

HB 2306 B STAFF MEASURE SUMMARY**Carrier:** Sen. Knopp**Senate Committee On Housing****Action Date:** 05/06/19**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)**Vote:** 4-0-1-0**Yeas:** 4 - Fagan, Golden, Knopp, Monnes Anderson**Exc:** 1 - Heard**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** C. Ross, Counsel**Meeting Dates:** 4/22, 5/6**WHAT THE MEASURE DOES:**

Prohibits local government from denying a building permit for residential dwelling in residential subdivision for failure to satisfy conditions of development if acceptable financial guarantee has been secured and the following systems meet applicable standards, unless agreed otherwise: water, fire hydrants, sewage, storm drainage, curbs, and streets and street-signs for emergency response purposes. Maintains local authority to deny occupancy permits. Defines terms.

ISSUES DISCUSSED:

- Certain inefficiencies of development process that could be improved; allowing development to continue without waiting for 100 percent completion of public improvements
- Local discretion about appropriate level of completion
- Agreed-upon definition of "substantial completion"

EFFECT OF AMENDMENT:

Refines definitions for greater specificity and precision. Removes general definition of "public improvement" as including streets, water and sewer lines. Modifies definition of "substantial completion" to include requirement that the following systems be acceptable under applicable standards unless agreed otherwise: water, fire hydrants, sewage, storm drainage, curbs, and streets and street-signs for emergency response. Refines definition of "residential subdivision" to call-out applicable statutes governing subdivision of land, and city and county planning and zoning. Provides for financial guarantee alternative to bond, if acceptable to local government.

BACKGROUND:

Land use planning in Oregon involves broad public participation and local control. Local jurisdictions are required to prepare comprehensive land use plans that are consistent with a set of statewide planning goals, overseen by the Land Conservation and Development Commission (LCDC). Comprehensive plans are acknowledged by LCDC and implemented through local land use regulations that include zoning, regulation of subdivisions, and any other ordinances the local government deems necessary to give effect to its comprehensive plan, such as for noise, signage, or tree removal. Developers must apply for local approval of projects. Every application must have at least one public hearing to receive public input, and local governments may approve or reject the application. Projects may then be appealed to a specialized tribunal called the Land Use Board of Appeals (LUBA).

House Bill 2306 B requires local governments to issue certain residential building permits that would otherwise have been denied for failure to meet conditions of development, when public improvements are substantially complete, and a bond or other approved financial guarantee has been secured. Substantially complete means certain systems meet applicable standards, including water, fire hydrants, sewage, storm drainage, curbs, and

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streets and street signs.