

## HB 2258 -3 STAFF MEASURE SUMMARY

### House Committee On Housing and Homelessness

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**Meeting Dates:** 3/17, 4/2, 4/7

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#### WHAT THE MEASURE DOES:

Directs the Housing and Community Services Department to study housing and report to the legislature by September 15, 2026. Sunsets study on January 2, 2027.

#### ISSUES DISCUSSED:

- Cost of construction of affordable housing and transferring savings to home buyers
- Incentives for cities that are already developing middle housing

#### EFFECT OF AMENDMENT:

-3 The amendment replaces the measure and allows the Land Conservation and Development Commission to require local governments to issue land use decisions approving specific types of residential development on qualifying lots.

#### Detailed Summary:

Allows the Land Conservation and Development Commission (LCDC) to adopt rules requiring local governments to issue a land use decision, notwithstanding any comprehensive plan or land use regulations or statewide land use planning goals, approving the development of specified residential development types on certain lots or parcels under specified conditions.

Specifies that rules can only pertain to lots or parcels that are:

- lawfully established units of land;
- within an urban growth boundary;
- zoned to allow residential use;
- at least 1,500 square feet;
- not larger than 20,000 square feet;
- not covered by slopes averaging more than 15 percent;
- not within an area identified in an inventory or map that is part of the local government's comprehensive plan as environmentally sensitive or containing significant natural resources, open space or scenic areas, or natural hazard areas;
- vacant, including a lot or parcel:
  - created by any lawful division of land, regardless of when the division occurred,
  - on which is sited a nonresidential structure that is nonconforming or not suitable for any lawful use,
  - for which residential units were demolished more than five years prior,
  - for which residential units were demolished within the previous five years, provided that the approved development would create net additional units and would use a building construction plan.

Permits only the following residential development types:

- Attached or detached housing, including accessory dwelling units or prefabricated or modular housing.
- Types with a buildable area of:
  - not more than 2,200 square feet for a single-unit dwelling, accessory dwelling unit, duplex, triplex, quadplex or townhouse.

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- average per-unit size of not more than 1,400 square feet for cottage clusters or a multiunit dwelling.
- Multiunit dwelling with more than six and fewer than 12 units.
- Complies with the minimum density requirements of the applicable comprehensive plan or land use regulations for the lot or parcel.
- Other housing types with approved building plans by LCDC.

Permits LCDC to specify the:

- Processes that the local governments may apply to the development, except for public facilities or traffic impact analysis processes, which the local government may establish and implement.
- Applicable design standards and the scope of the design review, which may include requiring the approval of the use of any approved material, design, or method of construction.
- Allowable variations or adjustments, or variation or adjustment types, from the specific approval. Clarifies that a local government is not required to grant a request for adjustment to development except as specified by the commission.
- Limits on land use, including establishing appropriate minimum or maximum setbacks, parking requirements, floor-to-area ratios, or minimum dwelling units per acre.

Standards for tree removal, replacement, or planting.

Requires standards for tree removal to include:

- prohibiting the removal of heritage trees or trees with a DBH of 20 inches or more; and
- requiring the replacement or replanting of every removed tree that is: locally designated as a protected species, healthy, and has a DBH of 12 inches or more.

Requires LCDC to coordinate with the review of building construction plans by the Department of Consumer and Business Services to adopt rules for these provisions.

Directs LCDC to adopt initial rules for issuing land use decisions by January 1, 2027.

Allows DCBS to designate a process by which an applicant for a building permit for a residential structure may receive building construction plan approval from the municipality, including through the use of typical drawings and specifications created by the department or review of plans and specifications approved by the department (which remain proprietary unless the submitter requests otherwise).

Allows DCBS to coordinate with approvals of land use plans by LCDC.

Declares emergency, effective on passage.

### **BACKGROUND:**

The Oregon Land Conservation and Development Commission (LCDC), with support from the department, sets state land-use objectives, develops regulatory guidelines, ensures local plans comply with these targets, coordinates planning at both state and local levels, and manages the coastal zone program. The commission consists of seven volunteer citizen members, who are nominated by the Governor and confirmed by the Senate. They serve four-year terms, with a limit of two full terms. Under ORS 197.030—the law that created the commission—its members must represent different regions of the state. Additionally, at least one member must be a current or former elected city official, and another must be an elected county official at the time of their appointment.

The Community Services Division provides comprehensive technical support to both local governments and state agencies. Its functions include reviewing local plans to ensure they align with statewide planning objectives and awarding planning grants to local jurisdictions. The division also employs regional representatives who work closely with county and city planners in their designated areas.

A central responsibility for these regional representatives is to review every comprehensive plan proposal and adoption submitted to the DLCD in accordance with state law. In Oregon, the term “Periodic Review” refers to the scheduled evaluation and update of a local comprehensive plan. Cities and counties are required to periodically reassess their plans by addressing key components such as housing, economic development, transportation, public facilities and services, and urban land supply. To assist in this process, DLCD collaborates with local jurisdictions to identify their unique planning and development needs and to develop a corresponding work program. Once approved, a city submits its specific planning tasks for further review and approval by the department or the LCDC.

PRELIMINARY