

House Bill 3155

Sponsored by COMMITTEE ON HOUSING (at the request of Representative Julie Fahey)

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 cities within Metro with population greater than 10,000 to conduct housing needs analysis. Replaces requirement that Metro allocate housing capacity among those cities with requirement that cities amend their land use regulations and housing production strategy if analysis shows housing need.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to residential land use planning by local governments within urban growth boundaries;
3 creating new provisions; amending ORS 197.290 and 197.299; and declaring an emergency.

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

5 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS 197.286 to**
6 **197.314.**

7 **SECTION 2. (1) At least once every six years, by a date scheduled by the Land Conser-**
8 **vation and Development Commission, a city that is within a metropolitan service district and**
9 **has a population greater than 10,000 shall:**

10 (a) **Inventory the supply of buildable lands within the city and determine the housing**
11 **capacity of the buildable lands; and**

12 (b) **Conduct an analysis of the city's existing and projected needed housing and statewide**
13 **planning goals and rules related to housing by type, mix and density range to determine the**
14 **number of units and amount of land needed for each needed housing type for the next 20**
15 **years.**

16 (2) **The housing capacity and needed housing analysis conducted under this section must**
17 **be adopted as part of the city's comprehensive plan no later than one year after completion**
18 **of the needed housing analysis.**

19 (3) **If the housing capacity and needed housing analysis conducted under this section**
20 **demonstrate a housing need, the city shall amend its comprehensive plan or land use regu-**
21 **lations to include new measures that demonstrably increase the likelihood that development**
22 **of needed housing will occur for the type, mix and densities sufficient to accommodate**
23 **needed housing for the next 20 years.**

24 **SECTION 3. ORS 197.290 is amended to read:**

25 197.290. (1) A city with a population greater than 10,000 shall develop and adopt a housing
26 production strategy under this section no later than one year after[:]

27 [(a)] the city's deadline for completing a housing capacity analysis under ORS 197.296 (2)(a)[,];
28 **or (10)(b) or section 2 of this 2021 Act.**

29 [(b)] *The city's deadline for completing a housing capacity analysis under ORS 197.296 (10)(b); or*

30 [(c)] *A date scheduled by the Land Conservation and Development Commission following the allo-*

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 *cation of housing capacity to the city by a metropolitan service district under ORS 197.299 (2)(d).]*

2 (2) A housing production strategy must include a list of specific actions, including the adoption
 3 of measures and policies, that the city shall undertake to promote development within the city to
 4 address a housing need identified under ORS 197.296 (6)(b) [*for the most recent 20-year period de-*
 5 *scribed in ORS 197.296 (2)(b)] or (10)(b) or section 2 of this 2021 Act. Actions under this sub-*
 6 *section may include:*

7 (a) The reduction of financial and regulatory impediments to developing needed housing, in-
 8 cluding removing or easing approval standards or procedures for needed housing at higher densities
 9 or that is affordable;

10 (b) The creation of financial and regulatory incentives for development of needed housing, in-
 11 cluding creating incentives for needed housing at higher densities or that is affordable; and

12 (c) The development of a plan to access resources available at local, regional, state and national
 13 levels to increase the availability and affordability of needed housing.

14 (3) In creating a housing production strategy, a city shall review and consider:

15 (a) Socioeconomic and demographic characteristics of households living in existing needed
 16 housing;

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

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

19 (d) Existing and expected barriers to the development of needed housing; and

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

21 (A) The schedule for its adoption;

22 (B) The schedule for its implementation;

23 (C) Its expected magnitude of impact on the development of needed housing; and

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

25 (4) The housing production strategy must include within its index a copy of the city's most re-
 26 cently completed survey under ORS 456.586 (2).

27 (5) The adoption of a housing production strategy is not a land use decision and is not subject
 28 to appeal or review except as provided in ORS 197.291.

