

Senate Bill 331

Sponsored by Senator BAERTSCHIGER JR (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires local governments conducting buildable lands review within urban growth boundary to consider impacts on various income levels, to analyze housing price ranges and to consider gentrification.

A BILL FOR AN ACT

1
2 Relating to buildable lands review; amending ORS 197.295 and 197.296.

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

4 **SECTION 1.** ORS 197.295 is amended to read:

5 197.295. As used in ORS 197.295 to 197.314 and 197.475 to 197.490:

6 (1) "Buildable lands" means lands in urban and urbanizable areas that are suitable, available
7 and necessary for residential uses. *"Buildable lands" includes*, **including** both vacant land and de-
8 veloped land likely to be redeveloped.

9 (2) "Manufactured dwelling park" has the meaning given that term in ORS 446.003.

10 (3) **"Gentrification" means the process of repairing and rebuilding homes and businesses**
11 **in a deteriorating area, including an urban neighborhood, accompanied by an influx of**
12 **middle-class or affluent persons that results in the displacement of earlier or poorer resi-**
13 **dents.**

14 [(3)] (4) "Government assisted housing" means housing that is financed in whole or part by ei-
15 ther a federal or state housing agency or a housing authority as defined in ORS 456.005, or housing
16 that is occupied by a tenant or tenants who benefit from rent supplements or housing vouchers
17 provided by either a federal or state housing agency or a local housing authority.

18 [(4)] (5) "Manufactured homes" has the meaning given that term in ORS 446.003.

19 [(5)] (6) "Mobile home park" has the meaning given that term in ORS 446.003.

20 [(6)] (7) "Periodic review" means the process and procedures as set forth in ORS 197.628 to
21 197.651.

22 [(7)] (8) "Urban growth boundary" means an urban growth boundary included or referenced in
23 a comprehensive plan **or regional framework plan**.

24 **SECTION 2.** ORS 197.296 is amended to read:

25 197.296. (1)(a) The provisions of subsections (2) to (9) of this section apply to metropolitan ser-
26 vice district regional framework plans and local government comprehensive plans for lands within
27 the urban growth boundary of a city that is located outside of a metropolitan service district and
28 has a population of 25,000 or more.

29 (b) The Land Conservation and Development Commission may establish a set of factors under
30 which additional cities are subject to the provisions of this section. In establishing the set of factors
31 required under this paragraph, the commission shall consider the size of the city, the rate of popu-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 lation growth of the city or the proximity of the city to another city with a population of 25,000 or
2 more or to a metropolitan service district.

3 (2) At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of
4 the comprehensive plan or regional framework plan that concerns the urban growth boundary and
5 requires the application of a statewide planning goal relating to buildable lands for residential use,
6 a local government shall demonstrate that its comprehensive plan or regional framework plan pro-
7 vides sufficient buildable lands within the urban growth boundary established pursuant to statewide
8 planning goals to accommodate estimated housing needs for 20 years **for housing at price ranges**
9 **and rent levels affordable to households within the county with a variety of incomes, in-**
10 **cluding households with low, very low, and extremely low incomes, as those terms are de-**
11 **finied by the United States Department of Housing and Urban Development under 42 U.S.C.**
12 **1437a.** The 20-year period shall commence on the date initially scheduled for completion of the pe-
13 riodic or legislative review.

14 (3) In performing the duties under subsection (2) of this section, a local government shall:

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

17 (b) Conduct an analysis of housing need by type, **price range** and density range, in accordance
18 with ORS 197.303 and statewide planning goals and rules relating to housing, to determine the
19 number of units and amount of land needed for each needed housing type for the next 20 years.

