Enrolled
House Bill 2001

Sponsored by Representative DEXTER, Senators JAMA, ANDERSON, Representative HELFRICH; Representatives BOWMAN, CHAICHI, EVANS, FAHEY, GAMBA, GOMBERG, GRAYBER, HARTMAN, JAVADI, KROPF, LEVY E, MARSH, MCLAIN, NELSON, NERON, NGUYEN H, PHAM H, PHAM K, REYNOLDS, RUIZ, SOSA, VALDERRAMA, WALTERS, Senator PATTERSON

CHAPTER .....

AN ACT

Relating to housing; creating new provisions; amending ORS 90.394, 94.536, 105.115, 105.124, 105.135, 105.137, 195.033, 195.036, 195.060, 195.141, 195.143, 195.145, 195.300, 197.015, 197.286, 197.290, 197.291, 197.293, 197.296, 197.297, 197.298, 197.299, 197.302, 197.303, 197.304, 197.307, 197.313, 197.319, 197.320, 197.335, 197.480, 197.522, 197.637, 197.764, 197.831, 197A.300, 197A.305, 197A.310, 197A.312, 197A.320, 215.457, 215.501, 270.005, 456.586, 458.650, 466.055 and 527.755 and section 8, chapter 420, Oregon Laws 2021, sections 1, 2 and 6, chapter 531, Oregon Laws 2021, and sections 6 and 9, chapter 552, Oregon Laws 2021; repealing ORS 197.178, 197.766, 197A.405, 197A.407, 197A.409, 197A.411 and 197A.413; and declaring an emergency.

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

OREGON HOUSING NEEDS ANALYSIS

SECTION 1. (1) There is established within the Oregon Department of Administrative Services the Oregon Housing Needs Analysis. The purposes of the Oregon Housing Needs Analysis are to further the:

(a) Production of housing to meet the need of Oregonians at all levels of affordability; and

(b) Production of housing in a way that creates more housing choice by affirmatively furthering fair housing, as defined in ORS 197.290.

(2) The Oregon Housing Needs Analysis consists of three components as follows:

(a) The annual statewide housing analysis under section 2 (1) of this 2023 Act;

(b) The allocated housing need under section 2 (2) of this 2023 Act; and

(c) The housing production targets under section 3 of this 2023 Act.

(3) Actions taken by the department under sections 1 to 3 of this 2023 Act are not subject to ORS 197.180 and are not land use decisions.

(4) The Department of Land Conservation and Development and the Housing and Community Services Department:

(a) Shall assist the Oregon Department of Administrative Services with its duties under sections 1 to 3 of this 2023 Act.

(b) May study and recommend methodological changes to the Oregon Department of Administrative Services to improve the Oregon Housing Needs Analysis' functions and suitability for its purposes under subsection (1) of this section. The departments may solicit written and oral public testimony to inform their recommendations.

SECTION 2. (1) On an annual basis the Oregon Department of Administrative Services shall conduct a statewide housing analysis. The analysis must be conducted statewide and segmented into regions as determined by the department. The analysis shall estimate factors including, but not limited to:

(a) Projected needed housing units over the next 20 years;

(b) Current housing underproduction;

(c) Housing units needed for people experiencing homelessness; and

(d) Housing units projected to be converted into vacation homes or second homes during the next 20 years.

(2) At the time the department performs the housing analysis under subsection (1) of this section, the department shall allocate a housing need for each city.

(3) In making an allocation under subsection (2) of this section, the department shall consider:

(a) The forecasted population growth under ORS 195.033 or 195.036;

(b) The forecasted regional job growth;

(c) An equitable statewide distribution of housing for income levels described in subsection (4) of this section;

(d) The estimates made under subsection (1) of this section; and

(e) The purpose of the Oregon Housing Needs Analysis under section 1 (1) of this 2023 Act.

(4) In estimating and allocating housing need under this section, the department shall segment need by the following income levels:

(a) Housing affordable to households making less than 30 percent of median family income;

(b) Housing affordable to households making 30 percent or more and less than 60 percent of median family income;

(c) Housing affordable to households making 60 percent or more and less than 80 percent of median family income;

(d) Housing affordable to households making 80 percent or more and less than 120 percent of median family income; and

(e) Housing affordable to households making 120 percent or more of median family income.

SECTION 3. (1) The Oregon Department of Administrative Services shall allocate housing production targets to each city with a population of 10,000 or greater and to each unincorporated urbanized area within the Metro urban growth boundary. Housing production targets shall describe the proportion of the allocated housing need that the department determines should be produced in each city within six years for a city or urbanized area inside Metro and within eight years for a city or urbanized area outside Metro.

(2) The housing production targets must be separated into:

(a) A total target; and

(b) A target for publicly supported housing affordable to households making less than 80 percent of the median family income.

(3) In establishing housing production targets under this section, the department:

(a) May include a greater proportion of the allocated housing need to accommodate people experiencing homelessness and housing underproduction within a city;

(b) Is not required to consider allocation of needed housing by Metro under ORS 197.296 or 197.303; and

(c) Shall coordinate the allocation of the targets with a schedule developed by the Department of Land Conservation and Development for requiring housing production strategies under ORS 197.290.

SECTION 4. (1) The Housing and Community Services Department may adopt rules to implement this section and section 5 of this 2023 Act.

(2) On an annual basis the Housing and Community Services Department shall update a publicly available statewide housing production dashboard.

(3) The dashboard shall include, for each city with a population of 10,000 or greater:

(a) Progress toward housing production by affordability levels, as described in section 2 (4) of this 2023 Act and total housing targets; and

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

(4) Information in the dashboard must be based on:

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

(b) Information submitted to the department under section 37 (3) of this 2023 Act.

SECTION 5. (1) On an annual basis the Housing and Community Services Department shall update publicly available statewide housing equity indicators.

(2) The indicators shall include, for each city, quantifiable data, to the extent that the department can determine, define or estimate it, displaying:

(a) Housing outcomes, such as cost burden and availability of housing units to own or to rent, and housing condition for various demographics, including race or ethnicity, disability status, English proficiency and age;

(b) Housing types produced and overall land efficiency of housing production;

(c) New housing units built to standards, as defined by the Department of Consumer and Business Services by rule, relating to accessibility and visitability;

(d) Risk of gentrification and displacement;

(e) Housing segregation by race and income;

(f) Environmentally just housing outcomes, informed by the environmental justice mapping tool, developed by the Environmental Justice Council under section 12, chapter 58, Oregon Laws 2022;

(g) Residential tenants who spend more than 50 percent of their household income on gross rent for housing; and

(h) Other measurable factors or indicators identified by the department.

SECTION 6. (1) No later than March 1, 2024, the Department of Land Conservation and Development shall adopt a housing production target schedule under section 3 (3)(c) of this 2023 Act.

(2) No later than January 1, 2025, the Oregon Department of Administrative Services shall:

(a) Conduct the initial statewide housing analysis and the initial estimate and allocation of housing need under section 2 of this 2023 Act.

(b) Establish the initial housing production targets under section 3 of this 2023 Act.

(3) No later than January 1, 2025, the Housing and Community Services Department shall:

(a) Publish the statewide housing production dashboard under section 4 of this 2023 Act; and

(b) Publish statewide housing equity indicators under section 5 of this 2023 Act.

(4) The schedule adopted by the Department of Land Conservation and Development under subsection (1) of this section is not a land use decisions and is not subject to appeal.

SECTION 7. In addition to and not in lieu of any other appropriation, there is appropriated to the Housing and Community Services Department, for the biennium beginning July

1, 2023, out of the General Fund, the amount of $1,202,432, to perform the duties of the department under sections 1 to 5 of this 2023 Act.

SECTION 7a. Notwithstanding any other law limiting expenditures, the amount of $143,969 is established for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received from charges, but excluding lottery funds and federal funds not described in this section, collected or received by the Oregon Department of Administrative Services, for the Chief Operating Office, to perform the duties of the department under sections 1 to 5 of this 2023 Act.

URBANIZATION GENERALLY

SECTION 8. (1) In adopting rules under ORS 197.286 to 197.314 and statewide planning goals relating to housing or urbanization, or administering the rules or statutes, the Land Conservation and Development Commission and Department of Land Conservation and Development shall be guided by the following principles:

(a) Housing that is safe, accessible and affordable in the community of their choice should be available to every Oregonian.

(b) Building enough equitable housing must be a top priority.

(c) The development and implementation of the housing production strategy should be the focal point by which the department collaborates with local governments to address and eliminate local barriers to housing production.

(d) Expertise, technical assistance, model ordinances and other tools and resources to address housing production should be provided to local governments, using cooperative planning tools embodied in ORS 197.291 and 197.293, but not to the exclusion of the expedient use of enforcement authority, including compliance orders under ORS 197.319 to 197.335.

(e) Housing production should support fair and equitable housing outcomes, environmental justice, climate resilience and access to opportunity.

(f) Housing production should not be undermined by litigation, regulatory uncertainty or repetitive or unnecessary procedures.

(g) Local governments, to the greatest extent possible, should take actions within their control to facilitate the production of housing to meet housing production targets under section 3 of this 2023 Act.

(2) Each public body, as defined in ORS 174.109, shall use its authority to remove barriers to, and to create pathways for, the development of needed housing and shall collaborate with the department and local governments to identify and implement strategies to support housing production where there is insufficient housing production and choice.

(3) In adopting rules implementing ORS 197.286 to 197.314 and statewide land use goals relating to housing and urbanization, the commission may approve a range of methodologies, policy options or assumptions that a local government may adopt in determining:

(a) Needed housing;

(b) Housing production strategies or housing coordination strategies;

(c) Buildable lands or housing capacity;

(d) Amendments to urban growth boundaries, including under ORS 197.296 (6)(a), 197.299, 197.764 and 197A.300 to 197A.325 and section 22 (5)(a) of this 2023 Act; or

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

SECTION 9. (1) The Land Conservation and Development Commission shall adopt rules and amendments to rules related to urbanization as follows:

(a) On or before January 1, 2025, to implement ORS 197.290, 197.291, 197.293, 197.319 (4), 197.320 (13) and 197.335 (6); and

(b) On or before January 1, 2026, to implement ORS 197.286 to 197.314, except as provided in paragraph (a) of this subsection.

(2) In adopting rules under this section, the commission shall prioritize:

(a) Facilitating and encouraging housing production, affordability and housing choice on buildable lands within an urban growth boundary;

(b) Providing greater clarity and certainty in the adoption and acknowledgement of housing capacity analyses, urban growth boundary amendments, urban growth boundary exchanges or urban reserves to accommodate an identified housing need;

(c) Reducing analytical burden, minimizing procedural redundancy and increasing legal certainty for local governments pursuing urban growth boundary amendments, urban growth boundary exchanges or urban reserves where a housing need is identified, especially for smaller cities, consistent with the appropriate protection of resource lands; and

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

(3) In adopting rules under subsection (1)(a) of this section, the commission shall:

(a) Consult with the Housing and Community Services Department, Department of Transportation, Department of Environmental Quality, Department of State Lands, Oregon Business Development Department and Department of Consumer and Business Services;

(b) Provide clear parameters on the types and extent of actions needed or allowed under ORS 197.290 (3) that are consistent with the technical and resource capacities of varying sizes of local governments; and

(c) Recognize actions already taken by local governments.

(4) To avoid interference with current planning activities or to avoid unjust or surprising results, the Land Conservation and Development Commission may postpone, for cities specified by the commission, the applicability of sections 13, 21, 22 or 23 of this 2023 Act and the amendments to ORS 197.286, 197.290, 197.296, 197.297 and 197.303, by sections 12 and 25 to 28 of this 2023 Act, until a date that is not later than January 1, 2026.

SECTION 10. The Department of Land Conservation and Development may provide technical assistance and award grants to local governments to enable them to implement the provisions of ORS 197.286 to 197.314 and to take other actions to incentivize the production of needed housing within the jurisdiction of the local government.

SECTION 11. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $3,500,000, to provide technical assistance and award grants under section 10 of this 2023 Act.

SECTION 11a. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Land Conservation and Development by section 1 (1), chapter 438, Oregon Laws 2021, for the biennium ending June 30, 2023, for the planning program, is increased by $100,560 to adopt rules and to work on housing production strategies and targets as provided in this 2023 Act.

SECTION 11b. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $2,675,884, to adopt rules and to work on housing production strategies and targets as provided in this 2023 Act.

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

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

(1) "Allocated housing need" means:

(a) For a city outside Metro, the housing need allocated to a city under section 2 (2) of this 2023 Act as segmented by income level under section 2 (4) of this 2023 Act; or

(b) For a city within Metro, the housing need allocated to the city by Metro under ORS 197.303 (3).

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

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

(4) "Housing capacity" means the number of needed housing units that can be developed on buildable lands within the 20-year planning period based on the land's comprehensive plan designation and capacity for housing development and redevelopment.

(5) "Housing production strategy" means a strategy adopted by a local government to promote housing production under ORS 197.290.

[*(3)*] **(6)** "Manufactured dwelling," "manufactured dwelling park," "manufactured home" and "mobile home park" have the meanings given those terms in ORS 446.003.

[*(4)*] **(7)** "Periodic review" means the process and procedures as set forth in ORS 197.628 to 197.651.

[*(5)*] **(8)** "Prefabricated structure" means a prefabricated structure, as defined in ORS 455.010, that is relocatable, more than eight and one-half feet wide and designed for use as a single-family dwelling.

[*(6) "Urban growth boundary" means an urban growth boundary included or referenced in a comprehensive plan.*]

SECTION 13. (1) At the time that a city is required to inventory its buildable lands under ORS 197.297 (1) or section 21 or 22 of this 2023 Act, the local government shall determine the amount of buildable lands that are likely to support the production of housing during the period of their housing production target under section 3 (1) of this section, because the lands are:

(a) Currently annexed and zoned to allow housing through clear and objective standards and procedures;

(b) Readily served through adjacent public facilities or identified for the near-term provision of public facilities through an adopted capital improvement plan; and

(c) Not encumbered by any applicable local, state or federal protective regulations or have appropriate entitlements to prepare the land for development.

(2) If the total housing production target is greater than the housing capacity of development-ready lands, the local government shall take any actions in ORS 197.290 (3) that demonstrably prepare lands for development or redevelopment or increase the housing capacity of existing development-ready lands.

HOUSING PRODUCTION ACCOUNTABILITY

SECTION 14. ORS 197.293 is amended to read:

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

[*(a) Achieved production of needed housing within their jurisdiction; or*]

[*(b) Implemented a housing production strategy adopted under ORS 197.290.*]

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

[*(a) Unmet housing need as described in ORS 197.296 (6);*]

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

[*(c) Percentage of households identified as severely rent burdened as described in ORS 456.586;*]

[*(d) Recent housing development;*]

[*(e) Recent adoption of a housing production strategy under ORS 197.290 or adoption of actions pursuant to a housing production strategy;*]

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

[*(g) Other attributes that the commission considers relevant.*]

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

[*(a) Awarding available technical or financial resources;*]

[*(b) Providing enhanced review and oversight of the city's housing production strategy;*]

[*(c) Requiring a report and explanation if a city does not implement an action within the approximate time frame scheduled within a housing production strategy;*]

[*(d) Entering into agreements with the city relating to the city's modification or implementation of its housing production strategy; or*]

[*(e) Petitioning the commission to act under ORS 197.319 to 197.335 to require the city to comply with ORS 197.286 to 197.314 or statewide land use planning goals related to housing or urbanization.*]

(1) In developing and implementing this section and performing its duties under ORS 197.319 (4), the Department of Land Conservation and Development shall be guided by section 8 (1) of this 2023 Act and the following principles:

(a) Increasing housing production;

(b) Developing affordable and equitable housing;

(c) Forming partnerships with cities and with other public bodies;

(d) Responding proportionately to housing underproduction;

(e) Escalating enforcement to address persistent, repeated or deliberate noncompliance with housing production targets; and

(f) Considering the availability of state resources to support housing production.

