

House Bill 2889

Sponsored by Representative DEXTER, Senators JAMA, ANDERSON, Representatives FAHEY, MARSH, Senator GORSEK; Representatives GRAYBER, HARTMAN, HUDSON, NELSON, NOSSE, Senators DEMBROW, FREDERICK (Presession 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**.

Establishes Oregon Housing Needs Analysis within Housing and Community Services Department. Establishes timeline by which department must adopt rules and implement analysis components.

Amends land use requirements for local governments related to urbanization, including requiring Metro to adopt housing coordination strategy and allowing cities outside of Metro to adopt rural reserves. Requires Land Conservation and Development Commission to adopt or amend implementing rules by January 1, 2026.

A BILL FOR AN ACT

Relating to housing development; creating new provisions; amending ORS 94.536, 195.033, 195.036, 195.060, 195.141, 195.143, 195.145, 195.300, 197.015, 197.286, 197.290, 197.291, 197.293, 197.296, 197.297, 197.298, 197.299, 197.302, 197.303, 197.304, 197.307, 197.313, 197.480, 197.522, 197.637, 197.764, 197.831, 197A.300, 197A.305, 197A.310, 197A.312, 197A.320, 215.457, 215.501, 270.005, 456.586, 466.055 and 527.755 and sections 6 and 9, chapter 552, Oregon Laws 2021; and repealing ORS 197.178, 197.766, 197A.405, 197A.407, 197A.409, 197A.411 and 197A.413.

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

OREGON HOUSING NEEDS ANALYSIS

SECTION 1. Sections 2 to 6 of this 2023 Act are added to and made a part of ORS 197.286 to 197.314.

SECTION 2. (1) There is established within the Housing and Community Services Department the Oregon Housing Needs Analysis, consisting of five components as follows:

- (a) The housing analysis under section 3 (1) of this 2023 Act;**
- (b) The housing need allocation under section 3 (2) of this 2023 Act;**
- (c) The production targets under section 4 of this 2023 Act;**
- (d) The housing production dashboard under section 5 of this 2023 Act; and**
- (e) The housing equity indicator under section 6 of this 2023 Act.**

(2)(a) The department shall adopt rules setting forth the methodology, process and timing for conducting and updating each component of the Oregon Housing Needs Analysis under sections 2 to 6 of this 2023 Act.

(b) The department must review the rules under this section and amend or repeal the rules within one year following the completion of each federal decennial census.

(3)(a) Actions taken by the department under sections 2 to 6 of this 2023 Act are not subject to ORS 197.180 and are not land use decisions.

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 (b) The Department of State Lands and the Oregon Department of Administrative Ser-
 2 vices shall assist the Housing and Community Services Department in the department's du-
 3 ties under sections 2 to 6 of this 2023 Act.

4 **SECTION 3.** (1) On an annual basis the Housing and Community Services Department
 5 shall conduct a statewide housing analysis. The analysis shall include a statewide count or
 6 estimate, segmented regionally, of:

- 7 (a) Existing housing units;
- 8 (b) Currently needed housing units;
- 9 (c) Vacant housing units, including units occupied entirely by persons who have a usual
 10 residence elsewhere, such as units used for vacation occupancies or second homes;
- 11 (d) Current housing underproduction; and
- 12 (e) Anticipated changes during the next 20 years of housing need.

13 (2)(a) At the time the department performs the housing analysis under subsection (1) of
 14 this section, the department shall allocate for the areas outside of the urban growth bound-
 15 ary for each county and for each urban growth boundary except for Metro, the total housing
 16 need that it must plan for.

17 (b) In making an allocation under this section, the department shall consider the fore-
 18 casted population growth under ORS 195.033 or 195.036, forecasted regional job growth, an
 19 equitable statewide distribution of housing for varying income levels under subsection (3)(c)
 20 of this section and the information collected or estimated under this section.

21 (3) In counting, estimating, calculating or allocating housing need under this section, the
 22 department shall:

- 23 (a) Include individuals experiencing homelessness;
- 24 (b) Consider vacant housing units; and
- 25 (c) Segment need by the following family income levels:
 26 (A) Extremely low income, meaning less than 30 percent of median family income;
- 27 (B) Very low income, meaning 30 percent or more and less than 60 percent of median
 28 family income;
- 29 (C) Low income, meaning 60 percent or more and less than 80 percent of median family
 30 income;
- 31 (D) Moderate income, meaning 80 percent or more and less than 120 percent of median
 32 family income; and
- 33 (E) High income, meaning 120 percent or more of median family income.

