

Requested by Representative DEXTER

**PROPOSED AMENDMENTS TO
HOUSE BILL 2889**

1 On page 1 of the printed bill, line 4, after “197.313,” insert “197.319,
2 197.320, 197.335.”

3 In line 6, delete the fourth “and”.

4 In line 7, after “197A.413” insert “; and declaring an emergency”.

5 Delete lines 9 through 27 and delete pages 2 through 49 and insert:
6

7 **“OREGON HOUSING NEEDS ANALYSIS**
8

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

11 **“SECTION 2. (1) There is established within the Oregon Department
12 of Administrative Services the Oregon Housing Needs Analysis. The
13 purposes of the Oregon Housing Needs Analysis are to further the:**

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

16 **“(b) Production of housing in a way that creates more housing
17 choice by affirmatively furthering fair housing.**

18 **“(2) The Oregon Housing Needs Analysis consists of three compo-
19 nents as follows:**

20 **“(a) The annual statewide housing analysis under section 3 (1) of
21 this 2023 Act;**

1 **“(b) The allocated housing need under section 3 (2) of this 2023 Act;**
2 **and**

3 **“(c) The housing production targets under section 4 of this 2023 Act.**

4 **“(3) Actions taken by the department under sections 2 to 4 of this**
5 **2023 Act are not subject to ORS 197.180 and are not land use decisions.**

6 **“(4) The Department of Land Conservation and Development and**
7 **the Housing and Community Services Department:**

8 **“(a) Shall assist the Oregon Department of Administrative Services**
9 **with its duties under sections 2 to 4 of this 2023 Act.**

10 **“(b) May study and recommend methodological changes to the**
11 **Oregon Department of Administrative Services to improve the Oregon**
12 **Housing Needs Analysis’ functions and suitability for its purposes un-**
13 **der subsection (1) of this section.**

14 **“SECTION 3. (1) On an annual basis the Oregon Department of**
15 **Administrative Services shall conduct a statewide housing analysis.**
16 **The analysis shall include a statewide estimate, segmented regionally,**
17 **of:**

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

19 **“(b) Current housing underproduction;**

20 **“(c) Housing units needed for people experiencing homelessness;**
21 **and**

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

24 **“(2) At the time the department performs the housing analysis un-**
25 **der subsection (1) of this section, the department shall allocate a**
26 **housing need for each city.**

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

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

30 **“(b) The forecasted regional job growth;**

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

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

4 “(e) The purpose of the Oregon Housing Needs Analysis under sec-
5 tion 2 (1) of this 2023 Act.

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

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

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

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

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

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

18 “SECTION 4. (1) The Oregon Department of Administrative Services
19 shall allocate to each city with a population of 10,000 or greater hous-
20 ing production targets that describe the proportion of the allocated
21 housing need that the department determines each city should produce
22 within six years for a city inside of Metro and within eight years for
23 a city outside of Metro.

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

25 “(a) A total target; and

26 “(b) A target for housing affordable to households making less than
27 80 percent of the median income.

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

30 “(a) May include a greater proportion of the allocated housing need

1 to accommodate people experiencing homelessness and housing
2 underproduction within a city;

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

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

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

11 **“(2) The dashboard shall include, for each city with a population
12 of 10,000 or greater:**

13 **“(a) Progress toward housing production by affordability levels, as
14 described in section 3 (4) of this 2023 Act and total housing targets,
15 per capita; and**

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

18 **“(3) Information in the dashboard must be based on:**

19 **“(a) Inventory of publicly supported housing, as defined in ORS
20 456.250, that is maintained by the department; and**

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

23 **“SECTION 6. (1) On a periodic basis the Housing and Community
24 Services Department shall update a publicly available statewide hous-
25 ing equity indicators.**

26 **“(2) The indicators shall include, to the extent that the department
27 can determine or estimate, for each city with a population of 10,000
28 or greater, quantifiable data displaying:**

29 **“(a) Housing outcomes, such as cost burden and availability of
30 housing units to own or to rent, and housing condition for various**

1 demographics, including race or ethnicity, disability status, English
2 proficiency and age;

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

5 “(c) Accessibility and visitability of existing and new housing units,
6 including whether units comply with the accessibility standards of
7 section 1104 of the International Building Code;

8 “(d) Risk of gentrification and displacement;

9 “(e) Housing segregation by race and income;

10 “(f) Environmentally just housing outcomes, informed by the envi-
11 ronmental justice mapping tool, developed by the Environmental Jus-
12 tice Council under section 12, chapter 58, Oregon Laws 2022; and

13 “(g) Other measurable factors or indicators identified by the de-
14 partment.

15 **“SECTION 7. (1) No later than March 1, 2024, the Department of**
16 **Land Conservation and Development shall adopt a housing production**
17 **target schedule under section 4 (3)(c) of this 2023 Act.**

18 **“(2) No later than January 1, 2025, the Oregon Department of Ad-**
19 **ministrative Services shall:**

20 **“(a) Conduct the initial statewide housing analysis and the initial**
21 **estimate and allocation of housing need under section 3 of this 2023**
22 **Act.**

23 **“(b) Establish the initial housing production targets under section**
24 **4 of this 2023 Act.**

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

27 **“(a) Publish the statewide housing production dashboard under**
28 **section 5 of this 2023 Act; and**

29 **“(b) Publish statewide housing equity indicators under section 6 of**
30 **this 2023 Act.**

1 **SECTION 8.** In addition to and not in lieu of any other appropri-
2 ation, there is appropriated for the biennium beginning July 1, 2023,
3 out of the General Fund:

4 **“(1) To the Housing and Community Services Department, the**
5 **amount of \$1, to perform the duties of the department under sections**
6 **2 to 6 of this 2023 Act.**

7 **“(2) To the Oregon Department of Administrative Services, the**
8 **amount of \$1, to perform the duties of the department under sections**
9 **2 to 6 of this 2023 Act.**

10
11 **“URBANIZATION GENERALLY**

12
13 **SECTION 9.** (1) In adopting rules under ORS 197.286 to 197.314 and
14 statewide planning goals relating to housing or urbanization, or ad-
15 ministering the rules or statutes, the Land Conservation and Devel-
16 opment Commission and Department of Land Conservation and
17 Development shall be guided by the following principles:

18 **“(a) Housing that is safe, accessible and affordable in the commu-**
19 **nity of their choice should be available to every Oregonian.**

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

21 **“(c) The development and implementation of the housing pro-**
22 **duction strategy should be the focal point by which the department**
23 **collaborates with local governments to address and eliminate local**
24 **housing barriers.**

25 **“(d) Expertise, technical assistance, model ordinances and other**
26 **tools and resources to address housing production should be provided**
27 **to local governments, using cooperative planning tools embodied in**
28 **ORS 197.291 and 197.293, but not to the exclusion of the expedient use**
29 **of enforcement authority, including compliance orders under ORS**
30 **197.319 to 197.335.**

1 “(e) Housing production should support fair and equitable housing
2 outcomes, environmental justice climate resilience and access to op-
3 portunity.

4 “(f) Attempts by local governments and housing developers to in-
5 crease housing production should not be undermined by litigation,
6 regulatory uncertainty or repetitive or unnecessary procedures.

7 “(g) Local governments, to the greatest extent possible, should
8 meet their housing production targets under section 4 of this 2023 Act.

9 “(2) Each public body, as defined in ORS 174.109, shall use its au-
10 thority to remove barriers to, and to create pathways for, the devel-
11 opment of needed housing and shall collaborate with the department
12 and local governments to identify and implement strategies to support
13 sufficient housing production, at a rate commensurate with the need
14 in the relevant community, and to support efficient housing pro-
15 duction in all communities where there is insufficient housing pro-
16 duction and choice.

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

21 “(a) Needed housing;

22 “(b) Housing production strategies or housing coordination strate-
23 gies;

24 “(c) Buildable lands or housing capacity;

25 “(d) Amendments to urban growth boundaries, including under ORS
26 197.296 (6)(a), 197.299, 197.764 and 197A.300 to 197A.325 and section 22
27 (5)(a) of this 2023 Act; or

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

30 “SECTION 10. (1) On or before January 1, 2025, the Land Conser-

1 vation and Development Commission shall adopt rules and amend-
2 ments to rules related to urbanization to implement ORS 197.286 to
3 197.314 to provide greater flexibility, options and certainty for local
4 governments amending urban growth boundaries or adopting compre-
5 hensive plan amendments and land use regulations to support progress
6 towards their housing production targets under section 4 of this 2023
7 Act.

8 “(2) In adopting rules under this section, the commission shall pri-
9 oritize:

10 “(a) Facilitating and encouraging housing production, affordability
11 and housing choice on buildable lands within an urban growth bound-
12 ary;

13 “(b) Providing greater clarity and certainty in the adoption and
14 acknowledgement of housing capacity analyses, urban growth bound-
15 ary amendments, urban growth boundary exchanges or urban reserves
16 to accommodate an identified housing need;

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

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

26 “(3) In adopting rules under this section to implement housing
27 production strategies under ORS 197.290, 197.291 or 197.293, the com-
28 mission shall:

29 “(a) Consult with the Housing and Community Services Depart-
30 ment, Department of Transportation, Department of Environmental

1 **Quality, Department of State Lands, Oregon Business Development**
2 **Department and Department of Consumer and Business Services;**

3 **“(b) Provide clear parameters on the types and extent of measures**
4 **needed or allowed under ORS 197.290 (3) that are consistent with the**
5 **technical and resource capacities of varying sizes of local govern-**
6 **ments; and**

7 **“(c) Recognize actions on housing already taken by local govern-**
8 **ments in response to the rules of the commission implementing ORS**
9 **197.758 and Executive Order 20-04.**

10 **“SECTION 11. In addition to and not in lieu of any other appropri-**
11 **ation, there is appropriated to the Land Conservation and Develop-**
12 **ment Commission, for the biennium beginning July 1, 2023, out of the**
13 **General Fund, the amount of \$1,000,000, to adopt rules under section**
14 **10 of this 2023 Act.**

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

17 **“197.286. As used in ORS 197.286 to 197.314 and 197.475 to 197.490:**

18 **“(1) ‘Allocated housing need’ means the housing need allocated to**
19 **a city under section 3 (2) of this 2023 Act as segmented by income level**
20 **under section 3 (4) of this 2023 Act.**

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

26 **“[(2)] (3) ‘Government assisted housing’ means housing that is financed**
27 **in whole or part by either a federal or state housing agency or a housing**
28 **authority as defined in ORS 456.005, or housing that is occupied by a tenant**
29 **or tenants who benefit from rent supplements or housing vouchers provided**
30 **by either a federal or state housing agency or a local housing authority.**

1 “(4) ‘Housing capacity’ means the number of needed housing units
2 that can be developed on buildable lands within the 20-year planning
3 period based on the land’s zoning and capacity for density.

4 “(5) ‘Housing production strategy’ means a strategy adopted by a
5 local government to promote housing production under ORS 197.290.

6 “[3] (6) ‘Manufactured dwelling,’ ‘manufactured dwelling park,’ ‘manu-
7 factured home’ and ‘mobile home park’ have the meanings given those terms
8 in ORS 446.003.

9 “(7) ‘Needed housing’ has the meaning given that term in ORS
10 197.303 within Metro and the meaning given that term in section 23
11 of this 2023 Act outside Metro.

12 “[4] (8) ‘Periodic review’ means the process and procedures as set forth
13 in ORS 197.628 to 197.651.

14 “[5] (9) ‘Prefabricated structure’ means a prefabricated structure, as de-
15 fined in ORS 455.010, that is relocatable, more than eight and one-half feet
16 wide and designed for use as a single-family dwelling.

17 “[6] ‘Urban growth boundary’ means an urban growth boundary included
18 or referenced in a comprehensive plan.]

19 **“SECTION 13. If a land use decision of a local government adopted**
20 **under ORS 197.296 or 197.297 or section 21 or 22 of this 2023 Act is re-**
21 **manded by the Land Conservation and Development Commission, the**
22 **Land Use Board of Appeals or a court, the 20-year planning period for**
23 **the inventory of buildable lands and the determination of needed**
24 **housing on remand shall commence on the date the remand decision**
25 **is issued.**

26
27 **“HOUSING PRODUCTION ACCOUNTABILITY**

28
29 **“SECTION 14. ORS 197.293 is amended to read:**

30 **“197.293. [(1) *The Land Conservation and Development Commission, in***

1 *consultation with the Housing and Community Services Department, shall*
2 *adopt criteria for reviewing and identifying cities with a population greater*
3 *than 10,000 that have not sufficiently:]*

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

5 *“(b) Implemented a housing production strategy adopted under ORS*
6 *197.290.]*

7 *“(2) The criteria adopted by the commission under subsection (1) of this*
8 *section may include the city’s:]*

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

10 *“(b) Unmet housing need in proportion to the city’s population;]*

11 *“(c) Percentage of households identified as severely rent burdened as de-*
12 *scribed in ORS 456.586;]*

13 *“(d) Recent housing development;]*

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

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

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

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

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

23 *“(b) Providing enhanced review and oversight of the city’s housing pro-*
24 *duction strategy;]*

25 *“(c) Requiring a report and explanation if a city does not implement an*
26 *action within the approximate time frame scheduled within a housing pro-*
27 *duction strategy;]*

28 *“(d) Entering into agreements with the city relating to the city’s modifica-*
29 *tion or implementation of its housing production strategy; or]*

30 *“(e) Petitioning the commission to act under ORS 197.319 to 197.335 to*

1 *require the city to comply with ORS 197.286 to 197.314 or statewide land use*
2 *planning goals related to housing or urbanization.]*

3 **“(1) In developing and implementing this section and performing its**
4 **duties under ORS 197.319 (4), the Department of Land Conservation**
5 **and Development shall be guided by section 9 (1) of this 2023 Act and**
6 **the following principles:**

7 **“(a) Increasing housing production;**

8 **“(b) Developing affordable and equitable housing;**

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

10 **“(d) Responding proportionately to housing underperformance; and**

11 **“(e) Escalating enforcement to address persistent, repeated or de-**
12 **liberate noncompliance with housing production targets.**

13 **“(2) In determining whether a city should be referred under sub-**
14 **section (3) of this section, the department may base its evaluation on**
15 **the relative performance of a city based on any one of, or any combi-**
16 **nation of, the following:**

17 **“(a) A city’s progress, as demonstrated by the statewide housing**
18 **production dashboard under section 5 of this 2023 Act.**

19 **“(b) The city’s performance as demonstrated by a statewide housing**
20 **equity indicator under section 6 of this 2023 Act.**

21 **“(3) Each year, the department shall refer into its housing acceler-**
22 **ation program, under subsection (4) of this section:**

23 **“(a) The lowest performing cities, as determined by the department**
24 **in its evaluation under subsection (2) of this section of those cities**
25 **that adopted a housing production strategy more than three but less**
26 **than four years ago, including as required by subsection (7)(a) of this**
27 **section;**

28 **“(b) Each city that has failed to adopt a housing production strat-**
29 **egy by the deadline under ORS 197.290 (1);**

30 **“(c) Each city that has failed to undertake actions in its housing**

1 **production strategy by the deadline under ORS 197.290 (4); and**

2 **“(d) Cities referred under ORS 197.319 (4).**

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

8 **“(a) The existing housing production strategy and the documents**
9 **and record supporting the strategy;**

10 **“(b) Land use planning regulations, including zoning and develop-**
11 **ment code;**

12 **“(c) Permitting and approval processes relating to development of**
13 **housing and infrastructure supporting housing;**

14 **“(d) Required fees, exactions and improvements;**

15 **“(e) Actions and inactions that can impact fair and equitable**
16 **housing outcomes, environmental justice, climate resilience and lo-**
17 **cation choice;**

18 **“(f) Local resource deficiencies, including staffing, public facilities,**
19 **capital improvements to infrastructure, availability of buildable lands**
20 **and actions or investments to prepare land for development;**

21 **“(g) Specific additional state resources that could support housing**
22 **production; and**

23 **“(h) Changes to state laws or rules or the regulations, policies,**
24 **actions or inactions of any public body, as defined in ORS 174.109, as**
25 **that could impact housing production.**

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

28 **“(a) May request concurrent review of the city’s affordability poli-**
29 **cies under ORS 197.637; and**

30 **“(b) Shall notify any public body identified under subsection (4)(h)**

1 of this section.