(2)(a) In determining whether a city should be referred under subsection (3) of this section, the department may base its evaluation on the relative performance of a city based on any one of, or any combination of, the following:

(A) A city's progress proportionate to its population size, as demonstrated by the statewide housing production dashboard under section 4 of this 2023 Act.

(B) The city's performance as demonstrated by a statewide housing equity indicator under section 5 of this 2023 Act.

(b) The department may not base a determination made under this subsection solely on a city's performance on any single equity indicator.

(3) Each year, the department shall refer into its housing acceleration program, under subsection (4) of this section:

(a) For each region, as established in the Oregon Housing Needs Analysis under section 1 (1) of this 2023 Act, of those cities that adopted a housing production strategy more than three but less than four years ago, including as required by subsection (7)(a) of this section, the lowest performing cities, if any exist, as determined under subsection (2) of this section;

(b) Each city that has failed to adopt a housing production strategy by the deadline under ORS 197.290 (1);

(c) Each city that has failed to undertake actions in its housing production strategy by the deadline under ORS 197.290 (4); and

(d) Cities referred under ORS 197.319 (4).

(4) For each city referred to the housing acceleration program, within six months, the department shall, in cooperation with the city, complete an audit of specific housing barriers, that must include an analysis of the following factors affecting housing production, affordability and choice:

(a) The existing housing production strategy and the documents and record supporting the strategy;

(b) Public written comments and invited stakeholder feedback received by a date specified by the department;

(c) Land use planning regulations, including zoning and development code;

(d) Permitting and approval processes relating to development of housing and infrastructure supporting housing;

(e) Required fees, exactions and improvements;

(f) Actions and inactions that can impact fair and equitable housing outcomes, environmental justice, climate resilience and location choice;

(g) Local resource deficiencies, including staffing, public facilities, capital improvements to infrastructure, availability of buildable lands and actions or investments to prepare land for development;

(h) Specific additional state resources that could support housing production;

(i) Changes to state laws or rules or the regulations, policies, actions or inactions of any public body, as defined in ORS 174.109, as that could impact housing production; and

(j) Other factors limiting housing that are not within the city's control.

(5) In performing an audit under subsection (4) of this section, the department:

(a) May request concurrent review of the city's affordability policies under ORS 197.637; and

(b) Shall notify any public body identified under subsection (4)(j) of this section.

(6) Within six months following an audit under subsection (4) of this section, the city and the department must enter into a housing acceleration agreement that is based on and proportionate to the city's basis for referral under subsection (3) of this section and informed by the audit under subsection (4) of this section.

(7) Under the housing acceleration agreement, the department shall agree to provide:

(a) Specified technical assistance, regulatory support and other assistance, to assist the city in performing its agreement under subsection (8) of this section;

(b) Specific funding under the department's control; and

(c) Specified assistance in pursuing other state or public funds.

(8) Under the housing acceleration agreement, the city shall agree to:

(a) If the department determines that the factors affecting housing production, affordability and choice are a consequence of policies and practices that are directly within the city's control, adopt an amended housing production strategy within six months that includes:

(A) A timeline for performance under ORS 197.290 (4) of no less than one year; and

(B) Specified actions which may include, but are not limited to:

(i) Actions under ORS 197.290 (3);

(ii) Dedicating funds for increased local capacity to facilitate housing production, affordability and choice;

(iii) Dedicating funds for public facilities and infrastructure necessary to support housing production;

(iv) Taking measures that increase the availability of development-ready land as described in section 13 of this 2023 Act;

(v) Amending the development code, approval criteria or procedures to reduce cost or delay to housing production; and

(vi) Taking emergency temporary measures to support housing production; and

(b) Join any department initiated interagency mediation to identify policies and resources that would support housing production in the city.

(9) The department may require that a city that is not required to adopt an amendment to its housing production strategy under subsection (8)(a) of this section include findings at the time that the city is next required to adopt a housing production strategy under ORS

197.290 (1) that describe how the city has addressed the audit's findings and any suggested actions.

(10) The department may grant limited extensions to deadlines under subsections (3)(b) and (c) and (8)(a) of this section for emergencies, good cause or other factors outside of the city's control.

(11) The actions by a city or department under this section are not land use decisions and are not subject to appeal or review.

(12) All public bodies, as defined in ORS 174.109, are directed to assist cities and the department in the performance of their duties under this section and to take timely action to ensure that the agency's rules or policies do not unduly delay implementation of a housing acceleration agreement under this section.

SECTION 15. ORS 197.319 is amended to read:

197.319. (1) Before a person may request adoption of an enforcement order under ORS 197.320, the person shall:

(a) Present the reasons, in writing, for such an order to the affected local government; and

(b) Request:

(A) Revisions to the local comprehensive plan, land use regulations, special district cooperative or urban service agreement or decision-making process which is the basis for the order; or

(B) That an action be taken regarding the local comprehensive plan, land use regulations, special district agreement, housing production strategy or decision-making process that is the basis for the order.

(2)(a) The local government or special district shall issue a written response to the request within 60 days of the date the request is mailed to the local government or special district.

(b) The requestor and the local government or special district may enter into mediation to resolve issues in the request. The Department of Land Conservation and Development shall provide mediation services when jointly requested by the local government or special district and the requestor.

(c) If the local government or special district does not act in a manner which the requestor believes is adequate to address the issues raised in the request within the time period provided in paragraph (a) of this subsection, a petition may be presented to the Land Conservation and Development Commission under ORS 197.324.

(3) A metropolitan service district may request an enforcement order under ORS 197.320 (12) without first complying with subsections (1) and (2) of this section.

(4) The department, without the prior approval of the commission, may request an enforcement order under ORS 197.320 (13) without first complying with subsections (1) and (2) of this section. Notwithstanding ORS 183.635 (2) and 197.328 (1), the request under this subsection must be assigned to an administrative law judge appointed under ORS 183.635 unless the commission has previously appointed a hearing officer or a pool of hearing officers to review petitions filed under this section. Before the entry of a final order under ORS 197.319 to 197.335, the department, in its discretion, may dismiss a petition filed by the department under this section and refer a city to the housing acceleration program under ORS 197.293.

SECTION 16. ORS 197.320 is amended to read:

197.320. The Land Conservation and Development Commission shall issue an order requiring a local government, state agency or special district to take action necessary to bring its comprehensive plan, land use regulation, limited land use decisions or other land use decisions or actions into compliance with the goals, acknowledged comprehensive plan provisions, land use regulations**,** [*or*] housing production strategy **or housing acceleration agreements** if the commission has good cause to believe:

(1) A comprehensive plan or land use regulation adopted by a local government not on a compliance schedule is not in compliance with the goals by the date set in ORS 197.245 or 197.250 for such compliance[*;*]**.**

(2) A plan, program, rule or regulation affecting land use adopted by a state agency or special district is not in compliance with the goals by the date set in ORS 197.245 or 197.250 for such compliance[*;*]**.**

(3) A local government is not making satisfactory progress toward performance of its compliance schedule[*;*]**.**

(4) A state agency is not making satisfactory progress in carrying out its coordination agreement or the requirements of ORS 197.180[*;*]**.**

(5) A local government has no comprehensive plan or land use regulation and is not on a compliance schedule directed to developing the plan or regulation[*;*]**.**

(6) A local government has engaged in a pattern or practice of decision making that violates an acknowledged comprehensive plan or land use regulation. In making its determination under this subsection, the commission shall determine whether there is evidence in the record to support the decisions made. The commission shall not judge the issue solely upon adequacy of the findings in support of the decisions[*;*]**.**

(7) A local government has failed to comply with a commission order entered under ORS 197.644[*;*]**.**

(8) A special district has engaged in a pattern or practice of decision-making that violates an acknowledged comprehensive plan or cooperative agreement adopted pursuant to ORS 197.020[*;*]**.**

(9) A special district is not making satisfactory progress toward performance of its obligations under ORS chapters 195 and 197[*;*]**.**

(10) A local government's approval standards, special conditions on approval of specific development proposals or procedures for approval do not comply with ORS 197.307 (4) or (6)[*;*]**.**

(11) A local government is not making satisfactory progress toward meeting its obligations under ORS 195.065[*;*]**.**

(12) A local government within the jurisdiction of a metropolitan service district has failed to make changes to the comprehensive plan or land use regulations to comply with the regional framework plan of the district or has engaged in a pattern or practice of decision-making that violates a requirement of the regional framework plan[*; or*]**.**

(13) A city [*is not making satisfactory progress in taking actions listed in its housing production strategy under ORS 197.290.*] **with a population of 10,000 or greater that:**

(a) Has a pattern or practice of violating housing-related statutes or implementing policies that create additional, unnecessary cost or delay to affordable or market-rate housing production;

(b) Has a pattern or practice of creating adverse disparate impacts to state or federal protected classes or inhibiting equitable access to housing choice, as described in ORS 197.290 (2)(b) to (d);

(c) Has failed to enter into a housing acceleration agreement as required under ORS 197.293 (6); or

(d) Has materially breached a term of a housing acceleration agreement under ORS 197.293 (8), including a failure to meet the timeline for performance under ORS 197.293 (8)(a)(A).

SECTION 17. ORS 197.335 is amended to read:

197.335. (1) An order issued under ORS 197.328 and the copy of the order mailed to the local government, state agency or special district [*shall*] **must** set forth:

(a) The nature of the noncompliance, including, but not limited to, the contents of the comprehensive plan or land use regulation, if any, of a local government that do not comply with the goals or the contents of a plan, program or regulation affecting land use adopted by a state agency or special district that do not comply with the goals. In the case of a pattern or practice of decision-making [*which violates the goals, comprehensive plan or land use regulations, the order shall*]**, the order must** specify the decision-making [*which*] **that** constitutes the pattern or practice, including specific provisions the Land Conservation and Development Commission believes are being misapplied[*;*]**.**

(b) The specific lands, if any, within a local government for which the existing plan or land use regulation, if any, does not comply with the goals[*; and*]**.**

(c) The corrective action decided upon by the commission, including the specific requirements, with which the local government, state agency or special district must comply. In the case of a pattern or practice of decision-making [*that violates an acknowledged comprehensive plan or land use regulation*], the commission may require revisions to the comprehensive plan, land use regulations or local procedures which the commission believes are necessary to correct the pattern or practice. Notwithstanding the provisions of this section, except as provided in subsection (3)(c) of this section, an enforcement order does not affect:

(A) Land use applications filed with a local government prior to the date of adoption of the enforcement order unless specifically identified by the order;

(B) Land use approvals issued by a local government prior to the date of adoption of the enforcement order; or

(C) The time limit for exercising land use approvals issued by a local government prior to the date of adoption of the enforcement order.

(2) Judicial review of a final order of the commission [*shall be*] **is** governed by the provisions of ORS chapter 183 applicable to contested cases except as otherwise stated in this section. The commission's final order [*shall*] **must** include a clear statement of findings which set forth the basis for the order. Where a petition to review the order has been filed in the Court of Appeals, the commission shall transmit to the court the entire administrative record of the proceeding under review. Notwithstanding ORS 183.482 (3) relating to a stay of enforcement of an agency order, an appellate court, before it may stay an order of the commission, shall give due consideration to the public interest in the continued enforcement of the commission's order and may consider testimony or affidavits thereon. Upon review, an appellate court may affirm, reverse, modify or remand the order. The court shall reverse, modify or remand the order only if it finds:

(a) The order to be unlawful in substance or procedure, but **an** error in procedure [*shall not be*] **is not** cause for reversal, modification or remand unless the court [*shall find*] **finds** that substantial rights of any party were prejudiced thereby;

(b) The order to be unconstitutional;

(c) The order is invalid because it exceeds the statutory authority of the agency; or

(d) The order is not supported by substantial evidence in the whole record.

(3)(a) If the commission finds that in the interim period during which a local government, state agency or special district would be bringing itself into compliance with the commission's order under ORS 197.320 or subsection (2) of this section it would be contrary to the public interest in the conservation or sound development of land to allow the continuation of some or all categories of land use decisions or limited land use decisions, it shall, as part of its order, limit, prohibit or require the approval by the local government of applications for subdivisions, partitions, building permits, limited land use decisions or land use decisions until the plan, land use regulation or subsequent land use decisions and limited land use decisions are brought into compliance. The commission may issue an order that requires review of local decisions by a hearings officer or the Department of Land Conservation and Development before the local decision becomes final.

(b) Any requirement under this subsection may be imposed only if the commission finds that the activity, if continued, aggravates the goal, comprehensive plan or land use regulation violation and that the requirement is necessary to correct the violation.

(c) The limitations on enforcement orders under subsection (1)(c)(B) of this section [*shall not be interpreted to*] **does not** affect the commission's authority to limit, prohibit or require application of specified criteria to subsequent land use decisions involving land use approvals issued by a local government prior to the date of adoption of the enforcement order.

(4) As part of its order under ORS 197.320 or subsection (2) of this section, the commission may withhold grant funds from the local government to which the order is directed. As part of an order issued under this section, the commission may notify the officer responsible for disbursing state-shared revenues to withhold that portion of state-shared revenues to which the local government is

entitled under ORS 221.770, 323.455, 366.762 and 366.800 and ORS chapter 471 which represents the amount of state planning grant moneys previously provided the local government by the commission. The officer responsible for disbursing state-shared revenues shall withhold state-shared revenues as outlined in this section and shall release funds to the local government or department when notified to so do by the commission or its designee. The commission may retain a portion of the withheld revenues to cover costs of providing services incurred under the order, including use of a hearings officer or staff resources to monitor land use decisions and limited land use decisions or conduct hearings. The remainder of the funds withheld under this provision shall be released to the local government upon completion of requirements of the commission order.

(5)(a) As part of its order under this section, the commission may notify the officer responsible for disbursing funds from any grant or loan made by a state agency to withhold such funds from a special district to which the order is directed. The officer responsible for disbursing funds shall withhold funds as outlined in this section and shall release funds to the special district or department when notified to do so by the commission.

(b) The commission may retain a portion of the funds withheld to cover costs of providing services incurred under the order, including use of a hearings officer or staff resources to monitor land use decisions and limited land use decisions or conduct hearings. The remainder of the funds withheld under this provision shall be released to the special district upon completion of the requirements of the commission order.

(6) As part of its order under this section, upon finding a city failed to comply with ORS 197.320 (13), the commission may, consistent with the principles in ORS 197.293 (1), require the city to:

(a) Comply with the housing acceleration agreement under ORS 197.293 (6).

(b) Take specific actions that are part of the city's housing production strategy under ORS 197.290.

(c) Impose appropriate models that have been developed by department, including model ordinances, procedures, actions or anti-displacement measures.

(d) Reduce maximum timelines for review of needed housing or specific types of housing or affordability levels, including through ministerial approval or any other expedited existing approval process.