34 **SECTION 4.** (1) On an annual basis the Housing and Community Services Department
 35 shall establish housing production targets for each city with a population greater than 10,000.

36 (2) The targets must be for six years for cities inside of Metro and for eight years for
 37 cities outside of Metro.

38 (3) The targets must be separated into subsidized affordable housing and total housing.

39 **SECTION 5.** (1) On an annual basis the Housing and Community Services Department
 40 shall update a publicly available statewide housing production dashboard.

41 (2) The dashboard shall include, for each city with a housing production target under
 42 section 4 of this 2023 Act:

- 43 (a) Progress toward subsidized affordable and total housing targets developed; and
- 44 (b) A comparative analysis of progress in comparison to the region and other local gov-
 45 ernments with similar market typologies.

1 (3) Information in the dashboard must be based on:

2 (a) Inventory of publicly supported housing, as defined in ORS 456.250, that is maintained
3 by the department; and

4 (b) Information submitted to the department under section 31 (3) of this 2023 Act.

5 **SECTION 6.** (1) On a periodic basis the Housing and Community Services Department
6 shall update a publicly available statewide housing equity indicator.

7 (2) The indicator shall include, to the extent that the department can locate or estimate
8 the data, for each city of a population greater than 10,000:

9 (a) Housing outcomes, such as cost burden, tenure, housing condition for various demo-
10 graphics, including race or ethnicity, disability status, English proficiency, and age;

11 (b) Information on housing types produced and overall land efficiency of housing pro-
12 duction;

13 (c) Accessibility and visitability of existing and new housing stock;

14 (d) Information related to risk of gentrification and displacement;

15 (e) Housing segregation by race and income;

16 (f) Factors that affect climate and natural hazards resiliency; and

17 (g) Other measurable factors or indicators identified by the department.

18 **SECTION 7.** The Housing and Community Services Department shall:

19 (1) No later than January 1, 2025, adopt initial rules under section 2 of this 2023 Act.

20 (2) No later than July 1, 2025, conduct the initial housing analysis and housing allocation
21 under section 3 of this 2023 Act.

22 (3) No later than January 1, 2026:

23 (a) Establish the initial housing production targets under section 4 of this 2023 Act;

24 (b) Publish the housing production dashboard under section 5 of this 2023 Act; and

25 (c) Publish a housing equity indicator under section 6 of this 2023 Act.

26 **SECTION 8.** In addition to and not in lieu of any other appropriation, there is appropri-
27 ated to the Housing and Community Services Department, for the biennium beginning July
28 1, 2023, out of the General Fund, the amount of \$1, to adopt rules and to develop and perform
29 the Oregon Housing Needs Analysis under sections 2 to 6 of this 2023 Act.

30
31 **URBANIZATION GENERALLY**
32

33 **SECTION 9.** (1) In adopting rules under ORS 197.286 to 197.314, or implementing statewide
34 planning rules related to housing or urbanization, the Land Conservation and Development
35 Commission may approve a range of methodologies, calculations or assumptions that a local
36 government may adopt in determining:

37 (a) Needed housing;

38 (b) Housing production strategies or housing capacity strategies;

39 (c) Buildable lands or housing capacity;

40 (d) Amendments to urban growth boundaries, including under ORS 197.296 (6)(a), 197.299,
41 197.764 and 197A.300 to 197A.325 and section 16 (5)(a) of this 2023 Act; or

42 (e) Adoption or amendments to urban or rural reserves under ORS 195.137 to 195.145.

43 (2) A person may not challenge a local government's amendment to a land use regulation
44 or comprehensive plan based on a claim that the local government should have used a better
45 methodology, calculation, assumption or information if the local government has relied on:

1 (a) A methodology, calculation or assumption adopted under subsection (1) of this sec-
2 tion;

3 (b) Information produced by the Oregon Housing Needs Analysis under sections 2 to 6
4 of this 2023 Act; or

5 (c) A population forecast under ORS 195.033 or 195.036.