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

6 “(7) Under the housing acceleration agreement, the department
7 shall agree to provide specified technical assistance, regulatory sup-
8 port and other assistance, to assist the city in performing its agree-
9 ment to:

10 “(a) Adopt an amended housing production strategy within six
11 months that includes:

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

14 “(B) Specified actions including those described in ORS 197.290 or
15 the following:

16 “(i) Dedicating funds for increased local capacity to facilitate
17 housing production, affordability and choice;

18 “(ii) Dedicating funds for public facilities and infrastructure neces-
19 sary to support housing production;

20 “(iii) Taking measures that increase the availability of
21 development-ready land;

22 “(iv) Amending the development code, approval criteria, or proce-
23 dures to reduce cost or delay to housing production; and

24 “(v) Taking emergency temporary measures to support housing
25 production; and

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

29 “(8) All agencies of state government, as defined in ORS 174.111, are
30 directed to assist cities and the department in the performance of their

1 **duties under this section and to take timely action to ensure that the**
2 **agency’s rules or policies do not unduly delay implementation of a**
3 **housing acceleration agreement under this section.**

4 **“(9) The department’s referral under subsection (3) of this section**
5 **and the results of an audit under subsection (4) of this section are not**
6 **land use decisions and are not subject to appeal or review.**

7 **“SECTION 15.** ORS 197.319 is amended to read:

8 “197.319. (1) Before a person may request adoption of an enforcement or-
9 der under ORS 197.320, the person shall:

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

12 “(b) Request:

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

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

19 “(2)(a) The local government or special district shall issue a written re-
20 sponse to the request within 60 days of the date the request is mailed to the
21 local government or special district.

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

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

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

4 “(4) **The department, without the prior approval of the commission,**
5 **may request an enforcement order under ORS 197.320 (13) without first**
6 **complying with subsections (1) and (2) of this section. Notwithstanding**
7 **ORS 183.635 (2) and 197.328 (1), the request under this subsection must**
8 **be assigned to an administrative law judge appointed under ORS**
9 **183.635 unless the commission has previously appointed a hearing of-**
10 **ficer or a pool of hearing officers to review petitions filed under this**
11 **section. Before the entry of a final order under ORS 197.319 to 197.335,**
12 **the department, in its discretion, may dismiss a petition filed by the**
13 **department under this section and refer a city to the housing accel-**
14 **eration program under ORS 197.293.**

15 “**SECTION 16.** ORS 197.320 is amended to read:

16 “197.320. The Land Conservation and Development Commission shall issue
17 an order requiring a local government, state agency or special district to
18 take action necessary to bring its comprehensive plan, land use regulation,
19 limited land use decisions or other land use decisions or actions into com-
20 pliance with the goals, acknowledged comprehensive plan provisions, land
21 use regulations or housing production strategy if the commission has good
22 cause to believe:

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

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

29 “(3) A local government is not making satisfactory progress toward per-
30 formance of its compliance schedule[;].

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

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

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

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

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

17 “(9) A special district is not making satisfactory progress toward per-
18 formance of its obligations under ORS chapters 195 and 197[;].

19 “(10) A local government’s approval standards, special conditions on ap-
20 proval of specific development proposals or procedures for approval do not
21 comply with ORS 197.307 (4) or (6)[;].

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

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

29 “(13) A city [*is not making satisfactory progress in taking actions listed in*
30 *its housing production strategy under ORS 197.290.*] **with a population of**

1 **10,000 or greater that:**

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

5 **“(b) Has a pattern or practice of creating adverse disparate impacts**
6 **to state or federal protected classes or inhibiting equitable access to**
7 **housing and opportunity;**

8 **“(c) Has failed to enter into a housing acceleration agreement as**
9 **required under section 197.293 (6); or**

10 **“(d) Has materially breached a term of a housing acceleration**
11 **agreement under section 197.293 (7), including a failure to meet the**
12 **timeline for performance under 197.293 (7)(a)(A).**

13 **“SECTION 17. ORS 197.335 is amended to read:**

14 **“197.335. (1) An order issued under ORS 197.328 and the copy of the order**
15 **mailed to the local government, state agency or special district [shall] must**
16 **set forth:**

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

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

30 **“(c) The corrective action decided upon by the commission, including the**

1 specific requirements, with which the local government, state agency or
2 special district must comply. In the case of a pattern or practice of
3 decision-making [*that violates an acknowledged comprehensive plan or land*
4 *use regulation*], the commission may require revisions to the comprehensive
5 plan, land use regulations or local procedures which the commission believes
6 are necessary to correct the pattern or practice. Notwithstanding the pro-
7 visions of this section, except as provided in subsection (3)(c) of this section,
8 an enforcement order does not affect:

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

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

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

16 “(2) Judicial review of a final order of the commission [*shall be*] **is** gov-
17 erned by the provisions of ORS chapter 183 applicable to contested cases
18 except as otherwise stated in this section. The commission’s final order
19 [*shall*] **must** include a clear statement of findings which set forth the basis
20 for the order. Where a petition to review the order has been filed in the
21 Court of Appeals, the commission shall transmit to the court the entire ad-
22 ministrative record of the proceeding under review. Notwithstanding ORS
23 183.482 (3) relating to a stay of enforcement of an agency order, an appellate
24 court, before it may stay an order of the commission, shall give due consid-
25 eration to the public interest in the continued enforcement of the
26 commission’s order and may consider testimony or affidavits thereon. Upon
27 review, an appellate court may affirm, reverse, modify or remand the order.
28 The court shall reverse, modify or remand the order only if it finds:

29 “(a) The order to be unlawful in substance or procedure, but **an** error in
30 procedure [*shall not be*] **is not** cause for reversal, modification or remand

1 unless the court [*shall find*] **finds** that substantial rights of any party were
2 prejudiced thereby;

3 “(b) The order to be unconstitutional;

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

6 “(d) The order is not supported by substantial evidence in the whole re-
7 cord.

8 “(3)(a) If the commission finds that in the interim period during which a
9 local government, state agency or special district would be bringing itself
10 into compliance with the commission’s order under ORS 197.320 or subsection
11 (2) of this section it would be contrary to the public interest in the conser-
12 vation or sound development of land to allow the continuation of some or
13 all categories of land use decisions or limited land use decisions, it shall,
14 as part of its order, limit, prohibit or require the approval by the local gov-
15 ernment of applications for subdivisions, partitions, building permits, limited
16 land use decisions or land use decisions until the plan, land use regulation
17 or subsequent land use decisions and limited land use decisions are brought
18 into compliance. The commission may issue an order that requires review
19 of local decisions by a hearings officer or the Department of Land Conser-
20 vation and Development before the local decision becomes final.

21 “(b) Any requirement under this subsection may be imposed only if the
22 commission finds that the activity, if continued, aggravates the goal, com-
23 prehensive plan or land use regulation violation and that the requirement
24 is necessary to correct the violation.

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

30 “(4) As part of its order under ORS 197.320 or subsection (2) of this sec-

1 tion, the commission may withhold grant funds from the local government
2 to which the order is directed. As part of an order issued under this section,
3 the commission may notify the officer responsible for disbursing state-shared
4 revenues to withhold that portion of state-shared revenues to which the local
5 government is entitled under ORS 221.770, 323.455, 366.762 and 366.800 and
6 ORS chapter 471 which represents the amount of state planning grant mon-
7 eys previously provided the local government by the commission. The officer
8 responsible for disbursing state-shared revenues shall withhold state-shared
9 revenues as outlined in this section and shall release funds to the local
10 government or department when notified to so do by the commission or its
11 designee. The commission may retain a portion of the withheld revenues to
12 cover costs of providing services incurred under the order, including use of
13 a hearings officer or staff resources to monitor land use decisions and limited
14 land use decisions or conduct hearings. The remainder of the funds withheld
15 under this provision shall be released to the local government upon com-
16 pletion of requirements of the commission order.

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

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

29 “(6) **As part of its order under this section, upon finding a city failed**
30 **to comply with ORS 197.320 (13), the commission may require the city**

1 to:

2 “(a) Comply with the housing acceleration agreement under ORS
3 197.293 (6); or

4 “(b) Take specific actions that are part of the city’s housing pro-
5 duction strategy under ORS 197.290.

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

14 “SECTION 18. The amendments to ORS 197.293, 197.319, 197.320 and
15 197.335 by sections 14 to 17 of this 2023 Act become operative on Janu-
16 ary 1, 2025.

17 “SECTION 19. The Department of Land Conservation and Develop-
18 ment and Land Conservation and Development Commission may take
19 any actions necessary before the operative date specified in section 18
20 necessary to exercise, on and after the operative date specified in
21 section 18 of this 2023 Act, all of the duties, functions and powers
22 conferred on the department and commission under the amendments
23 to ORS 197.293, 197.319, 197.320 and 197.335 by sections 14 to 17 of this
24 2023 Act.

25

26 “URBANIZATION OUTSIDE OF METRO

27

28 “SECTION 20. Sections 9, 13 and 21 to 23 of this 2023 Act are added
29 to and made a part of ORS 197.286 to 197.314.

30 “SECTION 21. (1) This section applies only to cities that are not

1 within Metro or described in section 22 (1) of this 2023 Act.

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

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

5 “(b) On a schedule established by the Land Conservation and De-
6 velopment Commission for cities with a population of 10,000 or greater,
7 not to exceed once each eight years;

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

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

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

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

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

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

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

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

23 “(b) Cities that the Land Conservation and Development Commis-
24 sion determines should be included, based on the size of the city, the
25 rate of population growth of the city or the proximity of the city to
26 another city with a population of 25,000 or greater or to Metro.

27 “(2) A local government shall determine its needed housing under
28 section 23 of this 2023 Act and inventory its buildable lands and de-
29 termine the lands’ housing capacity under this section:

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

1 **“(b) As scheduled by the commission at least once each eight years;**

2 **or**

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

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

8 **“(a) ‘Buildable lands’ includes:**

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

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

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

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

14 **“(b) The local government shall consider:**

15 **“(A) The extent that residential development is prohibited or re-**
16 **stricted by local regulation and ordinance, state law and rule or fed-**
17 **eral statute and regulation;**

18 **“(B) A written long term contract or easement for radio, telecom-**
19 **munications or electrical facilities, if the written contract or easement**
20 **is provided to the local government; and**

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

23 **“(c) Except for land that may be used for residential infill or rede-**
24 **velopment, the local government shall create a map or document that**
25 **may be used to verify and identify specific lots or parcels that have**
26 **been determined to be buildable lands.**

27 **“(4)(a) Except as provided in paragraphs (b) and (c) of this sub-**
28 **section, the determination of housing capacity must be based on data**
29 **related to land within the urban growth boundary that has been col-**
30 **lected since the last review under subsection (2)(b) of this section. The**

1 **data must include:**

2 **“(A) The number, density and average mix of housing types of ur-**
3 **ban residential development that have actually been developed;**

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

6 **“(C) Market factors that may substantially impact future urban**
7 **residential development;**

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

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

13 **“(F) Consideration of factors that influence available housing sup-**
14 **ply, including short-term rentals, second homes and vacation homes.**

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

21 **“(c) A local government shall use data from a wider geographic area**
22 **or use a time period longer than the time period described in para-**
23 **graph (a) of this subsection if the analysis of a wider geographic area**
24 **or the use of data from a longer time period will provide more accu-**
25 **rate, complete and reliable data related to trends affecting housing**
26 **need than an analysis performed pursuant to paragraph (a) of this**
27 **subsection. The local government must clearly describe the geographic**
28 **area, time frame and source of data used in a determination performed**
29 **under this paragraph.**

30 **“(5) If the needed housing is greater than the housing capacity, the**

1 local government shall take one or both of the following actions to
2 accommodate allocated housing need for the next 20 years:

3 “(a) Amend its urban growth boundary to include sufficient
4 buildable lands to accommodate allocated housing need for the next
5 20 years consistent with the requirements of ORS 197A.320 and state-
6 wide planning goals. As part of this process, the local government
7 shall consider the effects of actions taken pursuant to paragraph (b)
8 of this subsection. The amendment must include sufficient land rea-
9 sonably necessary to accommodate the siting of new public school fa-
10 cilities. The need and inclusion of lands for new public school facilities
11 must be a coordinated process between the affected public school dis-
12 tricts and the local government that has the authority to approve the
13 urban growth boundary.

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

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

24 “(a) Demonstrate that the comprehensive plan and land use regu-
25 lations comply with goals and rules adopted by the commission.

26 “(b) Adopt findings regarding the changes in housing capacity as-
27 sumed to result from actions adopted based on data collected under
28 subsection (4)(a) of this section. The density expectations may not
29 project an increase in residential capacity above achieved density by
30 more than three percent without quantifiable validation of such de-

1 partures. A quantifiable validation must demonstrate that the as-
2 sumed housing capacity has been achieved in areas that are zoned to
3 allow no greater than the same authorized density level, as defined in
4 ORS 227.175, within the local government’s jurisdiction or a jurisdic-
5 tion in the same region.