(e) Take specific actions to waive or amend local ordinances.

(f) Forfeit grant funds under subsection (4) of this section.

[*(6)*] **(7)** The commission may institute actions or proceedings for legal or equitable remedies in the Circuit Court for Marion County or in the circuit court for the county to which the commission's order is directed or within which all or a portion of the applicable city is located to enforce compliance with the provisions of any order issued under this section or to restrain violations thereof. Such actions or proceedings may be instituted without the necessity of prior agency notice, hearing and order on an alleged violation.

SECTION 18. The amendments to ORS 197.293, 197.319, 197.320 and 197.335 by sections 14 to 17 of this 2023 Act become operative on January 1, 2025.

SECTION 19. The Department of Land Conservation and Development and Land Conservation and Development Commission may take any actions necessary before the operative date specified in section 18 necessary to exercise, on and after the operative date specified in section 18 of this 2023 Act, all of the duties, functions and powers conferred on the department and commission under the amendments to ORS 197.293, 197.319, 197.320 and 197.335 by sections 14 to 17 of this 2023 Act.

URBANIZATION OUTSIDE METRO

SECTION 20. Sections 8, 13 and 21 to 23 of this 2023 Act are added to and made a part of ORS 197.286 to 197.314.

SECTION 21. **(1) This section applies only to cities that are not within Metro or described in section 22 (1) of this 2023 Act.**

(2) The actions required under subsection (3) of this section must be undertaken:

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

(b) On a schedule established by the Land Conservation and Development Commission for cities with a population of 10,000 or greater, not to exceed once each eight years;

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

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

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

(a) Determine its needed housing under section 23 of this 2023 Act;

(b) Inventory the supply of buildable lands available within the urban growth boundary to accommodate needed housing; and

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

SECTION 22. **(1) This section applies only to local governments with jurisdiction over lands inside the urban growth boundary of:**

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

(b) Cities that meet factors established by Land Conservation and Development Commission in consideration of the city's size, rate of population growth or proximity to another city with a population of 25,000 or greater or to Metro.

(2) A local government shall determine its needed housing under section 23 of this 2023 Act and inventory its buildable lands and determine the lands' housing capacity under this section:

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

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

(c) At any other legislative review of the comprehensive plan that concerns the urban growth boundary and requires the application of a statewide planning goal related to buildable lands for residential use.

(3) For the purpose of determining housing capacity and inventory of buildable lands under subsection (2) of this section:

(a) "Buildable lands" includes:

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

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

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

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

(b) The local government shall consider:

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

(B) A written long term contract or easement for radio, telecommunications or electrical facilities, if the written contract or easement is provided to the local government; and

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

(c) Except for land that may be used for residential infill or redevelopment, the local government shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands.

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

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

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

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

(D) The number, density and average mix of housing types that have been developed on buildable lands;

(E) Consideration of the effects of the adopted housing production strategy and measures taken and reasonably anticipated to be taken to implement the strategy; and

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

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

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

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

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate allocated housing need for the next 20 years consistent with the requirements of ORS 197A.320 and statewide planning goals. As part of this process, the local government shall consider the effects of actions taken pursuant to paragraph (b) of this subsection. The amendment must include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities must be a coordinated process between the affected public school districts and the local government that has the authority to approve the urban growth boundary.

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

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

(a) Demonstrate that the comprehensive plan and land use regulations comply with goals and rules adopted by the commission.

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

(c) In establishing that actions adopted under subsection (5) of this section demonstrably increase housing capacity, ensure that buildable lands are in locations appropriate for needed housing, are zoned at density ranges that are likely to be achieved by the housing market

and are in areas where sufficient urban services are planned to enable the higher density development to occur over the 20-year period.

SECTION 23. (1) As used in ORS 197.286 to 197.314, and except as provided in subsection (2) of this section:

(a) "Needed housing" means housing by affordability level, as described in section 2 (4) of this 2023 Act, type, characteristics and location that is necessary to accommodate the city's allocated housing need over the 20-year planning period in effect when the city's housing capacity is determined.

(b) "Needed housing" includes the following housing types:

(A) Detached single-family housing, middle housing types as described in ORS 197.758 and multifamily housing that is owned or rented;

(B) Government assisted housing;

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

(D) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions;

(E) Housing for agricultural workers;

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

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

(H) Housing for college or university students, if relevant to the region.

(2) Subsection (1)(b)(A) and (D) of this section does not apply to:

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

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

(3) At the time that a city is required to inventory its buildable lands under ORS 197.297 (1) or section 21 or 22 of this 2023 Act, the city shall determine its needed housing under this section.

(4) In determining needed housing the city must demonstrate that the projected housing types, characteristics and locations are:

(a) Attainable for the allocated housing need by income, including consideration of publicly supported housing;

(b) Appropriately responsive to current and projected market trends; and

(c) Responsive to the factors in ORS 197.290 (2)(b) to (d).

SECTION 24. ORS 197A.320 is amended to read:

197A.320. (1) [*Notwithstanding the priority in ORS 197.298 for inclusion of land within an urban growth boundary,*] A city outside [*of*] Metro shall comply with this section when determining which lands to include within the urban growth boundary of the city**, including when amending an urban growth boundary under ORS** [*pursuant to ORS 197.286 to 197.314,*] 197A.310 or 197A.312 **or section 22 (5)(a) of this 2023 Act**.

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

(a) When evaluating lands for inclusion within the urban growth boundary, the city shall establish a study area that includes all land that is contiguous to the urban growth boundary and within a distance specified by commission.

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

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

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

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

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

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

(c) When evaluating the priority of land for inclusion under paragraph (b) of this subsection:

(A) The city shall evaluate the land within the study area that is designated as an urban reserve under ORS 195.145 in an acknowledged comprehensive plan[,]**.**

(B) If the amount of land appropriate for selection under subparagraph (A) of this paragraph is not sufficient to satisfy the need for the land, the city shall evaluate the land that is subject to an acknowledged exception under ORS 197.732 or land that is nonresource land and select as much of the land as necessary to satisfy the need for land using criteria established by the commission and criteria in an acknowledged comprehensive plan and land use regulations.

[*(B)*] **(C)** If the amount of land appropriate for selection under [*subparagraph (A)*] **subparagraphs (A) and (B)** of this paragraph is not sufficient to satisfy the need for land, the city shall evaluate the land within the study area that is designated as marginal land under ORS 197.247 (1991 Edition) in the acknowledged comprehensive plan and select as much of the land as necessary to satisfy the need for land using criteria established by the commission and criteria in an acknowledged comprehensive plan and land use regulations.

[*(C)*] **(D)** If the amount of land appropriate for selection under subparagraphs (A) [*and (B)*] **to (C)** of this paragraph is not sufficient to satisfy the amount of land needed, the city shall evaluate land within the study area that is designated for agriculture or forest uses in the acknowledged comprehensive plan that is not predominantly high-value farmland, as defined in ORS 195.300, or does not consist predominantly of prime or unique soils, as determined by the United States Department of Agriculture Natural Resources Conservation Service, and select as much of that land as necessary to satisfy the need for land:

(i) Using criteria established by the commission and criteria in an acknowledged comprehensive plan and land use regulations; and

(ii) Using the predominant capability classification system or the predominant cubic site class, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic site class lands first.

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

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

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

(5) Notwithstanding subsection [*(2)(c)(D)*] **(2)(c)(E)** of this section, the rules must allow land that would otherwise be excluded from an urban growth boundary to be included if:

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

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

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

(a) Except as allowed by rule of the commission that is based on a significant change in circumstance or the passage of time; or

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

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

METRO URBANIZATION

SECTION 25. ORS 197.296 is amended to read:

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

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

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

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

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

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

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

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

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

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

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

(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and

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

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

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

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

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

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

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

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

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

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

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

(c) Except for land that may be used for residential infill or redevelopment, [*a local government*] **Metro** shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands.

(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity pursuant to subsection (3)(a) of this section must be based on data relating to land within the urban growth boundary that has been collected since the last review under subsection (2)(a)(B) of this section. The data shall include:

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

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

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

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

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

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

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

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

(b) Amend its [*comprehensive plan,*] regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential develop-

ment will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. [*A local government or metropolitan service district that*] **If Metro** takes this action**, Metro** shall adopt findings regarding the density expectations assumed to result from measures adopted under this paragraph based upon the factors listed in ORS 197.303 (2) and data in subsection (5)(a) of this section. The density expectations may not project an increase in residential capacity above achieved density by more than three percent without quantifiable validation of such departures. [*For a local government located outside of a metropolitan service district, a quantifiable validation must demonstrate that the assumed housing capacity has been achieved in areas that are zoned to allow no greater than the same authorized density level within the local jurisdiction or a jurisdiction in the same region. For a metropolitan service district,*] A quantifiable validation must demonstrate that the assumed housing capacity has been achieved in areas **within Metro** that are zoned to allow no greater than the same authorized density level**, as defined in ORS 227.175** [*within the metropolitan service district*].

[*(c) As used in this subsection, "authorized density level" has the meaning given that term in ORS 227.175.*]

(7) Using the housing need analysis conducted under subsection (3)(b) of this section, [*the local government*] **Metro** shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, [*the local government*] **Metro**, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

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

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

(9) In establishing that actions and measures adopted under subsections (6) and (7) of this section demonstrably increase the likelihood of higher density residential development, [*the local government*] **Metro** shall at a minimum ensure that land zoned for needed housing is in locations appropriate for the housing types identified under subsection (3) of this section, is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section and is in areas where sufficient urban services are planned to enable the higher density development to occur over the 20-year period. Actions or measures, or both, may include [*but are not limited to:*] **those actions listed in ORS 197.290 (3).**

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

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

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

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

[*(e) Minimum density ranges;*]

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

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

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

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

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

[*(b) As required under paragraph (c) of this subsection, a city shall, according to rules of the commission:*]

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

[*(B) Inventory the supply of buildable lands available within the urban growth boundary to accommodate the estimated housing needs determined under this subsection; and*]

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

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

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

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

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

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

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

SECTION 26. ORS 197.297 is amended to read:

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

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

(b) Conduct an analysis of the city's existing and projected needed housing under statewide planning goals and rules related to housing by type, mix, affordability and density range to determine the number of units and amount of land needed for each needed housing type **under section 23 of this 2023 Act** for the next 20 years.

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

(3) If the housing capacity and needed housing analysis conducted under this section demonstrates a housing need, the city shall amend its comprehensive plan or land use regulations **or take actions to update or implement its housing production strategy** to include new measures that demonstrably increase the likelihood that development of needed housing will occur for the type, mix, affordability and densities sufficient to accommodate needed housing for the next 20 years.

SECTION 27. ORS 197.303 is amended to read:

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

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

(b) Government assisted housing;

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

(d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions; [*and*]

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

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

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

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

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

[*(a) Household sizes;*]

[*(b) Household demographics;*]

[*(c) Household incomes;*]

[*(d) Vacancy rates; and*]

[*(e) Housing costs.*]

(a) Projected needed housing units over the next 20 years;

(b) Current housing underproduction;

(c) Housing units needed for people experiencing homelessness; and

(d) Housing units projected to be converted into vacation homes or second homes during the next 20 years.

(3) At the time Metro performs the analysis under subsection (2) of this section, Metro shall allocate a housing need for each city within Metro.

(4) In making an allocation under subsection (3) of this section, Metro shall consider:

(a) The forecasted population growth under ORS 195.033 or 195.036;

(b) The forecasted regional job growth;

(c) An equitable statewide distribution of housing for income levels described in section 2 (4) of this 2023 Act.

(d) The estimates made under subsection (2) of this section; and

(e) The purpose of the Oregon Housing Needs Analysis under section 1 (1) of this 2023 Act.

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

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

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

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

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

[*(6)*] **(8)** [*A local government*] **Metro** may take an exception under ORS 197.732 to the definition of "needed housing" in subsection (1) of this section in the same manner that an exception may be taken under the goals.

HOUSING STRATEGIES

SECTION 28. ORS 197.290 is amended to read:

197.290. (1) A city with a population **of 10,000 or** greater [*than 10,000*] shall develop and adopt a housing production strategy under this section no later than **the latter of the date:**

(a) One year after the city's deadline for completing a housing capacity [*analysis*] **determination** under ORS [*197.296 (2)(a) or (10)(b) or*] 197.297 **(1) or section 21 (2) or 22 (2) of this 2023 Act; or**

(b) If the city has adopted a housing production strategy previously, three years following the most recent adoption of a strategy.

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

(a) The development of needed housing;

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

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

(d) Affirmatively furthering fair housing.

(3) Actions [*under this subsection may*] **that may be included in a housing production strategy** include:

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

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

(c) The development of a plan to access resources available at local, regional, state and national levels to increase the availability and affordability of needed housing[.]**;**

(d) Target development on lands identified under section 13 (1) of this 2023 Act;

(e) Actions that affirmatively further fair housing;

(f) Actions that:

(A) Increase housing diversity, efficiency and affordability, including new construction and the preservation of naturally occurring affordable housing;

(B) Allow greater housing choice for households and greater flexibility in location, type and density;

(C) Reduce cost or delay and increase procedural certainty for the production of housing; or

(D) Prepare land for development or redevelopment, including:

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

(ii) Site preparation, financial incentives or other incentive-based measures that increase the likelihood of development or redevelopment of land; or

(iii) The redevelopment of underutilized commercial and employment lands for housing or a mix of housing and commercial uses; or

(g) Any other actions identified by rule of the Land Conservation and Development Commission intended to promote housing production, affordability and choice.

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

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

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

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

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

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

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

(A) The schedule for its adoption;

(B) The schedule for its implementation;

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

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

[*(4)*] **(6)** The housing production strategy must include within its index a copy of the city's most recently completed survey under [*ORS 456.586 (2)*] **section 37 of this 2023 Act**.

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

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

(9) As used in this section, "affirmatively furthering fair housing" means meaningful actions that, when taken together, address significant disparities in housing needs and access to opportunity and replace segregated living patterns with truly integrated and balanced living patterns to transform racially and ethnically concentrated areas of poverty into areas of opportunity and foster and maintain compliance with civil rights and fair housing laws.

SECTION 29. Section 30 of this 2023 Act is added to and made a part of ORS 197.286 to 197.314.

SECTION 30. (1) Metro shall develop and adopt a housing coordination strategy under this section no later than one year after the deadline for completing a housing capacity determination under ORS 197.296.

(2) Regional governments other than Metro, including counties or intergovernmental entities described under ORS 190.003 to 190.130, may adopt a housing coordination strategy as provided in this section.

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

(a) The development of needed housing;

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

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

(d) Development patterns that replace segregated housing patterns with racially integrated housing and that transform racially and ethnically concentrated areas of poverty into areas of opportunity in compliance with fair housing laws.

(4) Actions constituting a housing coordination strategy may include:

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

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

(c) Regional strategies that coordinate production of needed housing between local governments within a region and that are developed in consultation with impacted local governments;

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

(e) Any other actions identified by rule of the Land Conservation and Development Commission that may promote the quantity or quality of developed housing in the region.