6 **SECTION 10.** (1) On or before January 1, 2026, the Land Conservation and Development
7 Commission shall adopt rules and amendments to rules related to urbanization to implement
8 ORS 197.286 to 197.314 to provide greater flexibility, options and certainty for local govern-
9 ments amending urban growth boundaries or adopting comprehensive plan amendments and
10 land use regulations to support their housing production strategies.

11 (2) In adopting rules under this section, the commission shall prioritize:

12 (a) Facilitating the adoption and acknowledgement of urban growth boundary amend-
13 ments, urban growth boundary exchanges or urban reserves to support accommodating
14 needed housing;

15 (b) Reducing analytical burden, minimizing procedural redundancy and increasing legal
16 certainty for local jurisdictions pursuing urban growth boundary amendments, urban growth
17 boundary exchanges or urban reserves, especially for smaller cities, consistent with the ap-
18 propriate protection of resource lands;

19 (c) Increasing clarity on how a local jurisdiction can sufficiently complete urbanization-
20 related analyses and demonstrate consistency with statute and administrative rule; and

21 (d) Supporting coordinated public facilities planning, annexation, and comprehensive plan
22 amendments to facilitate the development of lands brought into the urban growth boundary.

23 (3) In adopting rules under this section to implement housing production strategies under
24 ORS 197.290, 197.291 or 197.293, the commission shall:

25 (a) Consult with the Housing and Community Services Department, Department of
26 Transportation, Department of Environmental Quality, Department of State Lands, Oregon
27 Health Authority and Oregon Business Development Department;

28 (b) Provide clear parameters on the types and extent of measures needed or allowed un-
29 der ORS 197.290 (3) that are consistent with the technical and resource capacities of varying
30 sized jurisdictions; and

31 (c) Prioritize the following considerations:

32 (A) Recognizing actions on housing already taken by local governments in response to
33 the rules of the commission implementing ORS 197.758 and the Governor's executive order
34 regarding climate change;

35 (B) Increasing housing diversity, efficiency and affordability, including new construction
36 and the preservation of naturally occurring affordable housing;

37 (C) Enhancing flexibility in housing choice and location;

38 (D) Reducing cost or delay and increasing procedural certainty for the production of
39 housing; and

40 (E) Preparing land for development or redevelopment, including:

41 (i) Public facilities planning and other investment strategies that increase the
42 development-readiness of land for housing production;

43 (ii) Site preparation, financial incentives or other incentive-based measures that increase
44 the likelihood of development or redevelopment of land; and

45 (iii) The redevelopment of underutilized commercial and employment lands for housing

1 or a mix of housing and commercial uses.

2 **SECTION 11.** In addition to and not in lieu of any other appropriation, there is appro-
3 priated to the Land Conservation and Development Commission, for the biennium beginning
4 July 1, 2023, out of the General Fund, the amount of \$1,000,000, to adopt rules under section
5 10 of this 2023 Act.

6 **SECTION 12.** ORS 197.286, as amended by section 5, chapter 54, Oregon Laws 2022, is amended
7 to read:

8 197.286. As used in ORS 197.286 to 197.314 and 197.475 to 197.490:

9 (1) **“Allocated housing need” means the housing need allocated to a city under section 3**
10 **(2) of this 2023 Act as segmented under section 3 (3) of this 2023 Act.**

11 [(1)] (2) **“Buildable lands” means lands in urban and urbanizable areas that are suitable, avail-**
12 **able and necessary for [residential uses. “Buildable lands” includes] the development of needed**
13 **housing over a 20-year planning period, including both vacant land and developed land likely to**
14 **be redeveloped.**

15 (3) **“Cities with a population greater than 10,000” includes unincorporated urbanized areas**
16 **within the Metro urban growth boundary.**

17 [(2)] (4) **“Government assisted housing” means housing that is financed in whole or part by ei-**
18 **ther a federal or state housing agency or a housing authority as defined in ORS 456.005, or housing**
19 **that is occupied by a tenant or tenants who benefit from rent supplements or housing vouchers**
20 **provided by either a federal or state housing agency or a local housing authority.**

21 (5) **“Housing capacity” means the number of needed housing units anticipated to be de-**
22 **veloped on buildable lands based on the land’s zoning and capacity for density.**

23 (6) **“Housing production strategy” means a strategy adopted by a local government to**
24 **promote housing under ORS 197.290.**