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

12 **“SECTION 23. (1)(a) As used in this section and sections 21 and 22**
13 **of this 2023 Act, ‘needed housing’ means housing by affordability level,**
14 **as described in section 3 (4) of this 2023 Act, type and density that is**
15 **necessary to accommodate the local government’s allocated housing**
16 **need over a 20-year planning period.**

17 **“(b) ‘Needed housing’ includes the following housing types:**

18 **“(A) Detached single-family housing, middle housing types as de-**
19 **scribed in ORS 197.758 and multifamily housing that is owned or**
20 **rented;**

21 **“(B) Government assisted housing;**

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

24 **“(D) Manufactured homes on individual lots planned and zoned for**
25 **single-family residential use that are in addition to lots within desig-**
26 **nated manufactured dwelling subdivisions;**

27 **“(E) Housing for agricultural workers;**

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

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

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

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

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

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

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

9 “(4) **The determination of needed housing shall include, for each**
10 **applicable housing type:**

11 “(a) **The total number of units needed;**

12 “(b) **The average anticipated household sizes;**

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

14 “(d) **The estimated demographic proportions of occupying house-**
15 **holds.**

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

17 “197A.320. (1) [*Notwithstanding the priority in ORS 197.298 for inclusion*
18 *of land within an urban growth boundary,*] A city outside of Metro shall
19 comply with this section when determining which lands to include within the
20 urban growth boundary of the city, **including when amending an urban**
21 **growth boundary under ORS** [*pursuant to ORS 197.286 to 197.314,*] 197A.310
22 or 197A.312 **or section 22 (5)(a) of this 2023 Act.**

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

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

29 “(b) The city shall evaluate all land in the study area for inclusion in the
30 urban growth boundary as provided in subsection (4) of this section, except

1 for land excluded from the study area because:

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

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

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

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

13 “**(E) The land is designated as rural reserve under ORS 195.137 to**
14 **195.145.**

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

17 “(A) The city shall evaluate the land within the study area that is des-
18 ignated as an urban reserve under ORS 195.145 in an acknowledged compre-
19 hensive plan[.].

20 “**(B) If the amount of land appropriate for selection under subpar-**
21 **agraph (A) of this paragraph is not sufficient to satisfy the need for**
22 **the land, the city shall evaluate the** land that is subject to an acknowl-
23 edged exception under ORS 197.732 or land that is nonresource land and se-
24 lect as much of the land as necessary to satisfy the need for land using
25 criteria established by the commission and criteria in an acknowledged
26 comprehensive plan and land use regulations.

27 “[*(B)*] **(C)** If the amount of land appropriate for selection under [*subpar-*
28 *agraph (A)*] **subparagraphs (A) and (B)** of this paragraph is not sufficient
29 to satisfy the need for land, the city shall evaluate the land within the study
30 area that is designated as marginal land under ORS 197.247 (1991 Edition)

1 in the acknowledged comprehensive plan and select as much of the land as
2 necessary to satisfy the need for land using criteria established by the com-
3 mission and criteria in an acknowledged comprehensive plan and land use
4 regulations.

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

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

16 “(ii) Using the predominant capability classification system or the pre-
17 dominant cubic site class, as appropriate for the acknowledged comprehen-
18 sive plan designation, to select lower capability or cubic site class lands
19 first.

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

30 “(3) For purposes of subsection (2)(b)(A) of this section, the commission

1 shall determine impracticability by rule, considering the likely amount of
2 development that could occur on the lands within the planning period, the
3 likely cost of facilities and services, physical, topographical or other imped-
4 iments to service provision and whether urban development has occurred on
5 similarly situated lands such that it is likely that the lands will be developed
6 at an urban level during the planning period. When impracticability is pri-
7 marily a result of existing development patterns, the rules of the commission
8 shall require that the lands be included within the study area, but may allow
9 the development capacity forecast for the lands to be specified at a lower
10 level over the planning period. The rules of the commission must be based
11 on an evaluation of how similarly situated lands have, or have not, developed
12 over time.

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

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

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

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

27 “(6) When the primary purpose for expansion of the urban growth
28 boundary is to accommodate a particular industry use that requires specific
29 site characteristics, or to accommodate a public facility that requires specific
30 site characteristics and the site characteristics may be found in only a small

1 number of locations, the city may limit the study area to land that has, or
2 could be improved to provide, the required site characteristics. Lands in-
3 cluded within an urban growth boundary for a particular industrial use, or
4 a particular public facility, must remain planned and zoned for the intended
5 use:

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

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

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

15

16

“METRO URBANIZATION

17

18 “**SECTION 25.** ORS 197.296 is amended to read:

19 “197.296. (1) **This section applies only to Metro.**

20 “[*(1)(a) The provisions of subsections (2) to (9) of this section apply to*
21 *metropolitan service district regional framework plans and local government*
22 *comprehensive plans for lands within the urban growth boundary of a city that*
23 *is located outside of a metropolitan service district and has a population of*
24 *25,000 or more.*]

25 “[*(b) The Land Conservation and Development Commission may establish*
26 *a set of factors under which additional cities are subject to the provisions of*
27 *this section. In establishing the set of factors required under this paragraph,*
28 *the commission shall consider the size of the city, the rate of population growth*
29 *of the city or the proximity of the city to another city with a population of*
30 *25,000 or more or to a metropolitan service district.*]

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

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

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

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

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

11 “(C) At any other legislative review of the [*comprehensive plan or*] re-
12 gional framework plan that concerns the urban growth boundary and re-
13 quires the application of a statewide planning goal relating to buildable
14 lands for residential use.

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

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

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

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

26 “(4)(a) For the purpose of the inventory described in subsection (3)(a) of
27 this section, ‘buildable lands’ includes:

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

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

30 “(C) Lands that may be used for a mix of residential and employment uses

1 under the existing planning or zoning; and

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

3 “(b) For the purpose of the inventory and determination of housing ca-
4 pacity described in subsection (3)(a) of this section, [*the local government*]

5 **Metro** must demonstrate consideration of:

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

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

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

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

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

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

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

27 “(B) Trends in density and average mix of housing types of urban resi-
28 dential development;

29 “(C) Market factors that may substantially impact future urban residen-
30 tial development; and

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

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

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

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

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

30 “(b) Amend its [*comprehensive plan,*] regional framework plan, functional

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

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

24 “(7) Using the housing need analysis conducted under subsection (3)(b)
25 of this section, [*the local government*] **Metro** shall determine the overall av-
26 erage density and overall mix of housing types at which residential devel-
27 opment of needed housing types must occur in order to meet housing needs
28 over the next 20 years. If that density is greater than the actual density of
29 development determined under subsection (5)(a)(A) of this section, or if that
30 mix is different from the actual mix of housing types determined under sub-

1 section (5)(a)(A) of this section, *[the local government]* **Metro**, as part of its
2 periodic review, shall adopt measures that demonstrably increase the likeli-
3 hood that residential development will occur at the housing types and den-
4 sity and at the mix of housing types required to meet housing needs over the
5 next 20 years.

6 “(8)(a) *[A local government outside a metropolitan service district that]* **If**
7 **Metro** takes any actions under subsection (6) or (7) of this section, **Metro**
8 shall demonstrate that the comprehensive plan and land use regulations
9 comply with goals and rules adopted by the commission and implement ORS
10 197.286 to 197.314.

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

19 “(9) In establishing that actions and measures adopted under subsections
20 (6) and (7) of this section demonstrably increase the likelihood of higher
21 density residential development, *[the local government]* **Metro** shall at a
22 minimum ensure that land zoned for needed housing is in locations appro-
23 priate for the housing types identified under subsection (3) of this section,
24 is zoned at density ranges that are likely to be achieved by the housing
25 market using the analysis in subsection (3) of this section and is in areas
26 where sufficient urban services are planned to enable the higher density de-
27 velopment to occur over the 20-year period. Actions or measures, or both,
28 may include *[but are not limited to:]* **those actions listed in section 29 (4)**
29 **of this 2023 Act.**

30 “[*a*] *Increases in the permitted density on existing residential land;*]

1 “[(b) *Financial incentives for higher density housing;*]
2 “[(c) *Provisions permitting additional density beyond that generally allowed*
3 *in the zoning district in exchange for amenities and features provided by the*
4 *developer;*]
5 “[(d) *Removal or easing of approval standards or procedures;*]
6 “[(e) *Minimum density ranges;*]
7 “[(f) *Redevelopment and infill strategies;*]
8 “[(g) *Authorization of housing types not previously allowed by the plan or*
9 *regulations;*]
10 “[(h) *Adoption of an average residential density standard; and*]
11 “[(i) *Rezoning or redesignation of nonresidential land.*]
12 “[(10)(a) *The provisions of this subsection apply to local government com-*
13 *prehensive plans for lands within the urban growth boundary of a city that is*
14 *located outside of a metropolitan service district and has a population of less*
15 *than 25,000.*]
16 “[(b) *As required under paragraph (c) of this subsection, a city shall, ac-*
17 *cording to rules of the commission:*]
18 “[(A) *Determine the estimated housing needs within the jurisdiction for the*
19 *next 20 years;*]
20 “[(B) *Inventory the supply of buildable lands available within the urban*
21 *growth boundary to accommodate the estimated housing needs determined un-*
22 *der this subsection; and*]
23 “[(C) *Adopt measures necessary to accommodate the estimated housing*
24 *needs determined under this subsection.*]
25 “[(c) *The actions required under paragraph (b) of this subsection shall be*
26 *undertaken:*]
27 “[(A) *At periodic review pursuant to ORS 197.628 to 197.651;*]
28 “[(B) *On a schedule established by the commission for cities with a popu-*
29 *lation greater than 10,000, not to exceed once each eight years; or*]
30 “[(C) *At any other legislative review of the comprehensive plan that requires*

1 *the application of a statewide planning goal relating to buildable lands for*
2 *residential use.]*

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

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

9 **“SECTION 26.** ORS 197.297 is amended to read:

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

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

16 “(b) Conduct an analysis of the city’s existing and projected needed
17 housing under statewide planning goals and rules related to housing by type,
18 mix, affordability and density range to determine the number of units and
19 amount of land needed for each needed housing type **under ORS 197.303** for
20 the next 20 years.

21 “(2) The housing capacity **determination** and **the** needed housing analy-
22 sis conducted under this section must be adopted as part of the city’s com-
23 prehensive plan no later than one year after completion of the needed
24 housing analysis.

25 “(3) If the housing capacity and needed housing analysis conducted under
26 this section demonstrates a housing need, the city shall amend its compre-
27 hensive plan or land use regulations **or take actions to update or imple-**
28 **ment its housing production strategy** to include new measures that
29 demonstrably increase the likelihood that development of needed housing
30 will occur for the type, mix, affordability and densities sufficient to accom-

1 modate needed housing for the next 20 years.

2 **“SECTION 27.** ORS 197.303 is amended to read:

3 “197.303. (1) As used in ORS [197.286 to 197.314] **197.296 to 197.303**, ‘needed
4 housing’ means all housing on land zoned for residential use or mixed resi-
5 dential and commercial use that is determined to meet the need shown for
6 housing within an urban growth boundary at price ranges and rent levels
7 that are affordable to households within the county with a variety of in-
8 comes, including but not limited to households with low incomes, very low
9 incomes and extremely low incomes, as those terms are defined by the United
10 States Department of Housing and Urban Development under 42 U.S.C.
11 1437a. ‘Needed housing’ includes the following housing types:

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

15 “(b) Government assisted housing;

16 “(c) Mobile home or manufactured dwelling parks as provided in ORS
17 197.475 to 197.490;

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

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

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

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

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

27 “(2) For the purpose of estimating housing needs, as described in ORS
28 197.296 (3)(b), a [local government] **Metro** shall use the population projections
29 prescribed by ORS [195.033 or] 195.036 and shall consider and adopt findings
30 related to changes in each of the following factors since the last review un-

1 der ORS 197.296 (2)(a)(B) and the projected future changes in these factors
2 over a 20-year planning period:

3 “(a) Household sizes;

4 “(b) Household demographics;

5 “(c) Household incomes;

6 “(d) Vacancy rates; and

7 “(e) Housing costs.

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

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

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

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

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

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

27

28 **“HOUSING STRATEGIES**

29

30 **“SECTION 28.** ORS 197.290 is amended to read:

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

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

7 “(b) **Three years following the city’s most recent adoption of a**
8 **housing production strategy.**

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

13 “(a) **The development of needed housing;**

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

16 “(c) **Housing with access to economic opportunities, services and**
17 **amenities; and**

18 “(d) **Meaningful actions that, when taken together, address signif-**
19 **icant disparities in housing needs and access to opportunity and re-**
20 **place segregated living patterns with truly integrated and balanced**
21 **living patterns to transform racially and ethnically concentrated areas**
22 **of poverty into areas of opportunity and foster and maintain compli-**
23 **ance with civil rights and fair housing laws.**

24 “(3) Actions [*under this subsection*] **constituting a housing production**
25 **strategy** may include:

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

29 “(b) The creation of financial and regulatory incentives for development
30 of needed housing, including creating incentives for needed housing at higher

1 densities or that is affordable; [*and*]

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

5 **“(d) Actions that:**

6 **“(A) Increase housing diversity, efficiency and affordability, in-
7 cluding new construction and the preservation of naturally occurring
8 affordable housing;**

9 **“(B) Allow greater housing choice for households and greater flexi-
10 bility in location, type and density;**

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

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

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

16 **“(ii) Site preparation, financial incentives or other incentive-based
17 measures that increase the likelihood of development or redevelop-
18 ment of land; or**

19 **“(iii) The redevelopment of underutilized commercial and employ-
20 ment lands for housing or a mix of housing and commercial uses; or**

21 **“(e) Any other actions identified by rule of the Land Conservation
22 and Development Commission intended to promote housing pro-
23 duction, affordability and choice.**

24 **“(4) Actions proposed in a city’s housing production strategy shall
25 include clear deadlines by which the city expects to undertake the
26 action.**

27 **“[(3)] (5) In creating a housing production strategy, a city shall review
28 and consider:**

29 **“(a) Socioeconomic and demographic characteristics of households living
30 in existing needed housing;**

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

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

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

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

7 “(A) The schedule for its adoption;

8 “(B) The schedule for its implementation;

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

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

12 “[4] (6) The housing production strategy must include within its index
13 a copy of the city’s most recently completed survey under [ORS 456.586 (2)]
14 **section 37 of this 2023 Act.**

15 “[5] (7) The adoption of a housing production strategy is not a land use
16 decision and is not subject to appeal or review except as provided in ORS
17 197.291.