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

(6) In creating a housing coordination strategy, a regional government shall review and consider:

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

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

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

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

(e) For each action the regional entity includes in its housing coordination strategy:

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

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

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

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

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

SECTION 31. ORS 197.291 is amended to read:

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

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

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

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

(c) A brief narrative summary of the housing production strategy**.**[*; and*]

[*(d) The information reviewed and considered under ORS 197.293 (2).*]

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

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

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

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

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

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

(6) Based upon criteria adopted by the Land Conservation and Development Commission[*, including any criteria adopted under ORS 197.293 (2),*] the department shall, within 120 days after receiving the submission under subsection (1) of this section:

(a) Approve the housing production strategy;

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

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

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

(8) The Land Conservation and Development Commission may adopt rules describing circumstances in which a city's amendment to a comprehensive plan or adoption of a land use regulation is not subject to review, including under ORS 197.610 to 197.625, for compliance with a statewide land use planning goal related to transportation or economic development if the amendment or adoption is included within a housing production strategy that has been approved under subsection (6) of this section.

URBAN AND RURAL RESERVES

SECTION 32. ORS 195.141 is amended to read:

195.141. (1) A county and a [*metropolitan service district established under ORS chapter 268*] **city or a county and Metro** may enter into an intergovernmental agreement pursuant to ORS 190.003

to 190.130, 195.025 or 197.652 to 197.658 to designate rural reserves pursuant to this section [*and*] **at the same time as designating** urban reserves pursuant to ORS 195.145 (1)[*(b)*].

(2) Land designated as a rural reserve:

(a) Must be outside an urban growth boundary.

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

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

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

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

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

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

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

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

(B) The adjacent land use pattern, including its location in relation to adjacent nonfarm uses and the existence of buffers between agricultural operations and nonfarm uses;

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

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

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

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

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

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

SECTION 33. ORS 195.145 is amended to read:

195.145. (1) To ensure that the supply of land available for urbanization is maintained:

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

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

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

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

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

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

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

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

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

(4) Urban reserves designated [*by a metropolitan service district and a county pursuant to subsection (1)(b) of*] **under** this section must be planned to accommodate population and employment growth for**:**

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

(b) At least 20 years, and not more than 30 years, after the 20-year period for which the [*district has demonstrated a buildable land supply in the most recent inventory, determination and analysis performed*] **local government has inventoried buildable lands** under ORS 197.296 **or section 21 or 22 of this 2023 Act**.

(5) Urban reserves may be established at any time without regard to a schedule under ORS 197.296 (2) or section 21 (2) or 22 (2) of this 2023 Act.

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

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

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

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

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

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

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

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

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

SECTION 34. The amendments to ORS 195.141 and 195.145 by sections 32 and 33 of this 2023 Act do not apply to urban reserves or rural reserves that were adopted on or before June 30, 2023.

LOCAL HOUSING REPORTS

SECTION 35. ORS 456.586 is amended to read:

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

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

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

[*(2)(a) The Housing and Community Services Department shall annually provide to the governing body of each city in this state with a population greater than 10,000 the most current data available*

from the United States Census Bureau, or any other source the department considers at least as reliable, showing the percentage of renter households in the city that are severely rent burdened.]

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

[*(c) The Department of Land Conservation and Development shall provide the governing body of the city with the survey form developed pursuant to paragraph (b) of this subsection.*]

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

[*(3)(a)*] In any year in which [*the governing body of a city is informed under this section that at*] **a housing indicator demonstrates that** least 25 percent of the renter households in [*the*] **a** city are severely rent burdened **under section 5 (2)(g) of this 2023 Act**, the governing body **of the city** shall hold at least one public meeting to discuss the causes and consequences of severe rent burdens within the city, the barriers to reducing rent burdens and possible solutions.

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

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

[*(a) Residential units.*]

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

[*(c) Multifamily residential units.*]

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

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

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

[*(g) Accessory dwelling units.*]

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

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

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

SECTION 36. Sections 37 and 38 of this 2023 Act are added to and made a part of ORS 197.286 to 197.314.

SECTION 37. (1) No later than February 1 of each year, each city with a population of 10,000 or greater shall submit to the Department of Land Conservation and Development a report for the immediately preceding calendar year setting forth:

(a) The number of residential units permitted and the number produced, segmented by:

(A) Single-family homes.

(B) Accessory dwelling units.

(C) Units of middle housing.

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

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

(b) For each segment under paragraph (a) of this subsection, the number of units that were subject to a recorded agreement that runs with the land and that requires affordability for an established income level for a defined period, but that would not be included in the inventory of publicly supported housing described in section 4 (3)(a) of this 2023 Act.

(2) The Department of Land Conservation and Development, in consultation with the Housing and Community Services Department, shall develop a format by which data required

under this section must be submitted. The Department of Land Conservation and Development shall provide a copy of any form or notice of the format to each city required to provide a report.

(3) The Department of Land Conservation and Development shall provide a copy of the data received under this section to the Oregon Department of Administrative Services and the Housing and Community Services Department by July 1 of each year.

SECTION 38. Between 12 and 18 months before a city's deadline for completing a housing capacity determination under ORS 197.297 (1) or section 21 (2) or 22 (2) of this 2023 Act, each city with a population of 10,000 or greater shall submit to the Department of Land Conservation and Development a report setting forth the actions that a city has taken since its most recent housing capacity determination to implement its housing production strategy or to otherwise encourage the development of needed housing, to increase the affordability of housing, to reduce rent burdens, to affirmatively further fair housing or to otherwise meet the purposes of ORS 197.290 (2).

SECTION 39. ORS 197.178 is repealed.

POPULATION FORECASTS

SECTION 40. ORS 195.033 is amended to read:

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

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

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

(c) A local service district, as defined in ORS 174.116, that includes territory within the area subject to the population forecast.

(2) For the purpose of land use planning, the center shall issue a population forecast for:

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

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

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

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

(4) The center shall issue population forecasts for each area described in subsection (2) of this section not less than once every four years on a schedule established by standards adopted by Portland State University in consultation with the Department of Land Conservation and Development.

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

(a) Consider and, if appropriate, incorporate available local data and information about local conditions received from representatives of local governments and members of the public;

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

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

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

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

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

(c) Population data segmented by race, ethnicity and disability status; and

(d) Segregated information for populations on tribal lands.

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

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

(b) Receives an objection within the 45-day period, the center shall review the objections filed, make changes to the proposed population forecast, if necessary in the discretion of the center, and issue a final population forecast.

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

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

(a) Not a land use decision; and

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

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

(11) Each biennium, the commission [*shall*] **may** allocate, from the grant funding described in ORS 197.639 (5), an amount of moneys that the Land Conservation and Development Commission, in consultation with Portland State University, determines is sufficient**, in combination with any appropriation by the Legislative Assembly,** to operate the population forecasting program required by this section.

SECTION 41. ORS 195.036 is amended to read:

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

YOUTH HOMELESSNESS

SECTION 42. ORS 458.650 is amended to read:

458.650. (1) The Housing and Community Services Department shall administer the Emergency Housing Account to assist homeless individuals and individuals who are at risk of becoming homeless, through means including the emergency housing assistance program and the state homeless assistance program. Notwithstanding subsection (3)(a) of this section, the state homeless assistance program shall serve individuals experiencing homelessness, especially unsheltered homelessness, without respect to income.

(2) The Oregon Housing Stability Council shall develop a policy for the use of program funds with the advice of:

(a) Persons who have experienced housing instability;

(b) Tribes;

(c) The Community Action Partnership of Oregon;

(d) Continuums of care, as defined in 24 C.F.R. part 578;

(e) Local governments;

(f) Nonprofit organizations;

(g) Homeless services providers;

(h) Culturally specific organizations;

(i) Housing providers;

(j) Veterans' services organizations; and

(k) Other entities identified by the department by rule.

(3) The policy under subsection (2) of this section shall direct that program funds shall be used:

(a) To provide to low and very low income individuals, including but not limited to individuals more than 65 years of age, persons with disabilities, agricultural workers and Native Americans:

(A) Emergency shelters and attendant services;

(B) Transitional housing services designed to assist individuals to make the transition from homelessness to permanent housing and economic independence;

(C) Supportive housing services to enable individuals to continue living in their own homes or to provide in-home services for such individuals for whom suitable programs do not exist in their geographic area;

(D) Programs that provide emergency payment of home payments, rents or utilities; or

(E) Some or all of the [*needs*] **services or assistance** described in subparagraphs (A) to (D) of this paragraph.

(b) To provide the services and assistance described in paragraph (a) of this subsection to school-aged children enrolled in kindergarten through grade 12, or to their families, who are homeless or at risk of becoming homeless.

[*(b)*] **(c)** To align with federal strategies and resources that are available to prevent and end homelessness, including the requirement of providing culturally responsive services and using evidence-based and emerging practices effective in ending homelessness, including practices unique to rural communities.

(4)(a) The council shall require as a condition of awarding a grant that the organization demonstrate to the satisfaction of the council that the organization:

(A) Has the capacity to deliver any service proposed by the organization;

(B) Is a culturally responsive organization or is engaged in a process to become a culturally responsive organization;

(C) Engages with culturally specific organizations; and

(D) Supports local homelessness system planning efforts.

(b) Any funds granted under this section may not be used to replace existing funds. Funds granted under this section may be used to supplement existing funds. An organization may use funds to support existing programs or to establish new programs.

(5) The department may expend funds from the account for:

(a) The administration of the account as provided for in the legislatively approved budget, as that term is defined in ORS 291.002, for the department in support of directing a statewide policy on homelessness that ensures use of evidence-based and emerging practices, service equity in funding and local planning processes.

(b) The development of technical assistance and training resources for organizations developing and operating emergency shelters as defined in ORS 197.782 and transitional housing accommodations as described in ORS 197.746.

(6) The department shall utilize outcome-oriented contracting processes and evidence-based and emerging practices for account program funds, including evidence-based and emerging practices for serving rural communities.

(7) Twenty-five percent of moneys deposited in the account pursuant to ORS 294.187 are dedicated to the emergency housing assistance program for assistance to veterans who are homeless or at risk of becoming homeless.

SECTION 43. Section 1, chapter 531, Oregon Laws 2021, as amended by section 1, chapter 42, Oregon Laws 2022, is amended to read:

Sec. 1. (1) As used in this section, [*"unaccompanied homeless youth"*] **"youth experiencing homelessness"** means a person who is at least 14 years of age but not more than 24 years of age, who is not in the physical custody of a parent or legal guardian and who is homeless.

(2) In addition to any other scholarships or grants, the Department of Human Services may award two-year grants to organizations that provide services to [*unaccompanied homeless*] youth **experiencing homelessness**.

(3) The department may award a grant under this section to an organization that:

(a) Has an existing grant from the department to provide services to [*unaccompanied homeless*] youth **experiencing homelessness**; **or**

[*(b) Has an existing contract with the department to provide services to unaccompanied homeless youth and the department has determined that the organization is capable of expanding to provide services in additional communities;*]

[*(c) Is a nonprofit organization or a coalition of nonprofit organizations that the department has determined is capable of meeting the grant program requirements; or*]

[*(d) Is a new entity that the department determines is capable of meeting the grant program requirements.*]

(b) Proposes to provide evidence-based services, as described by the department by rule, for youth experiencing homelessness in an underserved area or an area in which those services are not provided.

(4) Grants awarded under this section may be used for any of the following:

(a) To increase the accessibility of any of the following programs and services to [*unaccompanied homeless*] youth **experiencing homelessness**:

(A) Shelter facilities;

(B) Outreach;

(C) Culturally specific services; and

(D) Mental health or substance abuse services; and

(b) To create or strengthen partnerships with host home programs and other transitional housing options.

(5) An applicant for a grant under this section must describe how the applicant intends to ensure that other funding, including from federal or local governments or charitable donations, will be used to supplement the total cost of the proposed program.

[*(5)*] **(6)** The department may adopt rules to administer the grant program described in this section.

SECTION 44. Section 2, chapter 531, Oregon Laws 2021, is amended to read:

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

(a) "Host home project" means a project that facilitates an arrangement under which [*an unaccompanied homeless*] **a** youth **experiencing homelessness** resides in the home of a private individual, pursuant to the terms of a contract between the private individual and the youth, for free or at below-market rent.

(b) "Long-term host home project" means a host home project run by an organization that has a memorandum of understanding or a letter of agreement with one or more school districts and in which [*unaccompanied homeless*] **participating** youth **experiencing homelessness** [*participants*], on average during the most recent two years, resided in host homes for a minimum of 180 days, as reported by the relevant school district.

(c) "Short-term host home project" means a host home project in which [*unaccompanied homeless*] **participating** youth **experiencing homelessness** [*participants*], on average during the most recent two years, resided in host homes for a maximum of 180 days, as reported by the relevant school district.

(d) [*"Unaccompanied homeless youth"*] **"Youth experiencing homelessness"** means a person who is:

(A) At least 16 years of age but not more than 21 years of age;

(B) Not in the physical custody of a parent or legal guardian;

(C) Not in the custody of the Department of Human Services;

(D) Not a ward of the state; and

(E) Homeless.

(2) In addition to and not in lieu of any other scholarships or grants, the department may award two-year grants to organizations that operate host home projects for [*unaccompanied homeless*] youth **experiencing homelessness**.

(3) An organization is eligible to apply for a grant under this section if the organization [*operated a host home project on January 1, 2021, and*] can demonstrate the ability to:

(a) Continue the operation of existing host home projects;

[*(a)*] **(b)** Expand host home projects in communities in which the organization provides services;

[*(b)*] **(c)** Establish new long-term host home projects in communities that do not have long-term host home projects; or

[*(c)*] **(d)** Establish new short-term host home projects.

(4) Recipients of grants awarded under this section shall work to achieve the following outcomes for [*unaccompanied homeless*] youth **experiencing homelessness**:

(a) Improved school attendance.

(b) Participation in formal or informal mentoring.

(c) Increased access to nutrition, health care, mental trauma-informed support and transportation services.

(5) A recipient of a grant awarded under this section shall ensure all individuals of 18 years of age or older residing in the host home who are not the [*unaccompanied homeless*] youth **experiencing homelessness** have an approved background check under ORS 181A.200 and 409.027.

(6) A host home is not a child-caring agency as defined in ORS 418.205.

(7) The department may adopt rules to administer the grant program described in this section.

SECTION 45. Section 6, chapter 531, Oregon Laws 2021, is amended to read:

Sec. 6. [*(1) Sections 1 and 2 of this 2021 Act are repealed on June 30, 2023.*]

[*(2)*] Sections 3 and 5 [*of this 2021 Act*]**, chapter 531, Oregon Laws 2021,** are repealed on January 2, 2024.

MODULAR HOUSING FUNDING

SECTION 46. Section 47 of this 2023 Act is added to and made a part of ORS chapter 458.

SECTION 47. (1) The Housing and Community Services Department shall provide grants or loans to entities to begin or expand production capacity for the development of modular housing and components to support home builders and developers in meeting housing demand.

(2) The department shall establish a temporary advisory committee under ORS 285A.060 to advise the department on providing grants or loans under this section.

(3) The department shall establish the terms for any loans under this section.

(4) Entities receiving loans or grants under this section must agree to terms established by the department requiring that the entities prioritize supplying modular housing components to meet demand from:

(a) First, state and local governments following a wildfire or other disaster;

(b) Second, low income housing construction in this state; and

(c) Third, middle income housing construction in this state.

(5) The department may enter into a contract with a third party to award or administer grants under this section.

(6) Loan proceeds and other moneys recovered under this section shall be paid to the Housing and Community Services Department and deposited with the State Treasury for credit to the General Fund and are available for general governmental expenses.