29 **SECTION 4.** ORS 197.299 is amended to read:

30 197.299. (1) A metropolitan service district organized under ORS chapter 268 shall complete the
 31 inventory, determination and analysis required under ORS 197.296 (3) not later than six years after
 32 completion of the previous inventory, determination and analysis.

33 (2)(a) The metropolitan service district shall take such action as necessary under ORS 197.296
 34 (6)(a) to accommodate one-half of a 20-year buildable land supply determined under ORS 197.296 (3)
 35 within one year of completing the analysis.

36 (b) The metropolitan service district shall take all final action under ORS 197.296 (6)(a) neces-
 37 sary to accommodate a 20-year buildable land supply determined under ORS 197.296 (3) within two
 38 years of completing the analysis.

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

43 (d) The metropolitan service district shall consider and adopt new measures that the governing
 44 body deems appropriate under ORS 197.296 (6)(b). [*and shall allocate any housing capacity that is not*
 45 *accommodated under this section to be accommodated by the application of ORS 197.296 (6)(b) by cities*

1 *within the metropolitan service district with a population greater than 10,000.]*

2 *[(e) Cities to which housing capacity is allocated under paragraph (d) of this subsection shall take*
3 *steps, at least once every six years as scheduled by the Land Conservation and Development Commis-*
4 *sion, to demonstrably increase the likelihood that residential development will occur at densities suffi-*
5 *cient to accommodate housing needs for the next 20 years as required by ORS 197.296 (6)(b).]*

6 (3) The commission may grant an extension to the time limits of subsection (2) of this section
7 if the Director of the Department of Land Conservation and Development determines that the met-
8 ropolitan service district has provided good cause for failing to meet the time limits.

9 (4)(a) The metropolitan service district shall establish a process to expand the urban growth
10 boundary to accommodate a need for land for a public school that cannot reasonably be accommo-
11 dated within the existing urban growth boundary. The metropolitan service district shall design the
12 process to:

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

15 (B) Provide for a final decision on a proposal to expand the urban growth boundary within four
16 months after submission of a complete application by a large school district as defined in ORS
17 195.110.

18 (b) At the request of a large school district, the metropolitan service district shall assist the
19 large school district to identify school sites required by the school facility planning process de-
20 scribed in ORS 195.110. A need for a public school is a specific type of identified land need under
21 ORS 197.298 (3).

22 (5) Three years after completing its most recent demonstration of sufficient buildable lands un-
23 der ORS 197.296, a metropolitan service district may, on a single occasion, revise the determination
24 and analysis required as part of the demonstration for the purpose of considering an amendment to
25 the metropolitan service district's urban growth boundary, provided:

26 (a) The metropolitan service district has entered into an intergovernmental agreement and has
27 designated rural reserves and urban reserves under ORS 195.141 and 195.145 with each county lo-
28 cated within the district;

29 (b) The commission has acknowledged the rural reserve and urban reserve designations de-
30 scribed in paragraph (a) of this subsection;

31 (c) One or more cities within the metropolitan service district have proposed a development that
32 would require expansion of the urban growth boundary;

33 (d) The city or cities proposing the development have provided evidence to the metropolitan
34 service district that the proposed development would provide additional needed housing to the
35 needed housing included in the most recent determination and analysis;

36 (e) The location chosen for the proposed development is adjacent to the city proposing the de-
37 velopment; and

38 (f) The location chosen for the proposed development is located within an area designated and
39 acknowledged as an urban reserve.

40 (6)(a) If a metropolitan service district, after revising its most recent determination and analysis
41 pursuant to subsection (5) of this section, concludes that an expansion of its urban growth boundary
42 is warranted, the metropolitan service district may take action to expand its urban growth boundary
43 in one or more locations to accommodate the proposed development, provided the urban growth
44 boundary expansion does not exceed a total of 1,000 acres.

45 (b) A metropolitan service district that expands its urban growth boundary under this sub-

1 section:

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

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

6 **SECTION 5. This 2021 Act being necessary for the immediate preservation of the public**
7 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
8 **on its passage.**

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