18 “[6] (8) A city with a population of **less than** 10,000 [*or less*] may de-
19 velop a housing production strategy as provided in this section.

20 **“SECTION 29. Section 30 of this 2023 Act is added to and made a
21 part of ORS 197.296 to 197.303.**

22 **“SECTION 30. (1) Metro shall develop and adopt a housing coordi-
23 nation strategy under this section no later than one year after the
24 deadline for completing a housing capacity determination under ORS
25 197.296.**

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

29 **“(3) A housing coordination strategy must include a list of actions,
30 including the adoption of measures and policies or coordinating**

1 actions among local governments and other entities within a region,
2 that the regional entity shall undertake to promote:

3 “(a) The development of needed housing;

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

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

8 “(d) Development patterns that replace segregated housing patterns
9 with racially integrated housing and that transform racially and eth-
10 nically concentrated areas of poverty into areas of opportunity in
11 compliance with fair housing laws.

12 “(4) Actions constituting a housing coordination strategy may in-
13 clude:

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

17 “(b) The identification of local or regional impediments to develop-
18 ing needed housing, including financial, regulatory or capacity-related
19 constraints;

20 “(c) Regional strategies that coordinate production of needed hous-
21 ing between local governments within a region and that are developed
22 in consultation with impacted local governments;

23 “(d) The identification of specific actions that cities in the region
24 may consider as part of a housing production strategy under ORS
25 197.290; and

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

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

1 **“(6) In creating a housing coordination strategy, a regional gov-**
2 **ernment shall review and consider:**

3 **“(a) Socioeconomic and demographic characteristics of households**
4 **living in existing needed housing;**

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

6 **“(c) Measures already implemented by the regional entity to pro-**
7 **mote the development of needed housing;**

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

10 **“(e) For each action the regional entity includes in its housing**
11 **production strategy:**

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

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

14 **“(C) Its expected magnitude of impact on the development of needed**
15 **housing; and**

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

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

21 **“SECTION 31. ORS 197.291 is amended to read:**

22 **“197.291. (1) No later than 20 days after a city’s adoption or amendment**
23 **of a housing production strategy under ORS 197.290, a city shall submit the**
24 **adopted strategy or amended strategy to the Department of Land Conserva-**
25 **tion and Development.**

26 **“(2) The submission under subsection (1) of this section must include**
27 **copies of:**

28 **“(a) The signed decision adopting the housing production strategy or**
29 **amended strategy;**

30 **“(b) The text of the housing production strategy clearly indicating any**

1 amendments to the most recent strategy submitted under this section; **and**

2 “(c) A brief narrative summary of the housing production strategy.[:
3 *and*]

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

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

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

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

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

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

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

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

23 “(a) Approve the housing production strategy;

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

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

28 “(7) A determination by the department under subsection (6) of this sec-
29 tion is not a land use decision and is final and not subject to appeal.

30 “(8) **The Land Conservation and Development Commission may**

1 **adopt rules describing circumstances in which a city’s amendment to**
2 **a comprehensive plan or adoption of a land use regulation is not sub-**
3 **ject to review, including under ORS 197.610 to 197.625, for compliance**
4 **with a statewide land use planning goal related to transportation or**
5 **economic development if the amendment or adoption is included**
6 **within a housing production strategy that has been approved under**
7 **subsection (6) of this section.**

8
9 **“URBAN AND RURAL RESERVES**

10
11 **“SECTION 32.** ORS 195.141 is amended to read:

12 “195.141. (1) A county and a [*metropolitan service district established under*
13 *ORS chapter 268*] **city or a county and Metro** may enter into an intergov-
14 ernmental agreement pursuant to ORS 190.003 to 190.130, 195.025 or 197.652
15 to 197.658 to designate rural reserves pursuant to this section [*and*] **at the**
16 **same time as designating** urban reserves pursuant to ORS 195.145 (1)[*(b)*].

17 “(2) Land designated as a rural reserve:

18 “(a) Must be outside an urban growth boundary.

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

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

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

28 “(a) Is situated in an area that is otherwise potentially subject to
29 urbanization during the period described in subsection (2)(b) of this section,
30 as indicated by proximity to the urban growth boundary and to properties

1 with fair market values that significantly exceed agricultural values;

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

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

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

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

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

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

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

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

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

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

22 “[~~(4)~~] (5) The Land Conservation and Development Commission shall[,
23 *after consultation*] **consult** with the State Department of Agriculture[, *adopt*
24 *by goal or by rule a process and criteria for designating rural reserves pur-*
25 *suant to this section*] **in adopting, amending or repealing rules under this**
26 **section.**

27 “**SECTION 33.** ORS 195.145 is amended to read:

28 “195.145. (1) To ensure that the supply of land available for urbanization
29 is maintained:

30 “(a) Local governments may cooperatively designate lands outside urban

1 growth boundaries as urban reserves subject to ORS 197.610 to 197.625 and
2 197.626.

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

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

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

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

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

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

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

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

29 “(4) Urban reserves designated [*by a metropolitan service district and a*
30 *county pursuant to subsection (1)(b) of*] **under** this section must be planned

1 to accommodate population and employment growth for:

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

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

8 **“(5) Urban reserves may be established at any time without regard**
9 **to a schedule under ORS 197.296 (2) or section 21 (2) or 22 (2) of this**
10 **2023 Act.**

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

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

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

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

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

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

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

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

1 this section.

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

5 **“SECTION 34. The amendments to ORS 195.141 and 195.145 by**
6 **sections 32 and 33 of this 2023 Act do not apply to urban reserves or**
7 **rural reserves that were acknowledged as of the effective date of this**
8 **2023 Act.**

9

10 **“LOCAL HOUSING REPORTS**

11

12 **“SECTION 35.** ORS 456.586 is amended to read:

13 “456.586. (1) For purposes of this section,[:]

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

16 “[b] *A regulated affordable unit is a residential unit subject to a regula-*
17 *tory agreement that runs with the land and that requires affordability for an*
18 *established income level for a defined period of time.*]

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

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

1 *housing and reduce rent burdens for severely rent burdened households.]*

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

5 *“(d) The governing body of the city shall return the completed survey form*
6 *to the Department of Land Conservation and Development at least 24 months*
7 *prior to a deadline for completing a housing production strategy under ORS*
8 *197.290.]*

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

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

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

22 *“(a) Residential units.]*

23 *“(b) Regulated affordable residential units.]*

24 *“(c) Multifamily residential units.]*

25 *“(d) Regulated affordable multifamily residential units.]*

26 *“(e) Single-family homes.]*

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

28 *“(g) Accessory dwelling units.]*

29 *“(h) Regulated affordable accessory dwelling units.]*

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

1 “[j] *Regulated affordable units of middle housing.*”

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

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

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

10 **“(A) Single-family homes.**

11 **“(B) Accessory dwelling units.**

12 **“(C) Units of middle housing.**

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

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

16 **“(b) For each segment under paragraph (a) of this subsection, the**
17 **number of units that were subject to a recorded agreement that runs**
18 **with the land and that requires affordability for an established income**
19 **level for a defined period, but that would not be included in the in-**
20 **ventory of publicly supported housing described in section 5 (3)(a) of**
21 **this 2023 Act.**

22 **“(2) The Department of Land Conservation and Development, in**
23 **consultation with the Housing and Community Services Department,**
24 **shall develop a format by which data required under this section must**
25 **be submitted. The Department of Land Conservation and Development**
26 **shall provide a copy of any form or notice of the format to each city**
27 **required to provide a report.**

28 **“(3) The Department of Land Conservation and Development shall**
29 **provide a copy of the data received under this section to the Oregon**
30 **Department of Administrative Services and the Housing and Commu-**

1 nity Services Department by July 1 of each year.

2 **“SECTION 38. Between 12 and 18 months before a city’s deadline for**
3 **completing a housing capacity determination under ORS 197.297 (1) or**
4 **section 21 (2) or 22 (2) of this 2023 Act, each city with a population of**
5 **10,000 or greater shall submit to the Department of Land Conservation**
6 **and Development a report setting forth the actions that a city has**
7 **taken since its most recent housing capacity determination to imple-**
8 **ment its housing production strategy or to otherwise encourage the**
9 **development of needed housing, to increase the affordability of hous-**
10 **ing, to reduce rent burdens, to affirmatively further fair housing or**
11 **to otherwise meet the purposes of ORS 197.290 (2).**

12 **“SECTION 39. ORS 197.178 is repealed.**

13
14 **“POPULATION FORECASTS**

15
16 **“SECTION 40. ORS 195.033 is amended to read:**

17 **“195.033. (1) As used in this section, ‘affected local government’ means:**

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

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

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

24 **“(2) For the purpose of land use planning, the center shall issue a popu-**
25 **lation forecast for:**

26 **“(a) Each county except Multnomah, Clackamas and Washington Coun-**
27 **ties;**

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

30 **“(c) The area within each urban growth boundary other than the urban**

1 growth boundary of Metro.

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

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

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

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

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

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

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

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

26 “(b) Population cohorts as provided by standards adopted by the univer-
27 sity in consultation with the department[.];

28 **“(c) Population data segmented by race, ethnicity and disability**
29 **status; and**

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

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

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

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

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

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

17 “(a) Not a land use decision; and

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

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

22 “(11) Each biennium, the commission [*shall*] **may** allocate, from the grant
23 funding described in ORS 197.639 (5), an amount of moneys that the Land
24 Conservation and Development Commission, in consultation with Portland
25 State University, determines is sufficient, **in combination with any ap-
26 propriation by the Legislative Assembly**, to operate the population fore-
27 casting program required by this section.

28 “**SECTION 41.** ORS 195.036 is amended to read:

29 “195.036. Metro, in coordination with local governments within its
30 boundary, shall issue a population forecast for the entire area within its

1 boundary to be applied by Metro and local governments within the boundary
2 of Metro as a basis for changes to comprehensive plans and land use regu-
3 lations. **The forecasted population data must be segmented by race,**
4 **ethnicity and disability status.**

5

6

“CONFORMING AMENDMENTS

7

8 **“SECTION 42. ORS 195.137 to 195.145 are added to and made a part**
9 **of ORS 197.286 to 197.314.**

10 **“SECTION 43.** ORS 94.536 is amended to read:

11 “94.536. As used in this section and ORS 94.538:

12 “(1) ‘Conservation easement’ has the meaning given that term in ORS
13 271.715.

14 “(2) ‘Governmental unit’ means a city, county, metropolitan service dis-
15 trict or state agency as defined in ORS 171.133.

16 “(3) ‘Holder’ has the meaning given that term in ORS 271.715.

17 “(4) ‘Lot’ has the meaning given that term in ORS 92.010.

18 “(5) ‘Parcel’ has the meaning given that term in ORS 92.010.

19 “(6) ‘Receiving area’ means a designated area of land to which a holder
20 of development credits generated from a sending area may transfer the de-
21 velopment credits and in which additional uses or development, not other-
22 wise allowed, are allowed by reason of the transfer.

23 “(7) ‘Resource land’ means:

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

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

27 “(A) In an acknowledged local or regional government inventory as con-
28 taining significant wetland, riparian, wildlife habitat, historic, scenic or open
29 space resources; or

30 “(B) As containing important natural resources, estuaries, coastal

1 shorelands, beaches and dunes or other resources described in the statewide
2 land use planning goals.

3 “(c) ‘Conservation Opportunity Areas’ identified in the ‘Oregon Conser-
4 vation Strategy’ adopted by the State Fish and Wildlife Commission and
5 published by the State Department of Fish and Wildlife in September of 2006.

6 “(8) ‘Sending area’ means a designated area of resource land from which
7 development credits generated from forgone development are transferable, for
8 uses or development not otherwise allowed, to a receiving area.

9 “(9) ‘Tract’ has the meaning given that term in ORS 215.010.

10 “(10) ‘Transferable development credit’ means a severable development
11 interest in real property that can be transferred from a lot, parcel or tract
12 in a sending area to a lot, parcel or tract in a receiving area.

13 “(11) ‘Transferable development credit system’ means a land use planning
14 tool that allows the record owner of a lot, parcel or tract of resource land
15 in a sending area to voluntarily sever and sell development interests from
16 the lot, parcel or tract for purchase and use by a potential developer to de-
17 velop a lot, parcel or tract in a receiving area at a higher intensity than
18 otherwise allowed.

19 “(12) ‘Urban growth boundary’ has the meaning given that term in ORS
20 [195.060] **197.015**.

21 “(13) ‘Urban reserve’ has the meaning given that term in ORS 195.137.

22 “**SECTION 44.** ORS 195.060 is amended to read:

23 “195.060. As used in ORS 195.020[,], **and** 195.065 to 195.085 [*and 197.005*],
24 unless the context requires otherwise[:]

25 “[*(1) ‘District’ has the meaning given that term in ORS 198.010. In addi-*
26 *tion, the term*], **‘district’ or ‘special district’ has the meaning given the**
27 **term ‘district’ in ORS 198.010 and also** includes a county service district
28 organized under ORS chapter 451.

29 “[*(2) ‘Urban growth boundary’ means an acknowledged urban growth*
30 *boundary contained in a city or county comprehensive plan or an acknowledged*

1 *urban growth boundary that has been adopted by a metropolitan service dis-*
2 *trict council under ORS 268.390 (3).]*

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

4 **“SECTION 45.** ORS 195.143 is amended to read:

5 “195.143. (1) A county and [*a metropolitan service district*] **Metro** must
6 consider simultaneously the designation and establishment of:

7 “(a) Rural reserves pursuant to ORS 195.141; and

8 “(b) Urban reserves pursuant to ORS 195.145 (1)(b).

9 “(2) An agreement [*between a county and a metropolitan service district*]
10 to establish rural reserves pursuant to ORS 195.141 and urban reserves pur-
11 suant to ORS 195.145 (1)(b) must provide for a coordinated and concurrent
12 process for adoption by the county of comprehensive plan provisions and by
13 [*the district*] **Metro** of regional framework plan provisions to implement the
14 agreement. [*A district*] **Metro** may not designate urban reserves pursuant to
15 ORS 195.145 (1)(b) in a county until the county and [*the district*] **Metro** have
16 entered into an agreement pursuant to ORS 195.145 (1)(b) that identifies the
17 land to be designated by [*the district in the district’s*] **Metro in Metro’s** re-
18 gional framework plan as urban reserves. A county may not designate rural
19 reserves pursuant to ORS 195.141 until the county and [*the district*] **Metro**
20 have entered into an agreement pursuant to ORS 195.141 that identifies the
21 land to be designated as rural reserves by the county in the county’s com-
22 prehensive plan.