SECTION 48. Section 47 of this 2023 Act is repealed on January 2, 2026.

SECTION 49. In addition to and not in lieu of any other appropriation, there is appropriated to the Housing and Community Services Department, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $20,000,000, to make loans or grants under section 47 of this 2023 Act.

SECTION 49a. In addition to and not in lieu of any other appropriation, there is appropriated to the Housing and Community Services Department, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $248,366, to administer grants and loans made under section 47 of this 2023 Act.

MODERATE INCOME HOUSING PREDEVELOPMENT LOANS

SECTION 50. Section 51 of this 2023 Act is added to and made a part of ORS chapter 289.

SECTION 51. (1) The Oregon Facilities Authority shall provide financing, including refinancing, to local governments or housing developers for predevelopment costs, including infrastructure, site acquisition, planning, reports, surveys and consultants.

(2) Financing under this section is available only for housing projects that will be subject to an affordability restriction, including an affordable housing covenant under ORS 456.270 to 456.295, that:

(a) Has a term of no less than 25 years; and

(b) Requires that each dwelling unit be rented as the primary residence for a moderate income household as defined in ORS 456.270.

(3) The financing provided by the authority under this section:

(a) May not exceed $500,000 per eligible project;

(b) Must charge interest of three percent or lower;

(c) May only be used for a project with a total cost of less than $40,000,000 or that consists of 80 or fewer residential units; and

(d) May not exceed 75 percent of the project's total predevelopment costs unless the project will be restricted to households with incomes equal to or less than the area median income.

(4) Notwithstanding the definitions of "housing institution" and "project" under ORS 289.005, the activity of the authority under this section is an eligible project, as that term is used in this chapter.

SECTION 52. Section 51 of this 2023 Act is repealed on January 2, 2026.

SECTION 53. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Facilities Authority, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $3,613,925, for deposit into the Oregon Facilities Authority Account to be used for the purposes of section 51 of this 2023 Act.

SECTION 53a. Notwithstanding any other law limiting expenditures, the amount of $3,613,925 is established for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses by the Oregon Facilities Authority from the Oregon Facilities Authority Account, created under ORS 289.130, for the purposes of section 51 of this 2023 Act.

SECTION 53b. Notwithstanding any other law limiting expenditures, the amount of $263,925 is established for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the State Treasurer, for the purpose of oversight and administration of financing by the Oregon Facilities Authority under section 51 of this 2023 Act.

TERMINATION OF RESIDENTIAL TENANCY FOR NONPAYMENT

SECTION 54. Section 55 of this 2023 Act is added to and made a part of ORS chapter 90.

SECTION 55. (1) As used in this section:

(a) "Nonpayment" means the nonpayment of a payment that is due to a landlord, including a payment of rent, late charges, utility or service charges or any other charge or fee as described in the rental agreement or ORS 90.140, 90.302, 90.315, 90.392, 90.394, 90.560 to 90.584 or 90.630.

(b) "Nonpayment" does not include payments owed by a tenant for damages to the premises.

(2) A landlord shall deliver a copy of the notice posted on the website of the Judicial Department under section 56 of this 2023 Act along with:

(a) Any notice of termination for nonpayment; and

(b) Any summons for a complaint seeking possession based on nonpayment given by the landlord or service processor, including a summons delivered under ORS 105.135 (3)(b).

(3) A court shall enter a judgment dismissing a complaint for possession that is based on a termination notice for nonpayment if the court determines that:

(a) The landlord failed to deliver the notice as required under subsection (2) of this section;

(b) The landlord caused the tenant to not tender rent, including as a result of the landlord's failure to reasonably participate with a rental assistance program; or

(c) The tenant has tendered or caused to be tendered rental assistance or any other payment covering the nonpayment amount owed under the termination notice for nonpayment.

(4) Notwithstanding ORS 105.137 (4), if a claim for possession is dismissed under subsection (3)(c) of this section and the payment was tendered after the action was commenced, the tenant is not entitled to prevailing party fees, costs or attorney fees.

(5) Notwithstanding 90.302, a landlord may charge a tenant for filing fees paid under ORS 105.130, if the complaint for possession is dismissed under subsection (3)(c) of this section. Payment of the fees is not a prerequisite for dismissal under subsection (3)(c) of this section.

SECTION 56. (1) The Judicial Department, in consultation with the Housing and Community Services Department, shall supply and may regularly update the notice required under ORS 105.135 (2)(d) and section 55 (2) of this 2023 Act. The notice must be in substantially the following form:

THIS IS AN IMPORTANT NOTICE OF WHERE TO GET HELP IF YOU ARE FACING POTENTIAL EVICTION FOR NONPAYMENT.

For information in Spanish, Korean, Russian, Vietnamese or Chinese, go to the Judicial Department website at _____.

You must comply with deadlines identified in a notice of nonpayment, or you risk losing your housing.

Rental assistance and support services may be available. Dial 2-1-1 or go to www.211info.org or contact a local service provider at _____.

Low-income tenants may be able to receive free or low-cost legal advice by contacting a legal aid organization. Go to _____ to find an office near you.

The Oregon State Bar provides information about legal assistance programs at _____.

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(2) The Judicial Department shall translate the completed form under subsection (1) of this section into the Spanish, Korean, Russian, Vietnamese and Chinese languages and shall display links to the English and translated forms prominently on the department's website.

(3) Each form on the Judicial Department website under subsection (2) of this section must include a statement in English, Spanish, Korean, Russian, Vietnamese and Chinese indicating that the form and translations can be found on the Judicial Department website and providing the web address where the forms may be found.

SECTION 57. In distributing rental assistance to residential tenants funded by federal, state or local moneys, a public body, as defined in ORS 174.109, and any designee or grantee of a public body shall:

(1) Promptly provide a dated application receipt to each tenant who applies for assistance. The receipt may be in an electronic format.

(2) Close an application, after providing notice of potential closure to the tenant, if the provider reasonably determines that the tenant is no longer participating.

(3) If, upon qualifying circumstance, an application is approved and payment is made to a person other than the tenant's landlord, provide a dated notice of payment to the tenant's landlord at any known address or electronic mail address.

(4) If an application is denied or is otherwise closed without payment, provide a dated notice of the denial or closure to the tenant and to the tenant's landlord at any known address or electronic mail address.

SECTION 58. ORS 90.394 is amended to read:

90.394. The landlord may terminate the rental agreement for nonpayment of rent and take possession as provided in ORS 105.105 to 105.168, as follows:

(1) When the tenancy is a week-to-week tenancy, by delivering to the tenant at least 72 hours' written notice of nonpayment and the landlord's intention to terminate the rental agreement if the rent is not paid within that period. The landlord shall give this notice no sooner than on the fifth day of the rental period, including the first day the rent is due.

(2) For all tenancies other than week-to-week tenancies, by delivering to the tenant:

(a) At least [*72 hours'*] **10 days'** written notice of nonpayment and the landlord's intention to terminate the rental agreement if the rent is not paid within that period. The landlord shall give this notice no sooner than on the eighth day of the rental period, including the first day the rent is due; or

(b) At least [*144 hours'*] **13 days'** written notice of nonpayment and the landlord's intention to terminate the rental agreement if the rent is not paid within that period. The landlord shall give this notice no sooner than on the fifth day of the rental period, including the first day the rent is due.

(3) The notice described in this section must also specify the amount of rent that must be paid and the date and time by which the tenant must pay the rent to cure the nonpayment of rent.

(4) Payment by a tenant who has received a notice under this section is timely if mailed to the landlord within the period of the notice unless:

(a) The notice is served on the tenant:

(A) By personal delivery as provided in ORS 90.155 (1)(a); or

(B) By first class mail and attachment as provided in ORS 90.155 (1)(c);

(b) A written rental agreement and the notice expressly state that payment is to be made at a specified location that is either on the premises or at a place where the tenant has made all previous rent payments in person; and

(c) The place so specified is available to the tenant for payment throughout the period of the notice.

SECTION 59. ORS 105.124 is amended to read:

105.124. For a complaint described in ORS 105.123, if ORS chapter 90 applies to the dwelling unit:

(1) The complaint must be in substantially the following form and be available from the clerk of the court:

IN THE CIRCUIT COURT
FOR THE COUNTY OF
_____
No. _____

RESIDENTIAL EVICTION COMPLAINT

PLAINTIFF (Landlord or agent):
_____
_____
Address: _____
City: _____
State: _____ Zip: _____
Telephone: _____

vs.

DEFENDANT (Tenants/Occupants):
_____
_____
MAILING ADDRESS: _____
City: _____
State: _____ Zip: _____
Telephone: _____

1.

Tenants are in possession of the dwelling unit, premises or rental property described above or located at:

_____

2.

Landlord is entitled to possession of the property because of:

_____ 24-hour notice for personal injury, substantial damage, extremely outrageous act or unlawful occupant. ORS 90.396 or 90.403.
_____ 24-hour or 48-hour notice for violation of a drug or alcohol program. ORS 90.398.
_____ 24-hour notice for perpetrating domestic violence, sexual assault or stalking. ORS 90.445.
_____ 72-hour [*or 144-hour*] notice for nonpayment of rent **in a week-to-week tenancy**. ORS 90.394 **(1)**.
_____ 7-day notice with stated cause in a week-to-week tenancy. ORS 90.392 (6).
_____ 10-day notice for a pet violation,

a repeat violation in a month-to-month tenancy or without stated cause in a week-to-week tenancy. ORS 90.392 (5), 90.405 or 90.427 (2).

_____ **10-day or 13-day notice for nonpayment of rent. ORS 90.394 (2).**

_____ 20-day notice for a repeat violation. ORS 90.630 (5).

_____ 30-day, 60-day or 180-day notice without stated cause in a month-to-month tenancy. ORS 90.427 (3)(b) or (8)(a)(B) or (C) or 90.429.

_____ 30-day notice with stated cause. ORS 90.392, 90.630 or 90.632[.]**:**

_____ **The stated cause is for nonpayment as defined in section 55 of this 2023 Act.**

_____ 60-day notice with stated cause. ORS 90.632.

_____ 90-day notice with stated cause. ORS 90.427 (5) or (7).

_____ Notice to bona fide tenants after foreclosure sale or termination of fixed term tenancy after foreclosure sale. ORS 86.782 (6)(c).

_____ Other notice _____

_____ No notice (explain) _____

A COPY OF THE NOTICE RELIED UPON, IF ANY, IS ATTACHED

3.

If the landlord uses an attorney, the case goes to trial and the landlord wins in court, the landlord can collect attorney fees from the defendant pursuant to ORS 90.255 and 105.137 (3).

Landlord requests judgment for possession of the premises, court costs, disbursements and attorney fees.

I certify that the allegations and factual assertions in this complaint are true to the best of my knowledge.

_____

Signature of landlord or agent.

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(2) The complaint must be signed by the plaintiff, or an attorney representing the plaintiff as provided by ORCP 17, or verified by an agent or employee of the plaintiff or an agent or employee of an agent of the plaintiff.

(3) A copy of the notice relied upon, if any, must be attached to the complaint.

SECTION 60. ORS 105.135 is amended to read:

105.135. (1) Except as provided in this section, the summons shall be served and returned as in other actions.

(2)**(a) The clerk shall calculate the first appearance, which shall be:**

(A) Seven days after the judicial day next following payment of the filing fees; or

(B) If the claim for possession is brought under ORS 90.392 or 90.394 for nonpayment as defined in section 55 of this 2023 Act, 15 days after the judicial day next following payment of the filing fees.

(b) The clerk may delay the first appearance by up to seven days to accommodate dates on which a judge is unavailable to conduct the first appearance and, if possible, to accommodate dates that the plaintiff has indicated unavailability.

(c) The clerk shall enter the first appearance date on the summons. [*That date shall be seven days after the judicial day next following payment of filing fees unless no judge is available for first appearance at that time, in which case the clerk may extend the first appearance date for up to seven additional days. At the request of the plaintiff, the clerk may enter a date more than seven days after the judicial day next following payment of filing fees if a judge will be available.*]

(d) If the claim for possession is based on nonpayment as defined in section 55 of this 2023 Act, the clerk shall include as part of the summons a copy of the notice described in section 56 of this 2023 Act.

(3) Notwithstanding ORCP 10, by the end of the judicial day next following the payment of filing fees:

(a) The clerk shall mail the summons and complaint by first class mail to the defendant at the premises.

(b) The process server shall serve the defendant with the summons and complaint at the premises by personal delivery to the defendant or, if the defendant is not available for service, by attaching the summons and complaint in a secure manner to the main entrance to that portion of the premises of which the defendant has possession.

(4) A sheriff may serve a facsimile of a summons and complaint that is transmitted to the sheriff by a trial court administrator or another sheriff by means of facsimile communication. A copy of the facsimile must be attached to the sheriff's return of service. Before transmitting a summons and complaint to a sheriff under this subsection, the person sending the facsimile must receive confirmation by telephone from the sheriff's office that a telephonic facsimile communication device is available and operating.

(5) The process server shall indicate the manner in which service was accomplished by promptly filing with the clerk a certificate of service as provided by ORCP 7 F(2)(a).

(6) In the case of premises to which ORS chapter 90 applies, the summons shall inform the defendant of the procedures, rights and responsibilities of the parties as specified in ORS 105.137.

SECTION 61. Section 8, chapter 420, Oregon Laws 2021, as amended by section 9, chapter 1, Oregon Laws 2021 (second special session), is amended to read:

Sec. 8. (1) Section 2, chapter 420, Oregon Laws 2021, as amended by section 2**, chapter 1, Oregon Laws 2021 (second special session)** [*of this 2021 second special session Act*], is repealed on October 1, 2022.

(2) Section 5, chapter 420, Oregon Laws 2021, as amended by sections 4 and 6**, chapter 1, Oregon Laws 2021 (second special session)** [*of this 2021 second special session Act*], is repealed on [*July 1, 2023*] **the effective date of this 2023 Act**.

(3) Section 6, chapter 420, Oregon Laws 2021, is repealed on October 1, 2022.

(4) Section 7, chapter 420, Oregon Laws 2021, as amended by section 5**, chapter 1, Oregon Laws 2021 (second special session)** [*of this 2021 second special session Act*], is repealed on October 1, 2022.

EVICTION PROCESS

SECTION 62. ORS 105.115 is amended to read:

105.115. (1) Except as provided by subsections (2) and (3) of this section, the following are causes of unlawful holding by force within the meaning of ORS 105.110, 105.123 and 105.126:

(a) When the tenant or person in possession of any premises fails or refuses to pay rent within 10 days after the rent is due under the lease or agreement under which the tenant or person in

possession holds, or to deliver possession of the premises after being in default on payment of rent for 10 days.

(b) When the lease by its terms has expired and has not been renewed, or when the tenant or person in possession is holding from month to month, or year to year, and remains in possession after notice to quit as provided in ORS 105.120, or is holding contrary to any condition or covenant of the lease or is holding possession without any written lease or agreement.

(c) When the owner or possessor of a recreational vehicle that was placed or driven onto property without the prior consent of the property owner, operator or tenant fails to remove the recreational vehicle. The property owner or operator is not required to serve a notice to quit the property before commencing an action under ORS 105.126 against a recreational vehicle owner or possessor holding property by force as described in this paragraph.