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

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

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

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

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

27 (b) For the purpose of the inventory and determination of housing capacity described in sub-
28 section (3)(a) of this section, the local government must demonstrate consideration of:

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

31 (B) A written long term contract or easement for radio, telecommunications or electrical facili-
32 ties, if the written contract or easement is provided to the local government; *[and]*

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

34 **(D) The impact that residential infill or redevelopment will have upon neighborhoods with**
35 **average property values lower than the average property value within the local government's**
36 **jurisdiction, including neighborhood gentrification.**

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

40 (5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of
41 housing capacity and need pursuant to subsection (3) of this section must be based on data relating
42 to land within the urban growth boundary that has been collected since the last periodic review or
43 five years, whichever is greater. The data shall include:

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

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

2 (C) Demographic and population trends;

3 (D) Economic trends and cycles; and

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

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

10 (c) A local government shall use data from a wider geographic area or use a time period for
11 economic cycles and trends longer than the time period described in paragraph (a) of this subsection
12 if the analysis of a wider geographic area or the use of a longer time period will provide more ac-
13 curate, complete and reliable data relating to trends affecting housing need than an analysis per-
14 formed pursuant to paragraph (a) of this subsection. The local government must clearly describe the
15 geographic area, time frame and source of data used in a determination performed under this para-
16 graph.

17 (6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than
18 the housing capacity determined pursuant to subsection (3)(a) of this section, the local government
19 shall take one or more of the following actions to accommodate the additional housing need:

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

27 (b) Amend its comprehensive plan, regional framework plan, functional plan or land use regu-
28 lations to include new measures that demonstrably increase the likelihood that residential develop-
29 ment will occur at densities sufficient to accommodate housing needs for the next 20 years without
30 expansion of the urban growth boundary. A local government or metropolitan service district that
31 takes this action shall monitor and record the level of development activity and development density
32 by housing type following the date of the adoption of the new measures; or

33 (c) Adopt a combination of the actions described in paragraphs (a) and (b) of this subsection.

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

43 (8)(a) A local government outside a metropolitan service district that takes any actions under
44 subsection (6) or (7) of this section shall demonstrate that the comprehensive plan and land use
45 regulations comply with goals and rules adopted by the commission and implement ORS 197.295 to

1 197.314.

2 (b) The local government shall determine the density and mix of housing types anticipated as a
 3 result of actions taken under subsections (6) and (7) of this section and monitor and record the ac-
 4 tual density and mix of housing types achieved. The local government shall compare actual and
 5 anticipated density and mix. The local government shall submit its comparison to the commission
 6 at the next periodic review or at the next legislative review of its urban growth boundary, which-
 7 ever comes first.

8 (9) In establishing that actions and measures adopted under subsections (6) and (7) of this sec-
 9 tion demonstrably increase the likelihood of higher density residential development, the local gov-
 10 ernment shall at a minimum ensure that land zoned for needed housing is in locations appropriate
 11 for the housing types identified under subsection (3) of this section and is zoned at density ranges
 12 that are likely to be achieved by the housing market using the analysis in subsection (3) of this
 13 section. Actions or measures, or both, may include but are not limited to:

- 14 (a) Increases in the permitted density on existing residential land;
- 15 (b) Financial incentives for higher density housing;
- 16 (c) Provisions permitting additional density beyond that generally allowed in the zoning district
 17 in exchange for amenities and features provided by the developer;
- 18 (d) Removal or easing of approval standards or procedures;
- 19 (e) Minimum density ranges;
- 20 (f) Redevelopment and infill strategies;
- 21 (g) Authorization of housing types not previously allowed by the plan or regulations;
- 22 (h) Adoption of an average residential density standard; and
- 23 (i) Rezoning or redesignation of nonresidential land.

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

27 (b) At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of
 28 the comprehensive plan that requires the application of a statewide planning goal relating to
 29 buildable lands for residential use, a city shall, according to rules of the commission:

- 30 (A) Determine the estimated housing needs within the jurisdiction for the next 20 years;
- 31 (B) Inventory the supply of buildable lands available within the urban growth boundary to ac-
 32 commodate the estimated housing needs determined under this subsection; and
- 33 (C) Adopt measures necessary to accommodate the estimated housing needs determined under
 34 this subsection.

35 (c) For the purpose of the inventory described in this subsection, “buildable lands” includes
 36 those lands described in subsection (4)(a) of this section.

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