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

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

29 “[*(a) Is not a basis for a claim for compensation under ORS 195.305 unless*
30 *the designation and protection of rural reserves or urban reserves imposes a*

1 *new restriction on the use of private real property.]*

2 *“(b) Does not impair the rights and immunities provided under ORS 30.930*
3 *to 30.947.]*

4 **“SECTION 46.** ORS 195.300 is amended to read:

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

9 “(1) ‘Acquisition date’ means the date described in ORS 195.328.

10 “(2) ‘Claim’ means a written demand for compensation filed under:

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

12 “(b) ORS 195.305 and 195.310 to 195.314, as in effect on and after December
13 6, 2007.

14 “(3) ‘Enacted’ means enacted, adopted or amended.

15 “(4) ‘Fair market value’ means the value of property as determined under
16 ORS 195.332.

17 “(5) ‘Farming practice’ has the meaning given that term in ORS 30.930.

18 “(6) ‘Federal law’ means:

19 “(a) A statute, regulation, order, decree or policy enacted by a federal
20 entity or by a state entity acting under authority delegated by the federal
21 government;

22 “(b) A requirement contained in a plan or rule enacted by a compact en-
23 tity; or

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

26 “(7) ‘File’ means to submit a document to a public entity.

27 “(8) ‘Forest practice’ has the meaning given that term in ORS 527.620.

28 “(9) ‘Ground water restricted area’ means an area designated as a critical
29 ground water area or as a ground water limited area by the Water Resources
30 Department or Water Resources Commission before December 6, 2007.

1 “(10) ‘High-value farmland’ means:

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

5 “(b) Land west of U.S. Highway 101 that is composed predominantly of
6 the following soils in Class III or IV or composed predominantly of a com-
7 bination of the soils described in ORS 215.710 (1) and the following soils:

8 “(A) Subclassification IIIw, specifically Ettersburg Silt Loam and
9 Croftland Silty Clay Loam;

10 “(B) Subclassification IIIe, specifically Klooqueth Silty Clay Loam and
11 Winchuck Silt Loam; and

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

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

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

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

18 “(C) Within the boundaries of a diking district formed under ORS chapter
19 551.

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

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

25 “(A) The Southern Oregon viticultural area as described in 27 C.F.R.
26 9.179;

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

29 “(C) The Willamette Valley viticultural area as described in 27 C.F.R.
30 9.90.

1 “(f) Land that is in an exclusive farm use zone and that is no more than
2 3,000 feet above mean sea level, with an aspect between 67.5 and 292.5 de-
3 grees and a slope between zero and 15 percent, and that is located within:

4 “(A) The portion of the Columbia Gorge viticultural area as described in
5 27 C.F.R. 9.178 that is within the State of Oregon;

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

7 “(C) The portion of the Columbia Valley viticultural area as described in
8 27 C.F.R. 9.74 that is within the State of Oregon;

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

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

13 “(11) ‘High-value forestland’ means land:

14 “(a) That is in a forest zone or a mixed farm and forest zone, that is lo-
15 cated in western Oregon and composed predominantly of soils capable of
16 producing more than 120 cubic feet per acre per year of wood fiber and that
17 is capable of producing more than 5,000 cubic feet per year of commercial
18 tree species; or

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

24 “(12) ‘Home site approval’ means approval of the subdivision or partition
25 of property or approval of the establishment of a dwelling on property.

26 “(13) ‘Just compensation’ means:

27 “(a) Relief under sections 5 to 11, chapter 424, Oregon Laws 2007, sections
28 2 to 9 and 17, chapter 855, Oregon Laws 2009, and sections 2 to 7, chapter
29 8, Oregon Laws 2010, for land use regulations enacted on or before January
30 1, 2007; and

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

3 “(14) ‘Land use regulation’ means:

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

5 “(b) A provision in ORS 227.030 to 227.300, 227.350, 227.400, 227.450 or
6 227.500 or in ORS chapter 215 that restricts the residential use of private
7 real property;

8 “(c) A provision of a city comprehensive plan, zoning ordinance or land
9 division ordinance that restricts the residential use of private real property
10 zoned for residential use;

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

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

14 “(A) The Oregon Forest Practices Act;

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

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

18 “(f) ORS 561.191, a provision of ORS 568.900 to 568.933 or an administra-
19 tive rule of the State Department of Agriculture that implements ORS
20 561.191 or 568.900 to 568.933;

21 “(g) An administrative rule or goal of the Land Conservation and Devel-
22 opment Commission; or

23 “(h) A provision of a Metro functional plan that restricts the residential
24 use of private real property.

25 “(15) ‘Lawfully established unit of land’ has the meaning given that term
26 in ORS 92.010.

27 “(16) ‘Lot’ has the meaning given that term in ORS 92.010.

28 “(17) ‘Measure 37 permit’ means a final decision by Metro, a city or a
29 county to authorize the development, subdivision or partition or other use
30 of property pursuant to a waiver.

1 “(18) ‘Owner’ means:

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

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

6 “(c) If the property is owned by the trustee of a revocable trust, the
7 settlor of a revocable trust, except that when the trust becomes irrevocable
8 only the trustee is the owner.

9 “(19) ‘Parcel’ has the meaning given that term in ORS 92.010.

10 “(20) ‘Property’ means the private real property described in a claim and
11 contiguous private real property that is owned by the same owner, whether
12 or not the contiguous property is described in another claim, and that is not
13 property owned by the federal government, an Indian tribe or a public body,
14 as defined in ORS 192.311.

15 “(21) ‘Protection of public health and safety’ means a law, rule, ordinance,
16 order, policy, permit or other governmental authorization that restricts a use
17 of property in order to reduce the risk or consequence of fire, earthquake,
18 landslide, flood, storm, pollution, disease, crime or other natural or human
19 disaster or threat to persons or property including, but not limited to,
20 building and fire codes, health and sanitation regulations, solid or hazardous
21 waste regulations and pollution control regulations.

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

23 “[(23) ‘Urban growth boundary’ has the meaning given that term in ORS
24 195.060.]

25 “[(24)] **(23)** ‘Waive’ or ‘waiver’ means an action or decision of a public
26 entity to modify, remove or not apply one or more land use regulations under
27 ORS 195.305 to 195.336 and sections 5 to 11, chapter 424, Oregon Laws 2007,
28 sections 2 to 9 and 17, chapter 855, Oregon Laws 2009, and sections 2 to 7,
29 chapter 8, Oregon Laws 2010, or ORS 195.305, as in effect immediately before
30 December 6, 2007, to allow the owner to use property for a use permitted

1 when the owner acquired the property.

2 “[~~(25)~~] (24) ‘Zoned for residential use’ means zoning that has as its pri-
3 mary purpose single-family residential use.

4 **“SECTION 47.** ORS 197.015 is amended to read:

5 “197.015. As used in ORS chapters 195, 196 and 197 [*and ORS 197A.300 to*
6 *197A.325*], unless the context requires otherwise:

7 “(1) ‘Acknowledgment’ means a commission order that certifies that a
8 comprehensive plan and land use regulations, land use regulation or plan or
9 regulation amendment complies with the goals or certifies that Metro land
10 use planning goals and objectives, Metro regional framework plan, amend-
11 ments to Metro planning goals and objectives or amendments to the Metro
12 regional framework plan comply with the goals.

13 “(2) ‘Board’ means the Land Use Board of Appeals.

14 “(3) ‘Carport’ means a stationary structure consisting of a roof with its
15 supports and not more than one wall, or storage cabinet substituting for a
16 wall, and used for sheltering a motor vehicle.

17 “(4) ‘Commission’ means the Land Conservation and Development Com-
18 mission.

19 “(5) ‘Comprehensive plan’ means a generalized, coordinated land use map
20 and policy statement of the governing body of a local government that
21 interrelates all functional and natural systems and activities relating to the
22 use of lands, including but not limited to sewer and water systems, trans-
23 portation systems, educational facilities, recreational facilities, and natural
24 resources and air and water quality management programs.
25 ‘Comprehensive’ means all-inclusive, both in terms of the geographic area
26 covered and functional and natural activities and systems occurring in the
27 area covered by the plan. ‘General nature’ means a summary of policies and
28 proposals in broad categories and does not necessarily indicate specific lo-
29 cations of any area, activity or use. A plan is ‘coordinated’ when the needs
30 of all levels of governments, semipublic and private agencies and the citizens

1 of Oregon have been considered and accommodated as much as possible.

2 'Land' includes water, both surface and subsurface, and the air.

3 "(6) 'Department' means the Department of Land Conservation and De-
4 velopment.

5 "(7) 'Director' means the Director of the Department of Land Conserva-
6 tion and Development.

7 "(8) 'Goals' means the mandatory statewide land use planning standards
8 adopted by the commission pursuant to ORS chapters 195, 196 and 197.

9 "(9) 'Guidelines' means suggested approaches designed to aid cities and
10 counties in preparation, adoption and implementation of comprehensive plans
11 in compliance with goals and to aid state agencies and special districts in
12 the preparation, adoption and implementation of plans, programs and regu-
13 lations in compliance with goals. Guidelines [*shall be advisory and shall*] **are**
14 **advisory and do** not limit state agencies, cities, counties and special dis-
15 tricts to a single approach.

16 "(10) 'Land use decision':

17 "(a) Includes:

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

20 "(i) The goals;

21 "(ii) A comprehensive plan provision;

22 "(iii) A land use regulation; or

23 "(iv) A new land use regulation;

24 "(B) A final decision or determination of a state agency other than the
25 commission with respect to which the agency is required to apply the goals;

26 or

27 "(C) A decision of a county planning commission made under ORS 433.763;

28 "(b) Does not include a decision of a local government:

29 "(A) That is made under land use standards that do not require interpre-
30 tation or the exercise of policy or legal judgment;

1 “(B) That approves or denies a building permit issued under clear and
2 objective land use standards;

3 “(C) That is a limited land use decision;

4 “(D) That determines final engineering design, construction, operation,
5 maintenance, repair or preservation of a transportation facility that is oth-
6 erwise authorized by and consistent with the comprehensive plan and land
7 use regulations;

8 “(E) That is an expedited land division as described in ORS 197.360;

9 “(F) That approves, pursuant to ORS 480.450 (7), the siting, installation,
10 maintenance or removal of a liquefied petroleum gas container or receptacle
11 regulated exclusively by the State Fire Marshal under ORS 480.410 to
12 480.460;

13 “(G) That approves or denies approval of a final subdivision or partition
14 plat or that determines whether a final subdivision or partition plat sub-
15 stantially conforms to the tentative subdivision or partition plan; or

16 “(H) That a proposed state agency action subject to ORS 197.180 (1) is
17 compatible with the acknowledged comprehensive plan and land use regu-
18 lations implementing the plan, if:

19 “(i) The local government has already made a land use decision author-
20 izing a use or activity that encompasses the proposed state agency action;

21 “(ii) The use or activity that would be authorized, funded or undertaken
22 by the proposed state agency action is allowed without review under the
23 acknowledged comprehensive plan and land use regulations implementing the
24 plan; or

25 “(iii) The use or activity that would be authorized, funded or undertaken
26 by the proposed state agency action requires a future land use review under
27 the acknowledged comprehensive plan and land use regulations implementing
28 the plan;

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

30 “(d) Does not include, except as provided in ORS 215.213 (13)(c) or 215.283

1 (6)(c), authorization of an outdoor mass gathering as defined in ORS 433.735,
2 or other gathering of fewer than 3,000 persons that is not anticipated to
3 continue for more than 120 hours in any three-month period; and

4 “(e) Does not include:

5 “(A) A writ of mandamus issued by a circuit court in accordance with
6 ORS 215.429 or 227.179;

7 “(B) Any local decision or action taken on an application subject to ORS
8 215.427 or 227.178 after a petition for a writ of mandamus has been filed
9 under ORS 215.429 or 227.179; or

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

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

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

19 “(11) ‘Land use regulation’ means any local government zoning ordinance,
20 land division ordinance adopted under ORS 92.044 or 92.046 or similar gen-
21 eral ordinance establishing standards for implementing a comprehensive
22 plan.

23 “(12) ‘Limited land use decision’:

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

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

28 “(B) The approval or denial of an application based on discretionary
29 standards designed to regulate the physical characteristics of a use permitted
30 outright, including but not limited to site review and design review.

1 “(b) Does not mean a final decision made by a local government pertain-
2 ing to a site within an urban growth boundary that concerns approval or
3 denial of a final subdivision or partition plat or that determines whether a
4 final subdivision or partition plat substantially conforms to the tentative
5 subdivision or partition plan.

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

9 “(14) ‘Metro’ means a metropolitan service district organized under ORS
10 chapter 268.

11 “(15) ‘Metro planning goals and objectives’ means the land use goals and
12 objectives that [*a metropolitan service district*] **Metro** may adopt under ORS
13 268.380 (1)(a). The goals and objectives do not constitute a comprehensive
14 plan.

15 “(16) ‘Metro regional framework plan’ means the regional framework plan
16 required by the 1992 Metro Charter or its separate components. Neither the
17 regional framework plan nor its individual components constitute a compre-
18 hensive plan.

19 “(17) ‘New land use regulation’ means a land use regulation other than
20 an amendment to an acknowledged land use regulation adopted by a local
21 government that already has a comprehensive plan and land regulations ac-
22 knowledged under ORS 197.251.

23 “(18) ‘Person’ means any individual, partnership, corporation, association,
24 governmental subdivision or agency or public or private organization of any
25 kind. The Land Conservation and Development Commission or its designee
26 is considered a person for purposes of appeal under ORS chapters 195 and
27 197.

28 “(19) ‘Special district’ means any unit of local government, other than a
29 city, county, [*metropolitan service district formed under ORS chapter 268*]
30 **Metro** or an association of local governments performing land use planning

1 functions under ORS 195.025, authorized and regulated by statute and in-
2 cludes but is not limited to water control districts, domestic water associ-
3 ations and water cooperatives, irrigation districts, port districts, regional air
4 quality control authorities, fire districts, school districts, hospital districts,
5 mass transit districts and sanitary districts.

6 “(20) ‘Urban growth boundary’ means an acknowledged urban
7 growth boundary contained in a city or county comprehensive plan or
8 adopted by Metro under ORS 268.390 (3).