25 [(3)] (7) **“Manufactured dwelling,” “manufactured dwelling park,” “manufactured home” and**
26 **“mobile home park” have the meanings given those terms in ORS 446.003.**

27 (8) **“Needed housing” means the types and quantities of housing necessary to meet**
28 **housing need over a 20-year planning period as determined by a local government under ORS**
29 **197.303 or section 17 of this 2023 Act.**

30 [(4)] (9) **“Periodic review” means the process and procedures as set forth in ORS 197.628 to**
31 **197.651.**

32 [(5)] (10) **“Prefabricated structure” means a prefabricated structure, as defined in ORS 455.010,**
33 **that is relocatable, more than eight and one-half feet wide and designed for use as a single-family**
34 **dwelling.**

35 [(6)] **“Urban growth boundary” means an urban growth boundary included or referenced in a**
36 **comprehensive plan.]**

37 **SECTION 13.** If a land use decision of a local government adopted under ORS 197.296 or
38 197.297 or section 15 or 16 of this 2023 Act is remanded by the Land Conservation and De-
39 velopment Commission, the Land Use Board of Appeals or a court, the 20-year planning pe-
40 riod for the buildable lands inventory and the analysis on remand shall commence on the
41 date the remand decision is issued.

42
43 **URBANIZATION OUTSIDE OF METRO**

44
45 **SECTION 14.** Sections 9, 13 and 15 to 17 of this 2023 Act are added to and made a part

1 of ORS 197.286 to 197.314.

2 **SECTION 15.** (1) This section applies only to cities that are not within Metro or described
3 in section 16 (1) of this 2023 Act.

4 (2) The actions required under subsection (3) of this section must be undertaken:

5 (a) At periodic review pursuant to ORS 197.628 to 197.651;

6 (b) On a schedule established by the Land Conservation and Development Commission for
7 cities with a population greater than 10,000, not to exceed once each eight years;

8 (c) At any other legislative review of the comprehensive plan that requires the applica-
9 tion of a statewide planning goal related to buildable lands for residential use; or

10 (d) At the election of a city with a population less than 10,000.

11 (3) A city shall, according to rules of the commission:

12 (a) Determine its needed housing under section 17 of this 2023 Act;

13 (b) Inventory the supply of buildable lands available within the urban growth boundary
14 to accommodate needed housing; and

15 (c) Take any necessary action described in ORS 197.290 (3), whether or not the actions
16 are described within the city's housing production strategy, to accommodate needed housing.

17 **SECTION 16.** (1) This section applies only to local governments with jurisdiction over
18 lands inside the urban growth boundary of:

19 (a) Cities located outside of Metro with a population greater than 25,000; and

20 (b) Cities that the Land Conservation and Development Commission determines should
21 be included, based on the size of the city, the rate of population growth of the city or the
22 proximity of the city to another city with a population of 25,000 or more or to Metro.

23 (2) A local government shall determine its needed housing under section 17 of this 2023
24 Act and inventory its buildable lands and determine the lands' housing capacity under this
25 section:

26 (a) At periodic review under ORS 197.628 to 197.651;

27 (b) As scheduled by the commission at least once each eight years; or

28 (c) At any other legislative review of the comprehensive plan that concerns the urban
29 growth boundary and requires the application of a statewide planning goal related to
30 buildable lands for residential use.

31 (3)(a) For the purpose of the inventory of supply of buildable lands and the determination
32 of housing capacity the local government shall consider:

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

35 (B) A written long term contract or easement for radio, telecommunications or electrical
36 facilities, if the written contract or easement is provided to the local government; and

37 (C) The presence of a single family dwelling or other structure on a lot or parcel.

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

41 (4)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination
42 of housing capacity must be based on data related to land within the urban growth boundary
43 that has been collected since the last review under subsection (2)(b) of this section. The data
44 must include:

45 (A) The number, density and average mix of housing types of urban residential develop-

1 **ment that have actually been developed;**

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

3 **(C) Market factors that may substantially impact future urban residential development;**

4 **(D) The number, density and average mix of housing types that have been developed on**
 5 **the buildable lands described in subsection (3)(a) of this section;**

6 **(E) Consideration of the effects of the housing production strategy and measures taken**
 7 **and reasonability anticipated to be taken to implement the strategy; and**

8 **(F) Consideration of factors that influence available housing supply, including short-term**
 9 **rentals, second homes and vacation homes.**