(d) When the person in possession of a premises remains in possession after the time when a purchaser of the premises is entitled to possession in accordance with the provisions of ORS 18.946 or 86.782.

(e) When the person in possession of a premises remains in possession after the time when a deed given in lieu of foreclosure entitles the transferee named in the deed to possession of the premises.

(f) When the person in possession of a premises remains in possession after the time when a seller is entitled to possession in accordance with the provisions of ORS 93.930 (2)(c) or pursuant to a judgment of strict foreclosure of a recorded contract for transfer or conveyance of an interest in real property.

(g) When the person in possession of a premises remains in possession after the expiration of a valid notice terminating the person's right to occupy the premises pursuant to ORS 91.120, 91.122 or 91.130.

(2) In the case of a dwelling unit to which ORS chapter 90 applies:

(a) The following are causes of unlawful holding by force within the meaning of ORS 105.110 and 105.123:

(A) When the tenant or person in possession of any premises fails or refuses to pay rent within the time period required by a notice under ORS **90.392 or** 90.394.

(B) When a rental agreement by its terms has expired and has not been renewed, or when the tenant or person in possession remains in possession after a valid notice terminating the tenancy pursuant to ORS chapter 90, or is holding contrary to any valid condition or covenant of the rental agreement or ORS chapter 90.

(b) A landlord may not file an action for the return of possession of a dwelling unit based upon a cause of unlawful holding by force as described in paragraph (a) of this subsection until after the expiration of a rental agreement for a fixed term tenancy or after the expiration of the time period provided in a notice terminating the tenancy.

(c) The court may dismiss a claim for possession at any time if the complaint does not comply with this subsection.

(3) In an action under subsection (2) of this section, ORS chapter 90 shall be applied to determine the rights of the parties, including:

(a) Whether and in what amount rent is due;

(b) Whether a tenancy or rental agreement has been validly terminated; and

(c) Whether the tenant is entitled to remedies for retaliatory conduct by the landlord as provided by ORS 90.385 and 90.765.

SECTION 63. ORS 105.137 is amended to read:

105.137. In the case of a dwelling unit to which ORS chapter 90 applies:

(1) [*If the plaintiff appears and the defendant fails to appear at the first appearance,*] A default judgment shall be entered in favor of the plaintiff for possession of the premises and costs and disbursements[.] **only if:**

(a) The plaintiff appears and the defendant fails to appear at the first appearance;

(b) The court determines that the complaint complies with ORS 105.115 and 105.124 and is sufficient to state a cause of action for possession; and

(c) The plaintiff testifies under oath or submits an affidavit or declaration under penalty of perjury stating that, as of the date of the testimony:

(A) The plaintiff does not have knowledge that the defendant has delivered possession to the plaintiff as described in ORS 90.147 (2); and

(B) The plaintiff reasonably believes that the defendant remains in possession of the premises.

(2) If the defendant appears and the plaintiff fails to appear at the first appearance, a default judgment shall be entered in favor of the defendant dismissing the plaintiff's complaint and awarding costs and disbursements.

(3) An attorney at law shall be entitled to appear on behalf of any party, but attorney fees may not be awarded to the plaintiff if the defendant does not contest the action.

(4) If the plaintiff dismisses the action before the first appearance, a judgment of dismissal shall be entered in favor of the defendant dismissing the plaintiff's complaint and awarding costs and disbursements. The defendant may not recover attorney fees for prejudgment legal services provided after the delivery of written notice of the dismissal by the plaintiff to the defendant, or to an attorney for the defendant, in the manner provided under ORS 90.155.

(5) The plaintiff or an agent of the plaintiff may obtain a continuance of the action for as long as the plaintiff or the agent of the plaintiff deems necessary to obtain the services of an attorney at law.

(6) If both parties appear in court on the date contained in the summons, the court shall set the matter for trial [*as soon as practicable,*] unless the court is advised by the parties that the matter has been settled. The trial shall be scheduled**:**

(a) For a claim based on nonpayment, as defined in section 55 of this 2023 Act, no earlier than 15 days, and no later than 30 days, following the appearance; or

(b) For any other claim, as soon as practicable and no later than 15 days from the date of [*such*] **the** appearance.

(7) If the matter is not tried within the [*15-day*] period **described in subsection (6) of this section**, and the delay in trial is not attributable to the landlord, the court shall order the defendant to pay rent that is accruing into court, provided the court finds after hearing that entry of such an order is just and equitable.

[*(7)(a)*] **(8)(a)** The court shall permit an unrepresented defendant to proceed to trial by directing the defendant to file an answer in writing on a form which shall be available from the court clerk, and to serve a copy upon the plaintiff on the same day as first appearance.

(b) The answer shall be in substantially the following form:

IN THE _____ COURT FOR
THE COUNTY OF _____

(Landlord),	)	
	)	
Plaintiff(s),	)	
	)	
vs.	)	No._____
	)	
(Tenant),	)	
	)	
Defendant(s).	)	

ANSWER

I (we) deny that the plaintiff(s) is (are) entitled to possession because:

___ The landlord did not make repairs.

List any repair problems: _____

_____

_____

___ The landlord is attempting to evict me (us) because of my (our) complaints (or the eviction is otherwise retaliatory).

___ The landlord is attempting to evict me because of my status as a victim of domestic violence, sexual assault or stalking.

___ The eviction notice is wrong.

___ List any other defenses: _____

_____

_____

_____

_____

I (we) may be entitled as the prevailing party to recover attorney fees from plaintiff(s) if I (we) obtain legal services to defend this action pursuant to ORS 90.255.

I (we) ask that the plaintiff(s) not be awarded possession of the premises and that I (we) be awarded my (our) costs and disbursements and attorney fees, if applicable, or a prevailing party fee.

_____ _____

Date Signature of defendant(s)

[*(8)*] **(9)** If an unrepresented defendant files an answer as provided in subsection [*(7)*] **(8)** of this section, the answer [*may*] **does** not limit the defenses available to the defendant at trial under ORS chapter 90. If such a defendant seeks to assert at trial a defense not fairly raised by the answer, the plaintiff [*shall be*] **is** entitled to a reasonable continuance for the purposes of preparing to meet the defense.

SEALING EVICTION RECORDS

SECTION 64. Section 65 of this 2023 Act is added to and made a part of ORS 105.105 to 105.168.

SECTION 65. (1) On an annual basis, each justice and circuit court shall enter an order setting aside a judgment and sealing the official records for each case for possession brought under ORS chapter 90 for which the court finds that:

(a) The judgment does not contain a money award or that any money award has expired or been satisfied or discharged; and

(b)(A) The judgment was a judgment of restitution entered for the plaintiff and at least five years have passed from the date of the judgment; or

(B) The judgment was a judgment by stipulation of the parties under ORS 105.145 (2) and at least 12 months have passed from the date of the judgment.

(2) Upon entry of the order, the judgment that is the subject of the motion is deemed not to have been entered, and any party may answer accordingly any questions relating to its occurrence.

(3) Nothing in this section limits the ability of a defendant to apply for an order under ORS 105.163.

SECTION 66. (1) Section 65 of this 2023 Act does not apply to judgments entered on or before January 1, 2014.

(2) Each justice and circuit court shall conduct a review of its records and enter its first order under section 65 of this 2023 Act on or before December 31, 2024.

AGRICULTURE WORKFORCE HOUSING GRANTS

SECTION 67. (1) The State Department of Agriculture shall provide grants to improve the health and safety conditions of existing agriculture workforce housing, as defined in ORS 315.163, for agricultural workers and their families.

(2)(a) The department shall design an application and establish criteria by which grants awarded under this section are allocated and prioritized.

(b) Before a date on which rules that relate to housing for agricultural labor are first adopted or amended by the Occupational Safety and Health Division of the Department of Consumer and Business Services and that is after the effective date of this 2023 Act, the State Department of Agriculture shall prioritize awarding grants for housing that will comply with changes to rules that are under consideration of the agricultural labor housing rulemaking advisory committee of the division.

(c) Within 30 days of the adoption of rules described under paragraph (b) of this subsection, the State Department of Agriculture shall update the grant application and criteria to allow the use of grant money to comply with the new or updated rules of the division.

(3) To be eligible for a grant under this section, the housing:

(a) Must comply with all occupational safety or health laws, rules, regulations and standards;

(b) Must be operated by a person who holds a valid indorsement as a farmworker camp operator under ORS 658.730, if an indorsement is required;

(c) Must be registered as a farmworker camp with the Department of Consumer and Business Services under ORS 658.750, if the housing is farm employment-related housing, on or before 90 days following the latter of:

(A) The first day of the first tax year after the grant was received; or

(B) The date the housing is first occupied;

(d) May not be housing that is required to be provided as part of a labor contract made under a temporary employment visa program; and

(e) Must comply with any adopted rules, as described in subsection (2)(b) of this section.

(4) The Occupational Safety and Health Division of the Department of Consumer and Business Services shall assist the State Department of Agriculture in establishing the application and criteria under subsection (2)(b) and (c) of this section and shall assist the department or a contractor under subsection (5) of this section in determining eligibility for a grant under subsection (3) of this section.

(5) The State Department of Agriculture may enter into a contract with a third party to award or administer grants under this section.

SECTION 68. Section 67 of this 2023 Act is repealed on January 2, 2026.

SECTION 69. In addition to and not in lieu of any other appropriation, there is appropriated to the State Department of Agriculture, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $5,000,000, to provide grants under section 67 of this 2023 Act.

SECTION 69a. In addition to and not in lieu of any other appropriation, there is appropriated to the State Department of Agriculture, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $524,762, to develop and administer the grant program under section 67 of this 2023 Act.

EMERGENCY USE OF APPROPRIATIONS

SECTION 70. Expenditures of any appropriation made for the biennium beginning July 1, 2023, to the Housing and Community Services Department, constitute an emergency as defined in ORS 279A.010 and may be made under procurement authority described in ORS 279B.080 without documenting the nature of the emergency, if the appropriation is made to:

(1) Address homelessness in communities within the OR-505 Oregon Balance of State Continuum of Care; or

(2) Increase shelter capacity and connections to shelter, support rapid rehousing initiatives, provide capacity support for culturally responsive organizations and provide sanitation services for communities within the OR-505 Oregon Balance of State Continuum of Care.

CONFORMING AMENDMENTS

SECTION 71. ORS 195.137 to 195.145 are added to and made a part of ORS 197.286 to 197.314.

SECTION 72. ORS 94.536 is amended to read:

94.536. As used in this section and ORS 94.538:

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

(2) "Governmental unit" means a city, county, metropolitan service district or state agency as defined in ORS 171.133.

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

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

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

(6) "Receiving area" means a designated area of land to which a holder of development credits generated from a sending area may transfer the development credits and in which additional uses or development, not otherwise allowed, are allowed by reason of the transfer.

(7) "Resource land" means:

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

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

(A) In an acknowledged local or regional government inventory as containing significant wetland, riparian, wildlife habitat, historic, scenic or open space resources; or

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

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

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

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

(10) "Transferable development credit" means a severable development interest in real property that can be transferred from a lot, parcel or tract in a sending area to a lot, parcel or tract in a receiving area.

(11) "Transferable development credit system" means a land use planning tool that allows the record owner of a lot, parcel or tract of resource land in a sending area to voluntarily sever and sell development interests from the lot, parcel or tract for purchase and use by a potential developer to develop a lot, parcel or tract in a receiving area at a higher intensity than otherwise allowed.

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

(13) "Urban reserve" has the meaning given that term in ORS 195.137.

SECTION 73. ORS 195.060 is amended to read:

195.060. As used in ORS 195.020[,] **and** 195.065 to 195.085 [*and 197.005*], unless the context requires otherwise[*:*]

[*(1) "District" has the meaning given that term in ORS 198.010. In addition, the term*]**, "district" or "special district" has the meaning given the term "district" in ORS 198.010 and also** includes a county service district organized under ORS chapter 451.

[*(2) "Urban growth boundary" means an acknowledged urban growth boundary contained in a city or county comprehensive plan or an acknowledged urban growth boundary that has been adopted by a metropolitan service district council under ORS 268.390 (3).*]

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

SECTION 74. ORS 195.143 is amended to read:

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

(a) Rural reserves pursuant to ORS 195.141; and

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

(2) An agreement [*between a county and a metropolitan service district*] to establish rural reserves pursuant to ORS 195.141 and urban reserves pursuant to ORS 195.145 (1)(b) must provide for a coordinated and concurrent process for adoption by the county of comprehensive plan provisions and by [*the district*] **Metro** of regional framework plan provisions to implement the agreement. [*A district*] **Metro** may not designate urban reserves pursuant to ORS 195.145 (1)(b) in a county until the county and [*the district*] **Metro** have entered into an agreement pursuant to ORS 195.145 (1)(b) that identifies the land to be designated by [*the district in the district's*] **Metro in Metro's** regional framework plan as urban reserves. A county may not designate rural reserves pursuant to ORS 195.141 until the county and [*the district*] **Metro** have entered into an agreement pursuant to ORS 195.141 that identifies the land to be designated as rural reserves by the county in the county's comprehensive plan.

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

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

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

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

SECTION 75. ORS 195.300 is amended to read:

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

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

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

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

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

(3) "Enacted" means enacted, adopted or amended.

(4) "Fair market value" means the value of property as determined under ORS 195.332.

(5) "Farming practice" has the meaning given that term in ORS 30.930.

(6) "Federal law" means:

(a) A statute, regulation, order, decree or policy enacted by a federal entity or by a state entity acting under authority delegated by the federal government;

(b) A requirement contained in a plan or rule enacted by a compact entity; or

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

(7) "File" means to submit a document to a public entity.

(8) "Forest practice" has the meaning given that term in ORS 527.620.

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

(10) "High-value farmland" means:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) That is in a forest zone or a mixed farm and forest zone, that is located in western Oregon and composed predominantly of soils capable of producing more than 120 cubic feet per acre per year of wood fiber and that is capable of producing more than 5,000 cubic feet per year of commercial tree species; or

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

(12) "Home site approval" means approval of the subdivision or partition of property or approval of the establishment of a dwelling on property.

(13) "Just compensation" means:

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

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

(14) "Land use regulation" means:

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

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

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

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

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

(A) The Oregon Forest Practices Act;

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

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

(f) ORS 561.191, a provision of ORS 568.900 to 568.933 or an administrative rule of the State Department of Agriculture that implements ORS 561.191 or 568.900 to 568.933;

(g) An administrative rule or goal of the Land Conservation and Development Commission; or

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

(15) "Lawfully established unit of land" has the meaning given that term in ORS 92.010.

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

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

(18) "Owner" means:

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

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

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

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

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

(21) "Protection of public health and safety" means a law, rule, ordinance, order, policy, permit or other governmental authorization that restricts a use of property in order to reduce the risk or consequence of fire, earthquake, landslide, flood, storm, pollution, disease, crime or other natural or human disaster or threat to persons or property including, but not limited to, building and fire codes, health and sanitation regulations, solid or hazardous waste regulations and pollution control regulations.

(22) "Public entity" means the state, Metro, a county or a city.

[*(23) "Urban growth boundary" has the meaning given that term in ORS 195.060.*]

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

[*(25)*] **(24)** "Zoned for residential use" means zoning that has as its primary purpose single-family residential use.

