

20 (c) **Adequate to meet the projected demand for new housing units for the jurisdiction of**
21 **the local government.**

22 (3) **A local government may not amend its urban growth boundary under this section**
23 **unless approved by:**

24 (a) **The city to which the land included by the amendment will be annexed; and**

25 (b) **All owners of land included by the amendment, by unanimous consent.**

26 (4) **Notwithstanding ORS chapter 222 or any other provision of law related to annexation**
27 **of territory by cities, upon receipt of the approvals required under subsection (3) of this**
28 **section, land included within an urban growth boundary under this section is annexed to the**
29 **city with the longest contiguous adjacent city limit. Annexation under this subsection is not**
30

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

1 a land use decision.

2 (5) For no fewer than 10 years following the amendment of an urban growth boundary
3 under this section, a local government shall require that developed housing on included land
4 remains used for needed housing through:

5 (a) Zoning classifications or ordinances; or

6 (b) Regulations, provisions or requirements described in ORS 197.309.

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

8 197.298. (1) In addition to any requirements established by rule addressing urbanization, land
9 may not be included within an urban growth boundary of Metro except under the following priori-
10 ties:

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

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

18 (c) If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the
19 amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247
20 (1991 Edition).

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

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

26 (3) Land of lower priority under subsection (1) of this section may be included in an urban
27 growth boundary if land of higher priority is found to be inadequate to accommodate the amount
28 of land [*estimated in*] **identified for inclusion in the urban growth boundary under** subsection (1)
29 of this section for one or more of the following reasons:

30 (a) Specific types of identified land needs cannot be reasonably accommodated on higher priority
31 lands;

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

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

36 (4) When a city includes land within the urban growth boundary of the city pursuant to ORS
37 197.286 to 197.314, the city shall prioritize lands for inclusion as provided in ORS 197A.320.

38 **SECTION 4. This 2021 Act being necessary for the immediate preservation of the public**
39 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
40 **on its passage.**

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