9 “[20] (21) ‘Urban unincorporated community’ means an area designated
10 in a county’s acknowledged comprehensive plan as an urban unincorporated
11 community after December 5, 1994.

12 “[21] (22) ‘Voluntary association of local governments’ means a regional
13 planning agency in this state officially designated by the Governor pursuant
14 to the federal Office of Management and Budget Circular A-95 as a regional
15 clearinghouse.

16 “[22] (23) ‘Wetlands’ means those areas that are inundated or saturated
17 by surface or ground water at a frequency and duration that are sufficient
18 to support, and that under normal circumstances do support, a prevalence
19 of vegetation typically adapted for life in saturated soil conditions.

20 “**SECTION 48.** ORS 197.298 is amended to read:

21 “197.298. (1) In addition to any requirements established by rule address-
22 ing urbanization, land may not be included within an urban growth boundary
23 of Metro except under the following priorities:

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

26 “(b) If land under paragraph (a) of this subsection is inadequate to ac-
27 commodate the amount of land needed, second priority is land adjacent to
28 an urban growth boundary that is identified in an acknowledged compre-
29 hensive plan as an exception area or nonresource land. Second priority may
30 include resource land that is completely surrounded by exception areas un-

1 less such resource land is high-value farmland as described in ORS 215.710.

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

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

8 “(2) **Under this section**, higher priority [*shall*] **must** be given to land
9 of lower capability as measured by the capability classification system or by
10 cubic foot site class, whichever is appropriate for the current use.

11 “(3) Land of lower priority under [*subsection (1) of*] this section may be
12 included in an urban growth boundary if land of higher priority is found to
13 be inadequate to accommodate the amount of land estimated in subsection
14 (1) of this section for one or more of the following reasons:

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

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

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

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

25 “**SECTION 49.** ORS 197.299 is amended to read:

26 “197.299. (1) [*A metropolitan service district organized under ORS chapter*
27 *268*] **Metro** shall complete the inventory, determination and analysis re-
28 quired under ORS 197.296 (3) not later than six years after completion of the
29 previous inventory, determination and analysis.

30 “(2)(a) [*The metropolitan service district*] **Metro** shall take such action as

1 necessary under ORS 197.296 (6)(a) to accommodate one-half of a 20-year
2 buildable land supply determined under ORS 197.296 (3) within one year of
3 completing the analysis.

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

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

13 “(d) The metropolitan service district shall consider and adopt new
14 measures that the governing body deems appropriate under ORS 197.296
15 (6)(b).

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

20 “(4)(a) [*The metropolitan service district*] **Metro** shall establish a process
21 to expand the urban growth boundary to accommodate a need for land for a
22 public school that cannot reasonably be accommodated within the existing
23 urban growth boundary. [*The metropolitan service district*] **Metro** shall de-
24 sign the process to:

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

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

1 “(b) At the request of a large school district, [*the metropolitan service*
2 *district*] **Metro** shall assist the [*large school*] district to identify school sites
3 required by the school facility planning process described in ORS 195.110. A
4 need for a public school is a specific type of identified land need under ORS
5 197.298 (3).

6 “(5) **At least** three years after completing its most recent demonstration
7 of sufficient buildable lands under ORS 197.296, [*a metropolitan service dis-*
8 *trict*] **Metro** may, on a single occasion, revise the determination and analysis
9 required as part of the demonstration for the purpose of considering an
10 amendment to the [*metropolitan service district’s*] **Metro’s** urban growth
11 boundary, provided:

12 “[*(a) The metropolitan service district has entered into an intergovern-*
13 *mental agreement and has designated rural reserves and urban reserves under*
14 *ORS 195.141 and 195.145 with each county located within the district;*]

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

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

20 “[*(d)*] **(b)** The city or cities proposing the development have provided ev-
21 idence to [*the metropolitan service district*] **Metro** that the proposed devel-
22 opment would provide additional needed housing to the needed housing
23 included in the most recent determination and analysis;

24 “[*(e)*] **(c)** The location chosen for the proposed development is adjacent
25 to the city proposing the development; and

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

28 “(6)(a) If [*a metropolitan service district*] **Metro**, after revising its most
29 recent determination and analysis pursuant to subsection (5) of this section,
30 concludes that an expansion of its urban growth boundary is warranted, [*the*

1 *metropolitan service district*] **Metro** may take action to expand its urban
2 growth boundary in one or more locations to accommodate the proposed de-
3 velopment, provided the urban growth boundary expansion does not exceed
4 a total of 1,000 acres.

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

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

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

12 “**SECTION 50.** ORS 197.302 is amended to read:

13 “197.302. (1) After gathering and compiling information on the perform-
14 ance measures as described in ORS 197.301 but prior to submitting the in-
15 formation to the Department of Land Conservation and Development, [*a*
16 *metropolitan service district*] **Metro** shall determine if actions taken under
17 ORS 197.296 (6) have established the buildable land supply and housing den-
18 sities necessary to accommodate estimated housing needs determined under
19 ORS 197.296 (3). If [*the metropolitan service district*] **Metro** determines that
20 the actions undertaken will not accommodate estimated need, [*the district*]
21 **Metro** shall develop a corrective action plan, including a schedule for im-
22 plementation. [*The district*] **Metro** shall submit the plan to the department
23 along with the report on performance measures required under ORS 197.301.
24 Corrective action under this section may include amendment of the urban
25 growth boundary, [*comprehensive plan,*] regional framework plan, functional
26 plan or land use regulations as described in ORS 197.296 (6)(b).

27 “(2) Within two years of submitting a corrective action plan to the de-
28 partment, [*the metropolitan service district*] **Metro** shall demonstrate by ref-
29 erence to the performance measures described in ORS 197.301 that
30 implementation of the plan has resulted in the buildable land supply and

1 housing density within the urban growth boundary necessary to accommo-
2 date the estimated housing needs for each housing type as determined under
3 ORS 197.296 (3).

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

8 **“SECTION 51.** ORS 197.304 is amended to read:

9 “197.304. (1) Notwithstanding an intergovernmental agreement pursuant
10 to ORS 190.003 to 190.130 or acknowledged comprehensive plan provisions to
11 the contrary, a city within Lane County [*that has a population of 50,000 or*
12 *more within its boundaries*] **with a population of 50,000 or greater** shall
13 meet its obligation under ORS 197.286 to 197.314 separately from any other
14 city within Lane County. The city shall, separately from any other city:

15 “(a) Establish an urban growth boundary, consistent with the jurisdic-
16 tional area of responsibility specified in the acknowledged comprehensive
17 plan; and

18 “(b) Demonstrate, as required by [*ORS 197.296*] **section 22 of this 2023**
19 **Act**, that its comprehensive plan provides sufficient buildable lands within
20 an urban growth boundary [*established pursuant to statewide planning goals*
21 *to accommodate estimated housing needs for 20 years*] **to accommodate**
22 **needed housing.**

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

27 **“SECTION 52.** ORS 197.307, as amended by section 14, chapter 401,
28 Oregon Laws 2019, and section 2, chapter 54, Oregon Laws 2022, is amended
29 to read:

30 “197.307. (1) The availability of affordable, decent, safe and sanitary

1 housing opportunities for persons of lower, middle and fixed income, includ-
2 ing **agriculture workforce** housing [*for farmworkers*], is a matter of state-
3 wide concern.

4 “(2) Many persons of lower, middle and fixed income depend on govern-
5 ment assisted housing as a source of affordable, decent, safe and sanitary
6 housing.

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

12 “(4) Except as provided in subsection (6) of this section, a local govern-
13 ment may adopt and apply only clear and objective standards, conditions and
14 procedures regulating the development of housing, including needed housing.
15 The standards, conditions and procedures:

16 “(a) May include, but are not limited to, one or more provisions regulat-
17 ing the density or height of a development.

18 “(b) May not have the effect, either in themselves or cumulatively, of
19 discouraging needed housing through unreasonable cost or delay.

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

21 “(a) An application or permit for residential development in an area
22 identified in a formally adopted central city plan, or a regional center as
23 defined by Metro, in a city with a population of 500,000 or [*more*] **greater**.

24 “(b) An application or permit for residential development in historic areas
25 designated for protection under a land use planning goal protecting historic
26 areas.

27 “(6) In addition to an approval process for needed housing based on clear
28 and objective standards, conditions and procedures as provided in subsection
29 (4) of this section, a local government may adopt and apply an alternative
30 approval process for applications and permits for residential development

1 based on approval criteria regulating, in whole or in part, appearance or
2 aesthetics that are not clear and objective if:

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

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

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

10 “(7) Subject to subsection (4) of this section, this section does not infringe
11 on a local government’s prerogative to:

12 “(a) Set approval standards under which a particular housing type is
13 permitted outright;

14 “(b) Impose special conditions upon approval of a specific development
15 proposal; or

16 “(c) Establish approval procedures.

17 **“SECTION 53.** ORS 197.313 is amended to read:

18 “197.313. [*Nothing in ORS 197.312 or in the amendments to ORS 197.286,*
19 *197.303, 197.307 by sections 1, 2 and 3, chapter 795, Oregon Laws 1983, shall*
20 *be construed to]* **ORS 197.286 to 197.314 do not** require a city or county to
21 contribute to the financing, administration or sponsorship of government
22 assisted housing.

23 **“SECTION 54.** ORS 197.314 is added to and made a part of ORS
24 **197.475 to 197.490.**

25 **“SECTION 55.** ORS 197.480 is amended to read:

26 “197.480. (1) Each city and county governing body shall provide[, *in ac-*
27 *cordance with urban growth management agreements,*] for mobile home or
28 manufactured dwelling parks as an allowed use[, *by July 1, 1990, or by the*
29 *next periodic review after January 1, 1988, whichever comes first*]:

30 “(a) By zoning ordinance and by comprehensive plan designation on

1 buildable lands within urban growth boundaries; and

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

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

7 “(a) Population projections;

8 “(b) Household income levels;

9 “(c) Housing market trends of the region; and

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

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

17 “(4) Notwithstanding the provisions of subsection (1) of this section, a
18 city or county within [*a metropolitan service district, established pursuant to*
19 *ORS chapter 268*] **Metro**, shall inventory the mobile home or manufactured
20 dwelling parks sited in areas planned and zoned or generally used for com-
21 mercial, industrial or high density residential development [*no later than two*
22 *years from September 27, 1987*].

23 “(5)(a) A city or county may establish clear and objective criteria and
24 standards for the placement and design of mobile home or manufactured
25 dwelling parks.

26 “(b) If a city or county requires a hearing before approval of a mobile
27 home or manufactured dwelling park, application of the criteria and stan-
28 dards adopted pursuant to paragraph (a) of this subsection shall be the sole
29 issue to be determined at the hearing.

30 “(c) No criteria or standards established under paragraph (a) of this sub-

1 section [shall] **may** be adopted which would preclude the development of
2 mobile home or manufactured dwelling parks within the intent of ORS
3 [197.286 and] 197.475 to 197.490.

4 **“SECTION 56.** ORS 197.522 is amended to read:

5 “197.522. (1) As used in this section:

6 “(a) ‘Needed housing’ has the meaning given that term in ORS [197.303]
7 **197.286.**

8 “(b) ‘Partition’ has the meaning given that term in ORS 92.010.

9 “(c) ‘Permit’ means a permit as defined in ORS 215.402 and a permit as
10 defined in ORS 227.160.

11 “(d) ‘Subdivision’ has the meaning given that term in ORS 92.010.

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

16 “(3) If an application is inconsistent with the comprehensive plan and
17 applicable land use regulations, the local government, prior to making a final
18 decision on the application, shall allow the applicant to offer an amendment
19 or to propose conditions of approval that would make the application con-
20 sistent with the plan and applicable regulations. If an applicant seeks to
21 amend the application or propose conditions of approval:

22 “(a) A county may extend the time limitation under ORS 215.427 for final
23 action by the governing body of a county on an application for needed
24 housing and may set forth a new time limitation for final action on the
25 consideration of future amendments or proposals.

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

30 “(4) A local government shall deny an application that is inconsistent

1 with the comprehensive plan and applicable land use regulations and that
2 cannot be made consistent through amendments to the application or the
3 imposition of reasonable conditions of approval.

4 **“SECTION 57. ORS 197.637 and 197.764 are added to and made a part**
5 **of ORS 197.286 to 197.314.**

6 **“SECTION 58.** ORS 197.637 is amended to read:

7 “197.637. (1) Upon request of the Department of Land Conservation and
8 Development, the Housing and Community Services Department shall review
9 the inventory and analysis of housing, and measures taken to address the
10 housing need, required of certain local governments under ORS 197.296 **or**
11 **197.297 or section 21 or 22 of this 2023 Act.** The review shall address the
12 likely effect of measures developed by a local government [*under ORS 197.296*
13 *(6) or (7)*] on the adequacy of the supply of buildable land and [*opportunities*
14 *to satisfy needs identified under ORS 197.296 (3)*] **measures to address**
15 **needed housing.**

16 “(2) The Land Conservation and Development Commission and the Direc-
17 tor of the Department of Land Conservation and Development shall consider
18 the review and any recommendations of the Housing and Community Ser-
19 vices Department when determining whether a local government has com-
20 plied with the statewide land use planning goals and the requirements of
21 ORS 197.296 **or 197.297 or section 21 or 22 of this 2023 Act.**

22 **“SECTION 59.** ORS 197.764 is amended to read:

23 “197.764. (1) A local government may **make a land use decision to ap-**
24 **prove an application to remove a lot or parcel from within an urban growth**
25 **boundary if:**

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

27 “(b)(A) The lot or parcel is adjacent to the edge of the urban growth
28 boundary; or

29 “(B) The lot or parcel is adjacent to another lot or parcel that is removed
30 under this section;

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

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

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

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

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

10 “(b) The potential value in the investment of providing urban services to
11 the affected lot or parcel;

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

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

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

19 “(b) A local government that approves an application under this section
20 shall either expand the urban growth boundary to compensate for any re-
21 sulting reduction in available buildable lands or increase the development
22 capacity of the remaining supply of buildable lands **consistent with ORS**
23 **197.296 (6) or 197A.300 to 197A.325 or section 21 or 22 of this 2023 Act.**

24 **“SECTION 60. ORS 197.766 is repealed.**

25 **“SECTION 61. ORS 197.831 is amended to read:**

26 “197.831. In a proceeding before the Land Use Board of Appeals or an
27 appellate court that involves an ordinance required to contain clear and ob-
28 jective approval standards, conditions and procedures for [*needed*] housing,
29 **including under ORS 197.307**, the local government imposing the provisions
30 of the ordinance shall demonstrate that the approval standards, conditions

1 and procedures are capable of being imposed only in a clear and objective
2 manner.