SECTION 76. ORS 197.015 is amended to read:

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

(1) "Acknowledgment" means a commission order that certifies that a comprehensive plan and land use regulations, land use regulation or plan or regulation amendment complies with the goals

or certifies that Metro land use planning goals and objectives, Metro regional framework plan, amendments to Metro planning goals and objectives or amendments to the Metro regional framework plan comply with the goals.

(2) "Board" means the Land Use Board of Appeals.

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

(4) "Commission" means the Land Conservation and Development Commission.

(5) "Comprehensive plan" means a generalized, coordinated land use map and policy statement of the governing body of a local government that interrelates all functional and natural systems and activities relating to the use of lands, including but not limited to sewer and water systems, transportation systems, educational facilities, recreational facilities, and natural resources and air and water quality management programs. "Comprehensive" means all-inclusive, both in terms of the geographic area covered and functional and natural activities and systems occurring in the area covered by the plan. "General nature" means a summary of policies and proposals in broad categories and does not necessarily indicate specific locations of any area, activity or use. A plan is "coordinated" when the needs of all levels of governments, semipublic and private agencies and the citizens of Oregon have been considered and accommodated as much as possible. "Land" includes water, both surface and subsurface, and the air.

(6) "Department" means the Department of Land Conservation and Development.

(7) "Director" means the Director of the Department of Land Conservation and Development.

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

(9) "Guidelines" means suggested approaches designed to aid cities and counties in preparation, adoption and implementation of comprehensive plans in compliance with goals and to aid state agencies and special districts in the preparation, adoption and implementation of plans, programs and regulations in compliance with goals. Guidelines [*shall be advisory and shall*] **are advisory and do** not limit state agencies, cities, counties and special districts to a single approach.

(10) "Land use decision":

(a) Includes:

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

(i) The goals;

(ii) A comprehensive plan provision;

(iii) A land use regulation; or

(iv) A new land use regulation;

(B) A final decision or determination of a state agency other than the commission with respect to which the agency is required to apply the goals; or

(C) A decision of a county planning commission made under ORS 433.763;

(b) Does not include a decision of a local government:

(A) That is made under land use standards that do not require interpretation or the exercise of policy or legal judgment;

(B) That approves or denies a building permit issued under clear and objective land use standards;

(C) That is a limited land use decision;

(D) That determines final engineering design, construction, operation, maintenance, repair or preservation of a transportation facility that is otherwise authorized by and consistent with the comprehensive plan and land use regulations;

(E) That is an expedited land division as described in ORS 197.360;

(F) That approves, pursuant to ORS 480.450 (7), the siting, installation, maintenance or removal of a liquefied petroleum gas container or receptacle regulated exclusively by the State Fire Marshal under ORS 480.410 to 480.460;

(G) That approves or denies approval of a final subdivision or partition plat or that determines whether a final subdivision or partition plat substantially conforms to the tentative subdivision or partition plan; or

(H) That a proposed state agency action subject to ORS 197.180 (1) is compatible with the acknowledged comprehensive plan and land use regulations implementing the plan, if:

(i) The local government has already made a land use decision authorizing a use or activity that encompasses the proposed state agency action;

(ii) The use or activity that would be authorized, funded or undertaken by the proposed state agency action is allowed without review under the acknowledged comprehensive plan and land use regulations implementing the plan; or

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

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

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

(e) Does not include:

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

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

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

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

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

(11) "Land use regulation" means any local government zoning ordinance, land division ordinance adopted under ORS 92.044 or 92.046 or similar general ordinance establishing standards for implementing a comprehensive plan.

(12) "Limited land use decision":

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

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

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

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

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

(14) "Metro" means a metropolitan service district organized under ORS chapter 268.

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

(16) "Metro regional framework plan" means the regional framework plan required by the 1992 Metro Charter or its separate components. Neither the regional framework plan nor its individual components constitute a comprehensive plan.

(17) "New land use regulation" means a land use regulation other than an amendment to an acknowledged land use regulation adopted by a local government that already has a comprehensive plan and land regulations acknowledged under ORS 197.251.

(18) "Person" means any individual, partnership, corporation, association, governmental subdivision or agency or public or private organization of any kind. The Land Conservation and Development Commission or its designee is considered a person for purposes of appeal under ORS chapters 195 and 197.

(19) "Special district" means any unit of local government, other than a city, county, [*metropolitan service district formed under ORS chapter 268*] **Metro** or an association of local governments performing land use planning functions under ORS 195.025, authorized and regulated by statute and includes but is not limited to water control districts, domestic water associations and water cooperatives, irrigation districts, port districts, regional air quality control authorities, fire districts, school districts, hospital districts, mass transit districts and sanitary districts.

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

[*(20)*] **(21)** "Urban unincorporated community" means an area designated in a county's acknowledged comprehensive plan as an urban unincorporated community after December 5, 1994.

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

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

SECTION 77. ORS 197.298 is amended to read:

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

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

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

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

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

(2) **Under this section,** higher priority [*shall*] **must** be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use.

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

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

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

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

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

SECTION 78. ORS 197.299 is amended to read:

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

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

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

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

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

(3) The commission may grant an extension to the time limits of subsection (2) of this section if the Director of the Department of Land Conservation and Development determines that the metropolitan service district has provided good cause for failing to meet the time limits.

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

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

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

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

(5) **At least** three years after completing its most recent demonstration of sufficient buildable lands under ORS 197.296, [*a metropolitan service district*] **Metro** may, on a single occasion, revise the determination and analysis required as part of the demonstration for the purpose of considering an amendment to the [*metropolitan service district's*] **Metro's** urban growth boundary, provided:

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

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

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

[*(d)*] **(b)** The city or cities proposing the development have provided evidence to [*the metropolitan service district*] **Metro** that the proposed development would provide additional needed housing to the needed housing included in the most recent determination and analysis;

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

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

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

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

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

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

SECTION 79. ORS 197.302 is amended to read:

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

(2) Within two years of submitting a corrective action plan to the department, [*the metropolitan service district*] **Metro** shall demonstrate by reference to the performance measures described in ORS 197.301 that implementation of the plan has resulted in the buildable land supply and housing density within the urban growth boundary necessary to accommodate the estimated housing needs for each housing type as determined under ORS 197.296 (3).

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

SECTION 80. ORS 197.304 is amended to read:

197.304. (1) Notwithstanding an intergovernmental agreement pursuant to ORS 190.003 to 190.130 or acknowledged comprehensive plan provisions to the contrary, a city within Lane County [*that has a population of 50,000 or more within its boundaries*] **with a population of 50,000 or greater** shall meet its obligation under ORS 197.286 to 197.314 separately from any other city within Lane County. The city shall, separately from any other city:

(a) Establish an urban growth boundary, consistent with the jurisdictional area of responsibility specified in the acknowledged comprehensive plan; and

(b) Demonstrate, as required by [*ORS 197.296*] **section 22 of this 2023 Act**, that its comprehensive plan provides sufficient buildable lands within an urban growth boundary [*established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years*] **to accommodate needed housing**.

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

SECTION 81. ORS 197.307, as amended by section 14, chapter 401, Oregon Laws 2019, and section 2, chapter 54, Oregon Laws 2022, is amended to read:

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

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

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

(4) Except as provided in subsection (6) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of housing, including needed housing. The standards, conditions and procedures:

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

(b) May not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.

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

(a) An application or permit for residential development in an area identified in a formally adopted central city plan, or a regional center as defined by Metro, in a city with a population of 500,000 or [*more*] **greater**.

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

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

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

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

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

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

(a) Set approval standards under which a particular housing type is permitted outright;

(b) Impose special conditions upon approval of a specific development proposal; or

(c) Establish approval procedures.

SECTION 82. ORS 197.313 is amended to read:

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

SECTION 83. ORS 197.314 is added to and made a part of ORS 197.475 to 197.490.

SECTION 84. ORS 197.480 is amended to read:

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

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

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

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

(a) Population projections;

(b) Household income levels;

(c) Housing market trends of the region; and

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

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

(4) Notwithstanding the provisions of subsection (1) of this section, a city or county within [*a metropolitan service district, established pursuant to ORS chapter 268*] **Metro**, shall inventory the mobile home or manufactured dwelling parks sited in areas planned and zoned or generally used for commercial, industrial or high density residential development [*no later than two years from September 27, 1987*].

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

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

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

SECTION 85. ORS 197.522 is amended to read:

197.522. (1) As used in this section:

(a) "Needed housing" has the meaning given that term in ORS [*197.303*] **197.286**.

(b) "Partition" has the meaning given that term in ORS 92.010.

(c) "Permit" means a permit as defined in ORS 215.402 and a permit as defined in ORS 227.160.

(d) "Subdivision" has the meaning given that term in ORS 92.010.

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

(3) If an application is inconsistent with the comprehensive plan and applicable land use regulations, the local government, prior to making a final decision on the application, shall allow the applicant to offer an amendment or to propose conditions of approval that would make the application consistent with the plan and applicable regulations. If an applicant seeks to amend the application or propose conditions of approval:

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

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

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

SECTION 86. ORS 197.637 and 197.764 are added to and made a part of ORS 197.286 to 197.314.

SECTION 87. ORS 197.637 is amended to read:

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

(2) The Land Conservation and Development Commission and the Director of the Department of Land Conservation and Development shall consider the review and any recommendations of the Housing and Community Services Department when determining whether a local government has complied with the statewide land use planning goals and the requirements of ORS 197.296 **or 197.297 or section 21 or 22 of this 2023 Act**.

SECTION 88. ORS 197.764 is amended to read:

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

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

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

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

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

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

(e) The lot or parcel is not included in an area identified for urban services under ORS 197.754.

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

(a) The projected costs and other consequences of extending urban services to the affected lot or parcel;

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

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

(d) The projected costs and other consequences of providing urban services to other areas brought in under an expanded urban growth boundary.

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

(b) A local government that approves an application under this section shall either expand the urban growth boundary to compensate for any resulting reduction in available buildable lands or increase the development capacity of the remaining supply of buildable lands **consistent with ORS 197.296 (6) or 197A.300 to 197A.325 or section 21 or 22 of this 2023 Act**.

SECTION 89. ORS 197.766 is repealed.

SECTION 90. ORS 197.831 is amended to read:

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

SECTION 91. ORS 197A.300 to 197A.325 are added to and made a part of ORS 197.286 to 197.314.

SECTION 92. ORS 197A.300 is amended to read:

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

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

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

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

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

SECTION 93. ORS 197A.310 is amended to read:

197A.310. (1) [*In addition to and not in lieu of*] **As an alternative to** the method prescribed in [*ORS 197.286 to 197.314 and the statewide land use planning goals*] **section 22 (5)(a) of this 2023 Act**, the Land Conservation and Development Commission shall adopt a method by which a city outside Metro that has a population of less than 10,000 may evaluate or amend its urban growth boundary.

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

(a) A city using the method:

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

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

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

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

(3) Under the method adopted by the commission:

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

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

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

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

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

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

(ii) The redevelopment capacity of developed urban lands within the urban growth boundary.

(c) A city's determination of the supply and development capacity of lands the city proposes to include within the urban growth boundary must be based on:

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

(B) Simple factors established by the commission for forecasting the development and redevelopment capacity of the lands.

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

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

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

(e) Lands included within the urban growth boundary:

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

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

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

(D) May be either:

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

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

(4) For purposes of subsection (3)(a) of this section, population growth must be forecast as provided in ORS 195.033. Employment growth must be forecast based on the population growth forecast for the city or the employment growth forecast issued by the Employment Department for the county or region. The commission shall establish factors, by rule, for converting the forecasted population and employment growth into forecasts of land need for housing, employment and other categories of uses. The factors must:

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

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

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

(d) Provide a range of policy choices for a city about the form of its future growth.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 94. ORS 197A.305 is amended to read:

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

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

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

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

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

(a) May use the method again when:

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

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

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

(4) A city that elects to use a method established pursuant to ORS 197A.310 or 197A.312 shall notify the Department of Land Conservation and Development of the election in the manner required by ORS 197.610 for notice of a post-acknowledgment plan amendment. The city may revoke the election until the city makes a final decision whether to amend the urban growth boundary of the city. A city that has initiated, but not completed, an amendment of its urban growth boundary before January 1, 2014, may withdraw the proposed amendment and use a method established pursuant to ORS 197A.310 or 197A.312 by filing notice of the election with the department in the manner required by ORS 197.610 and 197.615 for notice of a post-acknowledgment plan amendment.

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

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

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

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

SECTION 95. ORS 197A.312 is amended to read:

197A.312. (1) [*In addition to and not in lieu of*] **As an alternative to** the method prescribed in [*ORS 197.286 to 197.314 and the statewide land use planning goals*] **section 22 (5)(a) of this 2023 Act**, the Land Conservation and Development Commission shall adopt a method by which a city outside Metro that has a population of 10,000 or [*more*] **greater** may evaluate or amend its urban growth boundary.

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

(a) A city using the method:

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

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

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

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

(3) Under the method adopted by the commission:

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

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

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

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

(C) Factors established by the commission for forecasting:

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

(ii) The redevelopment capacity of developed urban lands within the urban growth boundary.

(c) A city's determination of the supply and development capacity of lands the city proposes to include within the urban growth boundary must be based on:

(A) An inventory of vacant and partially vacant lands; and

(B) Factors established by the commission for forecasting the development and redevelopment capacity of the lands.

(d) A city shall consider a range or combination of measures identified by rule of the commission to accommodate future need for land within the urban growth boundary and implement at least one measure or satisfy an alternate performance standard established by the commission. The commission shall design the alternate performance standard so that the standard is satisfied when the city:

(A) Has a development code that contains specified provisions designed to encourage the development of needed housing; and

(B) Demonstrates that, during the preceding planning period, the city:

(i) If located in the Willamette Valley, exceeded the median rate of redevelopment and infill for cities with a population of 10,000 or [*more*] **greater** in the Willamette Valley that are outside of the boundaries of Metro by an amount set by commission rule; and

(ii) If located outside of the Willamette Valley, exceeded the median rate of redevelopment and infill for cities with a population of 10,000 or [*more*] **greater** that are outside the Willamette Valley by an amount set by commission rule.

(e) A city shall demonstrate that lands included within the urban growth boundary:

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

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

(f) Lands included within the urban growth boundary:

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

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

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

(D) May be either:

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

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

(4) For purposes of subsection (3)(a) of this section, population growth must be forecast as provided in ORS 195.033. Employment growth must be forecast based on the population growth forecast for the city or the employment growth forecast issued by the Employment Department for the county or region. The commission shall establish factors, by rule, for converting the forecasted population and employment growth into forecasts of land need for housing, employment and other categories of uses. The factors must:

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

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

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

(d) Provide a range of policy choices for a city about the form of its future growth.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 96. ORS 197A.405, 197A.407, 197A.409, 197A.411 and 197A.413 are repealed.

SECTION 97. Any moneys remaining in the City Economic Development Pilot Program Fund on the effective date of this 2023 Act that are unexpended, unobligated and not subject to any conditions shall revert to the General Fund.

SECTION 98. ORS 215.457 is amended to read:

215.457. A person may establish a youth camp:

(1) On land zoned for forest use or mixed farm and forest use, consistent with rules adopted by the Land Conservation and Development Commission.

(2) On land in eastern Oregon, as defined in ORS 321.805, that is zoned for exclusive farm use and is composed predominantly of class VI, VII or VIII soils, consistent with rules adopted by the Land Conservation and Development Commission. However, a person may not establish a youth camp authorized under this subsection within an irrigation district or within three miles of an urban growth boundary as defined in ORS [*197.286*] **197.015**. A youth camp may be authorized under this subsection only on a lawfully established unit of land as defined in ORS 92.010 of at least 1,000 acres.

