

## HOUSE AMENDMENTS TO HOUSE BILL 4037

By COMMITTEE ON HOUSING AND HOMELESSNESS

February 16

1 On page 1 of the printed bill, line 3, delete “197A.805, 215.427, 227.178.”.

2 On page 6, delete lines 40 through 45.

3 On page 7, delete lines 1 through 7 and insert:

4 “(3)(a) Except as provided in paragraph (b) of this subsection, upon entering into a project  
5 funding agreement with a developer, a sponsoring jurisdiction shall adopt an ordinance or resolution  
6 setting forth the details of the eligible housing project that is the subject of the project funding  
7 agreement, including but not limited to:

8 “(A) A description of the eligible housing project;

9 “(B) A statement indicating whether the eligible housing project property is exempt from prop-  
10 erty taxation under ORS 307.227;

11 “(C) An itemized description of the eligible costs;

12 “(D) The amount and terms of the grant project award or project loan principal; and

13 “(E) A statement declaring that the project funding has been awarded in response to the housing  
14 needs of communities within the sponsoring jurisdiction.

15 “(b) A sponsoring jurisdiction is not required to adopt an ordinance or resolution under para-  
16 graph (a) of this subsection if:

17 “(A) The ordinance or resolution adopted under ORS 307.214 delegates authority to review de-  
18 veloper applications under ORS 307.216 to a designated authority;

19 “(B) The sponsoring jurisdiction has agreed to repay the agency loan in accordance with ORS  
20 307.223; and

21 “(C) The eligible housing project property will not be exempt from property taxation under ORS  
22 307.227.”.

23 On page 12, line 7, delete “may” and insert “shall”.

24 In line 13, delete “low or moderate income household” and insert “household with an income  
25 less than or equal to 120 percent and greater than 60 percent of the area median income, as defined  
26 in ORS 456.270”.

27 Delete lines 18 through 45.

28 On page 13, delete lines 1 through 40 and insert:

29 “**NOTE:** Section 14 was deleted by amendment. Subsequent sections were not renumbered.

30

31

### “LAND CONSERVATION AND DEVELOPMENT COMMISSION ORDERS”.

32

33

34 On page 15, delete lines 16 through 45 and delete pages 16 through 20.

35 On page 21, delete line 1 and insert:

1       “**SECTION 17.** ORS 197A.400 is amended to read:

2       “197A.400. (1)(a) Except as provided in subsection (3) of this section, a local government may

3 adopt and apply only clear and objective standards, conditions and procedures regulating:

4       “(A) The development of housing; and

5       “(B) Tree removal [*codes*] related to the development of housing.

6       “(b) The standards, conditions and procedures:

7       “(A) May include, but are not limited to, one or more provisions regulating the density or height

8 of a development.

9       “(B) May not have the effect, either in themselves or cumulatively, of discouraging needed

10 housing through unreasonable cost or delay.

11       “(C) May be contained in a comprehensive plan, land use regulation or an ordinance relating

12 to housing adopted by a city that adopts, including by reference, a model ordinance adopted by the

13 Land Conservation and Development Commission that comports with any qualifications, conditions

14 or applicability of the model ordinance.

15       “(c) This subsection applies only within:

16       “(A) An urban growth boundary;

17       “(B) An unincorporated community designated in a county’s acknowledged comprehensive plan

18 after December 5, 1994;

19       “(C) Nonresource land; or

20       “(D) An area zoned for rural residential use as defined in ORS 215.501.

21       “(2) The provisions of subsection (1) of this section do not apply to:

22       “(a) An application or permit for residential development in an area identified in a formally

23 adopted central city plan, or a regional center as defined by Metro, in a city with a population of

24 500,000 or greater.

25       “(b) An application or permit for residential development in historic areas designated for pro-

26 tection under a land use planning goal protecting historic areas.

27       “(3) In addition to an approval process for needed housing based on clear and objective stan-

28 dards, conditions and procedures as provided in subsection (1) of this section, a local government

29 may adopt and apply an alternative approval process for applications and permits for residential

30 development based on approval criteria that are not clear and objective if:

31       “(a) The applicant retains the option of proceeding under the approval process that meets the

32 requirements of subsection (1) of this section;

33       “(b) The approval criteria for the alternative approval process comply with applicable statewide

34 land use planning goals and rules; and

35       “(c) The approval criteria for the alternative approval process authorize a density at or above

36 the density level authorized in the zone under the approval process provided in subsection (1) of this

37 section.

38       “(4) Subject to [*subsection (1)*] **subsections (1) and (5)** of this section, this section does not in-

39 fringe on a local government’s prerogative to:

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

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

42       “(c) Establish approval procedures.

43       “(5) **For applications subject to subsection (1) of this section, the local government:**

44       “(a) **May provide notice of the application only to owners of record of property on the**

45 **most recent property tax assessment roll where such property is located within 100 feet, or**

1 within 500 feet for developments of 20 units or more, of the property that is the subject of  
2 the notice;

3 “(b) May not require a public hearing prior to making a decision on the application; and

4 “(c) May provide an opportunity for a local appeal only to the applicant.

5 “(6) Notwithstanding ORS 197.825, only the applicant may appeal a decision made under  
6 subsection (5) of this section to the Land Use Board of Appeals.

7 “**SECTION 18.** The amendments to ORS 197A.400 by section 17 of this 2026 Act become  
8 operative on July 1, 2026.

9 “**NOTE:** Section 19 was deleted by amendment. Subsequent sections were not renumbered.”.

10 Delete lines 19 through 22 and insert:

11 “(2) If an occupant or tenant remains in the dwelling unit following termination of the tenancy  
12 under subsection (1) of this section, the landlord may issue a termination notice in the manner  
13 provided by ORS 90.380 (5)(b).

14 “(3) A tenant does not owe rent while the dwelling unit is inaccessible due to the natural dis-  
15 aster or the destruction of the dwelling unit. A dwelling unit is considered inaccessible while a  
16 governmental agency has posted the dwelling unit as unsafe or unlawful to occupy.”.

17 On page 22, line 6, after “(2)” insert “To the extent consistent with applicable trust responsi-  
18 bilities,”.

19 In line 19, after “organizations” insert “or housing authorities as defined in ORS 456.005”.

20 On page 23, line 22, delete “(4)”.

21 In line 34, restore “ORS”.

22