3 **“SECTION 62. ORS 197A.300 to 197A.325 are added to and made a**
4 **part of ORS 197.286 to 197.314.**

5 **“SECTION 63.** ORS 197A.300 is amended to read:

6 “197A.300. As used in ORS 197A.300 to 197A.325[:.],

7 “[*(1) ‘Buildable lands’ means land in urban or urbanizable areas that are*

8 *suitable for urban uses.*]

9 “[*(2)*] ‘serviceable’ means, with respect to land, that:

10 “[*(a)*] (1) Adequate sewer, water and transportation capacity for planned

11 urban development is available or can be either provided or made subject to

12 committed financing; or

13 “[*(b)*] (2) Committed financing can be in place to provide adequate sewer,

14 water and transportation capacity for planned urban development.

15 **“SECTION 64.** ORS 197A.310 is amended to read:

16 “197A.310. (1) [*In addition to and not in lieu of*] **As an alternative to** the

17 method prescribed in [*ORS 197.286 to 197.314 and the statewide land use*

18 *planning goals*] **section 22 (5)(a) of this 2023 Act**, the Land Conservation

19 and Development Commission shall adopt a method by which a city outside

20 Metro that has a population of less than 10,000 may evaluate or amend its

21 urban growth boundary.

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

23 “(a) A city using the method:

24 “(A) Will have within its boundaries sufficient buildable lands and other

25 development capacity, including land and capacity for needed housing and

26 employment opportunities, to meet the growth in population and employment

27 forecast to occur over a 14-year period.

28 “(B) Will not become less efficient in its use of land as a result of a

29 change to the urban growth boundary.

30 “(b) The urban population per square mile will continue, subject to mar-

1 ket conditions, to increase over time on a statewide basis and in major re-
2 gions of the state, including that portion of the Willamette Valley outside
3 of Metro.

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

6 “(3) Under the method adopted by the commission:

7 “(a) A city’s determination of the amount of buildable lands [*needed for*]
8 **sufficient for needed** housing, employment and other urban uses must be
9 based on the population and employment growth forecast to occur over a
10 14-year period.

11 “(b) A city’s determination of the supply and development capacity of
12 lands within its urban growth boundary must be based on:

13 “(A) A simple inventory of vacant and partially vacant buildable lands
14 within the urban growth boundary;

15 “(B) The comprehensive plan designation and the zoning of the portion
16 of the buildable lands that is urban; and

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

18 “(i) The development and redevelopment capacity of urbanizable lands
19 within the urban growth boundary; and

20 “(ii) The redevelopment capacity of developed urban lands within the ur-
21 ban growth boundary.

22 “(c) A city’s determination of the supply and development capacity of
23 lands the city proposes to include within the urban growth boundary must
24 be based on:

25 “(A) A simple inventory of vacant and partially vacant lands; and

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

28 “(d) A city shall demonstrate that lands included within the urban growth
29 boundary:

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

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

2 “(e) Lands included within the urban growth boundary:

3 “(A) Must be planned and zoned for categories of land uses in amounts
4 that are roughly proportional to the land need determined for each category
5 of use;

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

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

12 “(D) May be either:

13 “(i) Planned and zoned, or otherwise conditioned, to avoid significantly
14 affecting a state highway, a state highway interchange or a freight route
15 designated in the Oregon Highway Plan; or

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

20 “(4) For purposes of subsection (3)(a) of this section, population growth
21 must be forecast as provided in ORS 195.033. Employment growth must be
22 forecast based on the population growth forecast for the city or the employ-
23 ment growth forecast issued by the Employment Department for the county
24 or region. The commission shall establish factors, by rule, for converting the
25 forecasted population and employment growth into forecasts of land need for
26 housing, employment and other categories of uses. The factors must:

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

30 “(b) Reflect consideration by the commission of any significant changes

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

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

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

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

9 “(a) Based on an empirical evaluation of the population and employment
10 growth that has occurred on similarly situated lands through development
11 and redevelopment;

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

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

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

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

21 “(a) Based on an empirical evaluation of the population and employment
22 growth that has occurred on similarly situated lands through development
23 and redevelopment;

24 “(b) Based on consideration by the commission of any significant changes
25 occurring or expected to occur in the markets for urban land uses in each
26 major region of the state;

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

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

1 “(7) For lands that are included within an urban growth boundary pur-
2 suant to this section and not made serviceable within 20 years after the date
3 of their inclusion, the commission may provide by rule that:

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

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

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

13 **“SECTION 65.** ORS 197A.305 is amended to read:

14 “197A.305. (1) [*In addition to and not in lieu of*] **As an alternative to** the
15 method prescribed in [*ORS 197.286 to 197.314 and the statewide land use*
16 *planning goals*] **section 22 (5)(a) of this 2023 Act**, the Land Conservation
17 and Development Commission shall adopt by rule methods by which a city
18 that is outside Metro may evaluate or amend the urban growth boundary of
19 the city.

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

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

22 “(b) ORS 197A.312 if the city has a population of 10,000 or [*more*]
23 **greater.**

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

26 “(a) May use the method again when:

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

30 “(B) At least one-half of the lands identified as buildable lands during the

1 previous use of the method by the city have been developed.

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

7 “(4) A city that elects to use a method established pursuant to ORS
8 197A.310 or 197A.312 shall notify the Department of Land Conservation and
9 Development of the election in the manner required by ORS 197.610 for no-
10 tice of a post-acknowledgment plan amendment. The city may revoke the
11 election until the city makes a final decision whether to amend the urban
12 growth boundary of the city. A city that has initiated, but not completed,
13 an amendment of its urban growth boundary before January 1, 2014, may
14 withdraw the proposed amendment and use a method established pursuant
15 to ORS 197A.310 or 197A.312 by filing notice of the election with the de-
16 partment in the manner required by ORS 197.610 and 197.615 for notice of a
17 post-acknowledgment plan amendment.

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

19 “(a) Evaluate, every five years, the impact of the implementation of ORS
20 197A.310 (2) and 197A.312 (2) on the population per square mile, livability in
21 the area, the provision and cost of urban facilities and services, the rate of
22 conversion of agriculture and forest lands and other considerations;

23 “(b) Consider changes to the statewide land use planning goals or rules
24 to address adverse outcomes; and

25 “(c) Make recommendations to the Legislative Assembly, as necessary, for
26 statutory changes.

27 **“SECTION 66.** ORS 197A.312 is amended to read:

28 “197A.312. (1) [*In addition to and not in lieu of*] **As an alternative to** the
29 method prescribed in [*ORS 197.286 to 197.314 and the statewide land use*
30 *planning goals*] **section 22 (5)(a) of this 2023 Act**, the Land Conservation

1 and Development Commission shall adopt a method by which a city outside
2 Metro that has a population of 10,000 or [more] **greater** may evaluate or
3 amend its urban growth boundary.

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

5 “(a) A city using the method:

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

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

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

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

17 “(3) Under the method adopted by the commission:

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

22 “(b) A city’s determination of the supply and development capacity of
23 lands within its urban growth boundary must be based on:

24 “(A) An inventory of vacant and partially vacant buildable lands within
25 the urban growth boundary;

26 “(B) The comprehensive plan designation and the zoning of the portion
27 of the buildable lands that is urban; and

28 “(C) Factors established by the commission for forecasting:

29 “(i) The development and redevelopment capacity of urbanizable lands
30 within the urban growth boundary; and

1 “(ii) The redevelopment capacity of developed urban lands within the ur-
2 ban growth boundary.

3 “(c) A city’s determination of the supply and development capacity of
4 lands the city proposes to include within the urban growth boundary must
5 be based on:

6 “(A) An inventory of vacant and partially vacant lands; and

7 “(B) Factors established by the commission for forecasting the develop-
8 ment and redevelopment capacity of the lands.

9 “(d) A city shall consider a range or combination of measures identified
10 by rule of the commission to accommodate future need for land within the
11 urban growth boundary and implement at least one measure or satisfy an
12 alternate performance standard established by the commission. The commis-
13 sion shall design the alternate performance standard so that the standard is
14 satisfied when the city:

15 “(A) Has a development code that contains specified provisions designed
16 to encourage the development of needed housing; and

17 “(B) Demonstrates that, during the preceding planning period, the city:

18 “(i) If located in the Willamette Valley, exceeded the median rate of re-
19 development and infill for cities with a population of 10,000 or [*more*]
20 **greater** in the Willamette Valley that are outside of the boundaries of Metro
21 by an amount set by commission rule; and

22 “(ii) If located outside of the Willamette Valley, exceeded the median rate
23 of redevelopment and infill for cities with a population of 10,000 or [*more*]
24 **greater** that are outside the Willamette Valley by an amount set by com-
25 mission rule.

26 “(e) A city shall demonstrate that lands included within the urban growth
27 boundary:

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

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

30 “(f) Lands included within the urban growth boundary:

1 “(A) Must be planned and zoned for categories of land uses in amounts
2 that are roughly proportional to the land need determined for each category
3 of use;

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

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

10 “(D) May be either:

11 “(i) Planned and zoned, or otherwise conditioned, to avoid significantly
12 affecting a state highway, a state highway interchange or a freight route
13 designated in the Oregon Highway Plan; or

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

18 “(4) For purposes of subsection (3)(a) of this section, population growth
19 must be forecast as provided in ORS 195.033. Employment growth must be
20 forecast based on the population growth forecast for the city or the employ-
21 ment growth forecast issued by the Employment Department for the county
22 or region. The commission shall establish factors, by rule, for converting the
23 forecasted population and employment growth into forecasts of land need for
24 housing, employment and other categories of uses. The factors must:

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

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

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

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

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

7 “(a) Based on an empirical evaluation of the population and employment
8 growth that has occurred on similarly situated lands through development
9 and redevelopment;

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

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

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

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

19 “(a) Based on an empirical evaluation of the population and employment
20 growth that has occurred on similarly situated lands through development
21 and redevelopment;

22 “(b) Based on consideration by the commission of any significant changes
23 occurring or expected to occur in the markets for urban land uses in each
24 major region of the state;

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

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

29 “(7) For lands that are included within an urban growth boundary pur-
30 suant to this section and not made serviceable within 20 years after the date

1 of their inclusion, the commission may provide by rule that:

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

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

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

11 **“SECTION 67. ORS 197A.405, 197A.407, 197A.409, 197A.411 and
12 197A.413 are repealed.**

13 **“SECTION 68. Any moneys remaining in the City Economic Devel-
14 opment Pilot Program Fund on the effective date of this 2023 Act that
15 are unexpended, unobligated and not subject to any conditions shall
16 revert to the General Fund.**

17 **“SECTION 69. ORS 215.457 is amended to read:**

18 “215.457. A person may establish a youth camp:

19 “(1) On land zoned for forest use or mixed farm and forest use, consistent
20 with rules adopted by the Land Conservation and Development Commission.

21 “(2) On land in eastern Oregon, as defined in ORS 321.805, that is zoned
22 for exclusive farm use and is composed predominantly of class VI, VII or
23 VIII soils, consistent with rules adopted by the Land Conservation and De-
24 velopment Commission. However, a person may not establish a youth camp
25 authorized under this subsection within an irrigation district or within three
26 miles of an urban growth boundary as defined in ORS [197.286] **197.015**. A
27 youth camp may be authorized under this subsection only on a lawfully es-
28 tablished unit of land as defined in ORS 92.010 of at least 1,000 acres.

29 **“SECTION 70. ORS 215.501 is amended to read:**

30 “215.501. (1) As used in this section:

1 “(a) ‘Accessory dwelling unit’ means a residential structure that is used
2 in connection with or that is auxiliary to a single-family dwelling.

3 “(b) ‘Area zoned for rural residential use’ means land that is not located
4 inside an urban growth boundary as defined in ORS [195.060] **197.015** and
5 that is subject to an acknowledged exception to a statewide land use plan-
6 ning goal relating to farmland or forestland and planned and zoned by the
7 county to allow residential use as a primary use.

8 “(c) ‘Historic home’ means a single-family dwelling constructed between
9 1850 and 1945.

10 “(d) ‘New’ means that the dwelling being constructed did not previously
11 exist in residential or nonresidential form. ‘New’ does not include the ac-
12 quisition, alteration, renovation or remodeling of an existing structure.

13 “(e) ‘Single-family dwelling’ means a residential structure designed as a
14 residence for one family and sharing no common wall with another residence
15 of any type.

16 “(2) Notwithstanding any local zoning or local regulation or ordinance
17 pertaining to the siting of accessory dwelling units in areas zoned for rural
18 residential use, a county may allow an owner of a lot or parcel within an
19 area zoned for rural residential use to construct a new single-family dwelling
20 on the lot or parcel, provided:

21 “(a) The lot or parcel is not located in an area designated as an urban
22 reserve as defined in ORS 195.137;

23 “(b) The lot or parcel is at least two acres in size;

24 “(c) A historic home is sited on the lot or parcel;

25 “(d) The owner converts the historic home to an accessory dwelling unit
26 upon completion of the new single-family dwelling; and

27 “(e) The accessory dwelling unit complies with all applicable laws and
28 regulations relating to sanitation and wastewater disposal and treatment.

29 “(3) An owner that constructs a new single-family dwelling under sub-
30 section (2) of this section may not:

1 “(a) Subdivide, partition or otherwise divide the lot or parcel so that the
2 new single-family dwelling is situated on a different lot or parcel from the
3 accessory dwelling unit.

4 “(b) Alter, renovate or remodel the accessory dwelling unit so that the
5 square footage of the accessory dwelling unit is more than 120 percent of the
6 historic home’s square footage at the time construction of the new single-
7 family dwelling commenced.

8 “(c) Rebuild the accessory dwelling unit if the structure is lost to fire.

9 “(d) Construct an additional accessory dwelling unit on the same lot or
10 parcel.

11 “(4) A county may require that a new single-family dwelling constructed
12 under this section be served by the same water supply source as the acces-
13 sory dwelling unit.

14 “(5) A county may impose additional conditions of approval for con-
15 struction of a new single-family dwelling or conversion of a historic home
16 to an accessory dwelling unit under this section.

17 **“SECTION 71. ORS 270.005 is amended to read:**

18 “270.005. For purposes of ORS 184.634, 270.005 to 270.015, 270.100 to
19 270.190, 273.416, 273.426 to 273.436 and 273.551:

20 “(1) ‘Department’ means the Oregon Department of Administrative Ser-
21 vices.

22 “(2) ‘Improvements’ means any and all structures on or attachments to
23 state-owned real property, but excluding public improvements as defined in
24 ORS 279A.010.