SECTION 99. ORS 215.501 is amended to read:

215.501. (1) As used in this section:

(a) "Accessory dwelling unit" means a residential structure that is used in connection with or that is auxiliary to a single-family dwelling.

(b) "Area zoned for rural residential use" means land that is not located inside an urban growth boundary as defined in ORS [*195.060*] **197.015** and that is subject to an acknowledged exception to a statewide land use planning goal relating to farmland or forestland and planned and zoned by the county to allow residential use as a primary use.

(c) "Historic home" means a single-family dwelling constructed between 1850 and 1945.

(d) "New" means that the dwelling being constructed did not previously exist in residential or nonresidential form. "New" does not include the acquisition, alteration, renovation or remodeling of an existing structure.

(e) "Single-family dwelling" means a residential structure designed as a residence for one family and sharing no common wall with another residence of any type.

(2) Notwithstanding any local zoning or local regulation or ordinance pertaining to the siting of accessory dwelling units in areas zoned for rural residential use, a county may allow an owner of a lot or parcel within an area zoned for rural residential use to construct a new single-family dwelling on the lot or parcel, provided:

(a) The lot or parcel is not located in an area designated as an urban reserve as defined in ORS 195.137;

(b) The lot or parcel is at least two acres in size;

(c) A historic home is sited on the lot or parcel;

(d) The owner converts the historic home to an accessory dwelling unit upon completion of the new single-family dwelling; and

(e) The accessory dwelling unit complies with all applicable laws and regulations relating to sanitation and wastewater disposal and treatment.

(3) An owner that constructs a new single-family dwelling under subsection (2) of this section may not:

(a) Subdivide, partition or otherwise divide the lot or parcel so that the new single-family dwelling is situated on a different lot or parcel from the accessory dwelling unit.

(b) Alter, renovate or remodel the accessory dwelling unit so that the square footage of the accessory dwelling unit is more than 120 percent of the historic home's square footage at the time construction of the new single-family dwelling commenced.

(c) Rebuild the accessory dwelling unit if the structure is lost to fire.

(d) Construct an additional accessory dwelling unit on the same lot or parcel.

(4) A county may require that a new single-family dwelling constructed under this section be served by the same water supply source as the accessory dwelling unit.

(5) A county may impose additional conditions of approval for construction of a new single-family dwelling or conversion of a historic home to an accessory dwelling unit under this section.

SECTION 100. ORS 270.005 is amended to read:

270.005. For purposes of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to 273.436 and 273.551:

(1) "Department" means the Oregon Department of Administrative Services.

(2) "Improvements" means any and all structures on or attachments to state-owned real property, but excluding public improvements as defined in ORS 279A.010.

(3) "Real property" means all real property together with any and all improvements thereon.

(4) "Rural community" means an unincorporated community that consists primarily of permanent residential dwellings but also has at least two other land uses that provide commercial, industrial or public uses to the community, the surrounding rural area or persons traveling through the area.

(5) "Surplus real property" means all state-owned real property and improvements surplus to agency and state need.

(6) "Urban growth boundary" has the meaning given that term in ORS [*195.060*] **197.015**.

(7) "Urban reserve" means any land designated as an urban reserve under ORS 195.145.

(8) "Urban unincorporated community" has the meaning given that term in ORS 197.015.

SECTION 101. ORS 466.055 is amended to read:

466.055. Before issuing a permit for a new facility designed to dispose of or treat hazardous waste or PCB, the Environmental Quality Commission must find, on the basis of information submitted by the applicant, the Department of Environmental Quality or any other interested party, that the proposed facility meets the following criteria:

(1) The proposed facility location:

(a) Is suitable for the type and amount of hazardous waste or PCB intended for treatment or disposal at the facility;

(b) Provides the maximum protection possible to the public health and safety and environment of Oregon from release of the hazardous waste or PCB stored, treated or disposed of at the facility; and

(c) Is situated sufficient distance from urban growth boundaries, as defined in ORS [*197.286*] **197.015**, to protect the public health and safety, accessible by transportation routes that minimize the threat to the public health and safety and to the environment and sufficient distance from parks, wilderness and recreation areas to prevent adverse impacts on the public use and enjoyment of those areas.

(2) Subject to any applicable standards adopted under ORS 466.035, the design of the proposed facility:

(a) Allows for treatment or disposal of the range of hazardous waste or PCB as required by the commission; and

(b) Significantly adds to:

(A) The range of hazardous waste or PCB handled at a treatment or disposal facility currently permitted under ORS 466.005 to 466.385; or

(B) The type of technology employed at a treatment or disposal facility currently permitted under ORS 466.005 to 466.385.

(3) The proposed facility uses the best available technology for treating or disposing of hazardous waste or PCB as determined by the department or the United States Environmental Protection Agency.

(4) The need for the facility is demonstrated by:

(a) Lack of adequate current treatment or disposal capacity in Oregon, Washington, Idaho and Alaska to handle hazardous waste or PCB generated by Oregon companies;

(b) A finding that operation of the proposed facility would result in a higher level of protection of the public health and safety or environment; or

(c) Significantly lower treatment or disposal costs to Oregon companies.

(5) The proposed hazardous waste or PCB treatment or disposal facility has no major adverse effect on either:

(a) Public health and safety; or

(b) Environment of adjacent lands.

SECTION 102. ORS 527.755 is amended to read:

527.755. (1) The following highways are hereby designated as scenic highways for purposes of the Oregon Forest Practices Act:

(a) Interstate Highways 5, 84, 205, 405; and

(b) State Highways 6, 7, 20, 18/22, 26, 27, 30, 31, 34, 35, 36, 38, 42, 58, 62, 66, 82, 97, 101, 126, 138, 140, 199, 230, 234 and 395.

(2) The purpose of designating scenic highways is to provide a limited mechanism that maintains roadside trees for the enjoyment of the motoring public while traveling through forestland, consistent with ORS 527.630, safety and other practical considerations.

(3) The State Board of Forestry, in consultation with the Department of Transportation, shall establish procedures and regulations as necessary to implement the requirements of subsections (4), (5) and (6) of this section, consistent with subsection (2) of this section, including provisions for alternate plans. Alternate plans that modify or waive the requirements of subsection (4), (5) or (6) of this section may be approved when, in the judgment of the State Forester, circumstances exist such as:

(a) Modification or waiver is necessary to maintain motorist safety, protect improvements such as dwellings and bridges, or protect forest health;

(b) Modification or waiver will provide additional scenic benefits to the motoring public, such as exposure of distant scenic vistas;

(c) Trees that are otherwise required to be retained will not be visible to motorists;

(d) The operation involves a change of land use that is inconsistent with maintaining a visually sensitive corridor; or

(e) The retention of timber in a visually sensitive corridor will result in severe economic hardship for the owner because all or nearly all of the owner's property is within the visually sensitive corridor.

(4)(a) For harvest operations within a visually sensitive corridor, at least 50 healthy trees of at least 11 inches DBH, or that measure at least 40 square feet in basal area, shall be temporarily left on each acre.

(b) Overstory trees initially required to be left under paragraph (a) of this subsection may be removed when the reproduction understory reaches an average height of at least 10 feet and has at least the minimum number of stems per acre of free to grow seedlings or saplings required by the board for reforestation, by rule.

(c) Alternatively, when the adjacent stand, extending from 150 feet from the outermost edge of the roadway to 300 feet from the outermost edge of the roadway, has attained an average height of at least 10 feet and has at least the minimum number of stems per acre of free to grow seedlings or saplings required by the board for reforestation, by rule, or at least 40 square feet of basal area per acre, no trees are required to be left in the visually sensitive corridor, or trees initially required to be left under paragraph (a) of this subsection may be removed. When harvests within the visually sensitive corridor are carried out under this paragraph, the adjacent stand, extending from 150 feet from the outermost edge of the roadway to 300 feet from the outermost edge of the roadway, shall not be reduced below the minimum number of stems per acre of free to grow seedlings or saplings at least 10 feet tall required by the board for reforestation, by rule, or below 40 square feet of basal area per acre until the adjacent visually sensitive corridor has been reforested as required under subsection (6) of this section and the stand has attained an average height of at least 10 feet and has at least the minimum number of stems per acre.

(5) Harvest areas within a visually sensitive corridor shall be cleared of major harvest debris within 30 days of the completion of the harvest, or within 60 days of the cessation of active harvesting activity on the site, regardless of whether the harvest operation is complete.

(6) Notwithstanding the time limits established in ORS 527.745 (1)(a), when harvesting within a visually sensitive corridor results in a harvest type 1 or harvest type 3, reforestation shall be completed by the end of the first planting season after the completion of the harvest. All other provisions of ORS 527.745 shall also apply to harvest type 1 or harvest type 3 within visually sensitive corridors.

(7) Landowners and operators shall not be liable for injury or damage caused by trees left within the visually sensitive corridor for purposes of fulfilling the requirements of this section, when carried out in compliance with the provisions of the Oregon Forest Practices Act.

(8) The following are exempt from this section:

(a) Harvest on single ownerships less than five acres in size;

(b) Harvest within an urban growth boundary, as defined in ORS [*195.060*] **197.015**; and

(c) Harvest within zones designated for rural residential development pursuant to an exception adopted to the statewide land use planning goals under ORS 197.732.

SECTION 103. Section 6, chapter 552, Oregon Laws 2021, is amended to read:

Sec. 6. (1) Notwithstanding ORS 197.286 to 197.314, 197.626 or 197A.320 or any statewide land use planning goal related to housing or urbanization, the Department of Land Conservation and Development shall approve an expansion of the urban growth boundary submitted by the city and approved by the city by ordinance, if the department determines that:

(a) The department has received the letters required by section 4**, chapter 552, Oregon Laws 2021** [*of this 2021 Act*];

(b) The department has approved the city's conceptual plan under section 5**, chapter 552, Oregon Laws 2021** [*of this 2021 Act*]; and

(c) The proposed urban growth boundary expansion adds all of the Stevens Road tract and no other lands to the area within the city's urban growth boundary.

(2) The city shall include the lands brought within the city's urban growth boundary under this section in the city's inventory of buildable lands under [*ORS 197.296 (3)(a)*] **section 22 of this 2023 Act**.

SECTION 104. Section 9, chapter 552, Oregon Laws 2021, is amended to read:

Sec. 9. (1) Notwithstanding ORS 197.250 or 197.612 or any statewide land use planning goal, the Department of Land Conservation and Development shall approve Stevens Road planning amendments provided the department determines, in its discretion, that the Stevens Road planning amendments, with respect to the Stevens Road tract, include:

(a) An inventory of significant historical artifacts, cultural sites and natural resources.

(b) Areas designated for recreational and open space.

(c) Land use regulations for the protection and preservation of significant resources and designated areas identified in paragraphs (a) and (b) of this subsection.

(d) Land use regulations that comply with applicable wildfire planning and development requirements, including requirements in regulations adopted to implement a statewide planning goal relating to natural disasters and hazards.

(e) Areas designated for adequate employment lands that account for the city's most recent economic opportunity analysis, including consideration of subsequent economic development activities and trends.

(f) Within areas zoned for residential purposes, without counting the lands designated under subsection (2) of this section, land use regulations for housing that:

(A) Ensure adequate opportunities for the development of all needed housing types, sizes and densities of market-rate housing, including middle housing as defined in ORS 197.758;

(B) Exceed the proportions of single-family attached and multifamily housing called for in the city's most recently adopted housing needs analysis under ORS 197.296 (3) **(2021 Edition)**;

(C) Exceed a minimum density standard of nine residential units per gross residential acre; and

(D) On the date the Stevens Road planning amendments are approved, comply with land use regulations adopted by the city, or any minimum applicable rules adopted by the department, to implement ORS 197.758 and the amendments to ORS 197.312 by section 7, chapter 639, Oregon Laws 2019.

(g) Sufficient areas designated for mixed use development to support and integrate viable commercial and residential uses along with transportation options, including walking, bicycling and transit use.

(h) Land use regulations ensuring that:

(A) Adequate capacity is available, or feasible with development, for water, sewer and storm water services; and

(B) Adequate consideration is given to the financing, scheduling and development of urban services, as defined in ORS 195.065.

(i) Land use regulations for transportation that:

(A) Ensure the development of adequate infrastructure to support walking, bicycling, public transit and motor vehicle movement; and

(B) Give adequate consideration to transportation networks that connect the Stevens Road tract to other areas within the urban growth boundary of the city.

(j) The adequate consideration of the recommendations and comments received under section 8 (3) to (5)**, chapter 552, Oregon Laws 2021** [*of this 2021 Act*].

(2) The department may not approve the planning amendments under subsection (1) of this section unless the planning amendments designate at least 20 net acres of land to be:

(a) Restricted so the area may be zoned, planned, sited or developed only for residential housing units at a minimum density of nine residential units per gross acre;

(b) Conveyed to the city at a price per acre established under section 4 (2)(b)**, chapter 552, Oregon Laws 2021** [*of this 2021 Act*]; and

(c) Notwithstanding ORS 91.225 or 197.309, preserved for a period of no less than 50 years as affordable to own or rent as follows:

(A) At least 12 net acres made affordable to:

(i) Households with incomes of 60 percent or less of the area median income, as defined in ORS 456.270; or

(ii) If part of an income-averaging program approved by the Housing and Community Services Department, households whose incomes average 60 percent or less of the area median income.

(B) At least six net acres:

(i) Made affordable to households with incomes of 80 percent or less of the area median income; and

(ii) Made available, to the extent permitted by law, in a manner that gives a priority to households in which at least one individual is employed by an education provider over other members of the public.

(C) At least two net acres in which at least 80 percent of the units in each contiguous development tract are made affordable to households with 80 percent or less of the area median income, of which at least one net acre is made available, to the extent permitted by law, in a manner that gives a priority to households in which at least one individual is employed by an education provider over other members of the public.

(3) Upon a partition or subdivision of the Stevens Road tract following the approval of the planning amendments under subsection (1) of this section establishing one or more lots or parcels described in subsection (2) of this section, the owner shall transfer those lots or parcels to the city. For a period of 99 years after the purchase of property under this section, if the city resells any lot or parcel, the city may recover only the city's costs of the purchase and resale of the property.

(4) Neither the city nor the Department of Land Conservation and Development is obligated to adopt any specific findings or evaluate any specific criteria in exercising its discretion with respect to any Stevens Road planning amendments under this section and may receive, solicit or consider information from any source.

(5) As used in this section, "education provider" means a school district as defined in ORS 332.002, an educational program under the Youth Corrections Education Program or Juvenile Detention Education Program as both are defined in ORS 326.695, or an education service district as defined in ORS 334.003.

CAPTIONS

SECTION 105. The unit captions used in this 2023 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2023 Act.

EMERGENCY CLAUSE

SECTION 106. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.

Passed by House March 15, 2023

.....
Timothy G. Sekerak, Chief Clerk of House

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Dan Rayfield, Speaker of House

Passed by Senate March 21, 2023

.....
Rob Wagner, President of Senate

Received by Governor:

.....M.,....., 2023

Approved:

.....M.,....., 2023

.....
Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2023

.....
Shemia Fagan, Secretary of State