25 “(3) ‘Real property’ means all real property together with any and all
26 improvements thereon.

27 “(4) ‘Rural community’ means an unincorporated community that consists
28 primarily of permanent residential dwellings but also has at least two other
29 land uses that provide commercial, industrial or public uses to the commu-
30 nity, the surrounding rural area or persons traveling through the area.

1 “(5) ‘Surplus real property’ means all state-owned real property and im-
2 provements surplus to agency and state need.

3 “(6) ‘Urban growth boundary’ has the meaning given that term in ORS
4 [195.060] **197.015**.

5 “(7) ‘Urban reserve’ means any land designated as an urban reserve under
6 ORS 195.145.

7 “(8) ‘Urban unincorporated community’ has the meaning given that term
8 in ORS 197.015.

9 **“SECTION 72.** ORS 466.055 is amended to read:

10 “466.055. Before issuing a permit for a new facility designed to dispose
11 of or treat hazardous waste or PCB, the Environmental Quality Commission
12 must find, on the basis of information submitted by the applicant, the De-
13 partment of Environmental Quality or any other interested party, that the
14 proposed facility meets the following criteria:

15 “(1) The proposed facility location:

16 “(a) Is suitable for the type and amount of hazardous waste or PCB in-
17 tended for treatment or disposal at the facility;

18 “(b) Provides the maximum protection possible to the public health and
19 safety and environment of Oregon from release of the hazardous waste or
20 PCB stored, treated or disposed of at the facility; and

21 “(c) Is situated sufficient distance from urban growth boundaries, as de-
22 fined in ORS [197.286] **197.015**, to protect the public health and safety, ac-
23 cessible by transportation routes that minimize the threat to the public
24 health and safety and to the environment and sufficient distance from parks,
25 wilderness and recreation areas to prevent adverse impacts on the public use
26 and enjoyment of those areas.

27 “(2) Subject to any applicable standards adopted under ORS 466.035, the
28 design of the proposed facility:

29 “(a) Allows for treatment or disposal of the range of hazardous waste or
30 PCB as required by the commission; and

1 “(b) Significantly adds to:

2 “(A) The range of hazardous waste or PCB handled at a treatment or
3 disposal facility currently permitted under ORS 466.005 to 466.385; or

4 “(B) The type of technology employed at a treatment or disposal facility
5 currently permitted under ORS 466.005 to 466.385.

6 “(3) The proposed facility uses the best available technology for treating
7 or disposing of hazardous waste or PCB as determined by the department or
8 the United States Environmental Protection Agency.

9 “(4) The need for the facility is demonstrated by:

10 “(a) Lack of adequate current treatment or disposal capacity in Oregon,
11 Washington, Idaho and Alaska to handle hazardous waste or PCB generated
12 by Oregon companies;

13 “(b) A finding that operation of the proposed facility would result in a
14 higher level of protection of the public health and safety or environment; or

15 “(c) Significantly lower treatment or disposal costs to Oregon companies.

16 “(5) The proposed hazardous waste or PCB treatment or disposal facility
17 has no major adverse effect on either:

18 “(a) Public health and safety; or

19 “(b) Environment of adjacent lands.

20 **“SECTION 73.** ORS 527.755 is amended to read:

21 “527.755. (1) The following highways are hereby designated as scenic
22 highways for purposes of the Oregon Forest Practices Act:

23 “(a) Interstate Highways 5, 84, 205, 405; and

24 “(b) State Highways 6, 7, 20, 18/22, 26, 27, 30, 31, 34, 35, 36, 38, 42, 58, 62,
25 66, 82, 97, 101, 126, 138, 140, 199, 230, 234 and 395.

26 “(2) The purpose of designating scenic highways is to provide a limited
27 mechanism that maintains roadside trees for the enjoyment of the motoring
28 public while traveling through forestland, consistent with ORS 527.630,
29 safety and other practical considerations.

30 “(3) The State Board of Forestry, in consultation with the Department of

1 Transportation, shall establish procedures and regulations as necessary to
2 implement the requirements of subsections (4), (5) and (6) of this section,
3 consistent with subsection (2) of this section, including provisions for alter-
4 nate plans. Alternate plans that modify or waive the requirements of sub-
5 section (4), (5) or (6) of this section may be approved when, in the judgment
6 of the State Forester, circumstances exist such as:

7 “(a) Modification or waiver is necessary to maintain motorist safety,
8 protect improvements such as dwellings and bridges, or protect forest health;

9 “(b) Modification or waiver will provide additional scenic benefits to the
10 motoring public, such as exposure of distant scenic vistas;

11 “(c) Trees that are otherwise required to be retained will not be visible
12 to motorists;

13 “(d) The operation involves a change of land use that is inconsistent with
14 maintaining a visually sensitive corridor; or

15 “(e) The retention of timber in a visually sensitive corridor will result in
16 severe economic hardship for the owner because all or nearly all of the
17 owner’s property is within the visually sensitive corridor.

18 “(4)(a) For harvest operations within a visually sensitive corridor, at least
19 50 healthy trees of at least 11 inches DBH, or that measure at least 40 square
20 feet in basal area, shall be temporarily left on each acre.

21 “(b) Overstory trees initially required to be left under paragraph (a) of
22 this subsection may be removed when the reproduction understory reaches
23 an average height of at least 10 feet and has at least the minimum number
24 of stems per acre of free to grow seedlings or saplings required by the board
25 for reforestation, by rule.

26 “(c) Alternatively, when the adjacent stand, extending from 150 feet from
27 the outermost edge of the roadway to 300 feet from the outermost edge of the
28 roadway, has attained an average height of at least 10 feet and has at least
29 the minimum number of stems per acre of free to grow seedlings or saplings
30 required by the board for reforestation, by rule, or at least 40 square feet

1 of basal area per acre, no trees are required to be left in the visually sensi-
2 tive corridor, or trees initially required to be left under paragraph (a) of this
3 subsection may be removed. When harvests within the visually sensitive
4 corridor are carried out under this paragraph, the adjacent stand, extending
5 from 150 feet from the outermost edge of the roadway to 300 feet from the
6 outermost edge of the roadway, shall not be reduced below the minimum
7 number of stems per acre of free to grow seedlings or saplings at least 10 feet
8 tall required by the board for reforestation, by rule, or below 40 square feet
9 of basal area per acre until the adjacent visually sensitive corridor has been
10 reforested as required under subsection (6) of this section and the stand has
11 attained an average height of at least 10 feet and has at least the minimum
12 number of stems per acre.

13 “(5) Harvest areas within a visually sensitive corridor shall be cleared
14 of major harvest debris within 30 days of the completion of the harvest, or
15 within 60 days of the cessation of active harvesting activity on the site, re-
16 gardless of whether the harvest operation is complete.

17 “(6) Notwithstanding the time limits established in ORS 527.745 (1)(a),
18 when harvesting within a visually sensitive corridor results in a harvest type
19 1 or harvest type 3, reforestation shall be completed by the end of the first
20 planting season after the completion of the harvest. All other provisions of
21 ORS 527.745 shall also apply to harvest type 1 or harvest type 3 within vis-
22 ually sensitive corridors.

23 “(7) Landowners and operators shall not be liable for injury or damage
24 caused by trees left within the visually sensitive corridor for purposes of
25 fulfilling the requirements of this section, when carried out in compliance
26 with the provisions of the Oregon Forest Practices Act.

27 “(8) The following are exempt from this section:

28 “(a) Harvest on single ownerships less than five acres in size;

29 “(b) Harvest within an urban growth boundary, as defined in ORS
30 [195.060] **197.015**; and

1 “(c) Harvest within zones designated for rural residential development
2 pursuant to an exception adopted to the statewide land use planning goals
3 under ORS 197.732.

4 **“SECTION 74.** Section 6, chapter 552, Oregon Laws 2021, is amended to
5 read:

6 **“Sec. 6.** (1) Notwithstanding ORS 197.286 to 197.314, 197.626 or 197A.320
7 or any statewide land use planning goal related to housing or urbanization,
8 the Department of Land Conservation and Development shall approve an
9 expansion of the urban growth boundary submitted by the city and approved
10 by the city by ordinance, if the department determines that:

11 “(a) The department has received the letters required by section 4,
12 **chapter 552, Oregon Laws 2021** [*of this 2021 Act*];

13 “(b) The department has approved the city’s conceptual plan under section
14 **5, chapter 552, Oregon Laws 2021** [*of this 2021 Act*]; and

15 “(c) The proposed urban growth boundary expansion adds all of the
16 Stevens Road tract and no other lands to the area within the city’s urban
17 growth boundary.

18 “(2) The city shall include the lands brought within the city’s urban
19 growth boundary under this section in the city’s inventory of buildable lands
20 under [*ORS 197.296 (3)(a)*] **section 22 of this 2023 Act.**

21 **“SECTION 75.** Section 9, chapter 552, Oregon Laws 2021, is amended to
22 read:

23 **“Sec. 9.** (1) Notwithstanding ORS 197.250 or 197.612 or any statewide land
24 use planning goal, the Department of Land Conservation and Development
25 shall approve Stevens Road planning amendments provided the department
26 determines, in its discretion, that the Stevens Road planning amendments,
27 with respect to the Stevens Road tract, include:

28 “(a) An inventory of significant historical artifacts, cultural sites and
29 natural resources.

30 “(b) Areas designated for recreational and open space.

1 “(c) Land use regulations for the protection and preservation of signif-
2 icant resources and designated areas identified in paragraphs (a) and (b) of
3 this subsection.

4 “(d) Land use regulations that comply with applicable wildfire planning
5 and development requirements, including requirements in regulations
6 adopted to implement a statewide planning goal relating to natural disasters
7 and hazards.

8 “(e) Areas designated for adequate employment lands that account for the
9 city’s most recent economic opportunity analysis, including consideration of
10 subsequent economic development activities and trends.

11 “(f) Within areas zoned for residential purposes, without counting the
12 lands designated under subsection (2) of this section, land use regulations for
13 housing that:

14 “(A) Ensure adequate opportunities for the development of all needed
15 housing types, sizes and densities of market-rate housing, including middle
16 housing as defined in ORS 197.758;

17 “(B) Exceed the proportions of single-family attached and multifamily
18 housing called for in the city’s most recently adopted housing needs analysis
19 under ORS 197.296 (3) **(2021 Edition)**;

20 “(C) Exceed a minimum density standard of nine residential units per
21 gross residential acre; and

22 “(D) On the date the Stevens Road planning amendments are approved,
23 comply with land use regulations adopted by the city, or any minimum ap-
24 plicable rules adopted by the department, to implement ORS 197.758 and the
25 amendments to ORS 197.312 by section 7, chapter 639, Oregon Laws 2019.

26 “(g) Sufficient areas designated for mixed use development to support and
27 integrate viable commercial and residential uses along with transportation
28 options, including walking, bicycling and transit use.

29 “(h) Land use regulations ensuring that:

30 “(A) Adequate capacity is available, or feasible with development, for

1 water, sewer and storm water services; and

2 “(B) Adequate consideration is given to the financing, scheduling and
3 development of urban services, as defined in ORS 195.065.

4 “(i) Land use regulations for transportation that:

5 “(A) Ensure the development of adequate infrastructure to support walk-
6 ing, bicycling, public transit and motor vehicle movement; and

7 “(B) Give adequate consideration to transportation networks that connect
8 the Stevens Road tract to other areas within the urban growth boundary of
9 the city.

10 “(j) The adequate consideration of the recommendations and comments
11 received under section 8 (3) to (5), **chapter 552, Oregon Laws 2021** [*of this*
12 *2021 Act*].

13 “(2) The department may not approve the planning amendments under
14 subsection (1) of this section unless the planning amendments designate at
15 least 20 net acres of land to be:

16 “(a) Restricted so the area may be zoned, planned, sited or developed only
17 for residential housing units at a minimum density of nine residential units
18 per gross acre;

19 “(b) Conveyed to the city at a price per acre established under section 4
20 (2)(b), **chapter 552, Oregon Laws 2021** [*of this 2021 Act*]; and

21 “(c) Notwithstanding ORS 91.225 or 197.309, preserved for a period of no
22 less than 50 years as affordable to own or rent as follows:

23 “(A) At least 12 net acres made affordable to:

24 “(i) Households with incomes of 60 percent or less of the area median
25 income, as defined in ORS 456.270; or

26 “(ii) If part of an income-averaging program approved by the Housing and
27 Community Services Department, households whose incomes average 60 per-
28 cent or less of the area median income.

29 “(B) At least six net acres:

30 “(i) Made affordable to households with incomes of 80 percent or less of

1 the area median income; and

2 “(ii) Made available, to the extent permitted by law, in a manner that
3 gives a priority to households in which at least one individual is employed
4 by an education provider over other members of the public.

5 “(C) At least two net acres in which at least 80 percent of the units in
6 each contiguous development tract are made affordable to households with
7 80 percent or less of the area median income, of which at least one net acre
8 is made available, to the extent permitted by law, in a manner that gives a
9 priority to households in which at least one individual is employed by an
10 education provider over other members of the public.

11 “(3) Upon a partition or subdivision of the Stevens Road tract following
12 the approval of the planning amendments under subsection (1) of this section
13 establishing one or more lots or parcels described in subsection (2) of this
14 section, the owner shall transfer those lots or parcels to the city. For a pe-
15 riod of 99 years after the purchase of property under this section, if the city
16 resells any lot or parcel, the city may recover only the city’s costs of the
17 purchase and resale of the property.

18 “(4) Neither the city nor the Department of Land Conservation and De-
19 velopment is obligated to adopt any specific findings or evaluate any specific
20 criteria in exercising its discretion with respect to any Stevens Road plan-
21 ning amendments under this section and may receive, solicit or consider in-
22 formation from any source.

23 “(5) As used in this section, ‘education provider’ means a school district
24 as defined in ORS 332.002, an educational program under the Youth Cor-
25 rections Education Program or Juvenile Detention Education Program as
26 both are defined in ORS 326.695, or an education service district as defined
27 in ORS 334.003.

28

29

“CAPTIONS

30

1 **“SECTION 76. The unit captions used in this 2023 Act are provided**
2 **only for the convenience of the reader and do not become part of the**
3 **statutory law of this state or express any legislative intent in the**
4 **enactment of this 2023 Act.**

5

6

“EFFECTIVE DATE

7

8 **“SECTION 77. This 2023 Act being necessary for the immediate**
9 **preservation of the public peace, health and safety, an emergency is**
10 **declared to exist, and this 2023 Act takes effect on its passage.”.**

11