10 **(b) A local government shall make the determination described in paragraph (a) of this**
 11 **subsection using a shorter time period than the time period described in paragraph (a) of this**
 12 **subsection if the local government finds that the shorter time period will provide more ac-**
 13 **curate and reliable data related to housing capacity. The shorter time period may not be less**
 14 **than three years.**

15 **(c) A local government shall use data from a wider geographic area or use a time period**
 16 **longer than the time period described in paragraph (a) of this subsection if the analysis of a**
 17 **wider geographic area or the use of a longer time period will provide more accurate, com-**
 18 **plete and reliable data related to trends affecting housing need than an analysis performed**
 19 **pursuant to paragraph (a) of this subsection. The local government must clearly describe the**
 20 **geographic area, time frame and source of data used in a determination performed under this**
 21 **paragraph.**

22 **(5) If the needed housing is greater than the housing capacity the local government shall**
 23 **take one or both of the following actions to accommodate allocated housing need for the next**
 24 **20 years:**

25 **(a) Amend its urban growth boundary to include sufficient buildable lands to accommo-**
 26 **date housing needs for the next 20 years consistent with the requirements of ORS 197A.320**
 27 **and statewide planning goals. As part of this process, the local government shall consider the**
 28 **effects of actions taken pursuant to paragraph (b) of this subsection. The amendment must**
 29 **include sufficient land reasonably necessary to accommodate the siting of new public school**
 30 **facilities. The need and inclusion of lands for new public school facilities must be a coordi-**
 31 **nated process between the affected public school districts and the local government that has**
 32 **the authority to approve the urban growth boundary.**

33 **(b) Take any action under ORS 197.290 (3), whether or not the action was described in**
 34 **an approved housing production strategy, anticipated to change housing capacity to produce**
 35 **additional needed housing. Actions under this paragraph may include amending a compre-**
 36 **hensive plan or land use regulations to include new measures that demonstrably increase the**
 37 **likelihood that residential development will occur at densities sufficient to accommodate**
 38 **needed housing for the next 20 years without expansion of the urban growth boundary.**

39 **(6) A local government that takes any actions under subsection (5) of this section shall:**

40 **(a) Demonstrate that the comprehensive plan and land use regulations comply with goals**
 41 **and rules adopted by the commission.**

42 **(b) Adopt findings regarding the changes in housing capacity assumed to result from**
 43 **actions adopted based on data collected under subsection (4)(a) of this section. The density**
 44 **expectations may not project an increase in residential capacity above achieved density by**
 45 **more than three percent without quantifiable validation of such departures. A quantifiable**

1 validation must demonstrate that the assumed housing capacity has been achieved in areas
 2 that are zoned to allow no greater than the same authorized density level, as defined in ORS
 3 227.175, within the local government’s jurisdiction or a jurisdiction in the same region.

4 (c) In establishing that actions adopted under subsection (5) of this section demonstrably
 5 increase housing capacity, ensure that buildable lands are in locations appropriate for needed
 6 housing, are zoned at density ranges that are likely to be achieved by the housing market
 7 and are in areas where sufficient urban services are planned to enable the higher density
 8 development to occur over the 20-year period.

9 **SECTION 17.** (1) As used in sections 15 and 16 of this 2023 Act, “needed housing” means
 10 housing by type, density and affordability level, as described in section 3 (3) of this 2023 Act,
 11 necessary to accommodate the local government’s housing need over a 20-year planning pe-
 12 riod. “Needed housing” includes the following housing types:

13 (a) Detached single-family housing, middle housing types as described in ORS 197.758 and
 14 multifamily housing that is owned or rented;

15 (b) Government assisted housing;

16 (c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;

17 (d) Manufactured homes on individual lots planned and zoned for single-family residential
 18 use that are in addition to lots within designated manufactured dwelling subdivisions;

19 (e) Housing for agricultural workers;

20 (f) Housing for individuals with a variety of disabilities, related to mobility or communi-
 21 cations that require accessibility features;

22 (g) Housing for older persons, as defined in ORS 659A.421; and

23 (h) Housing for college or university students, if relevant to the region.

24 (2) When a local government is required to inventory its buildable lands under section
 25 15 or 16 of this 2023 Act, the local government shall determine its needed housing.

26 (3) Subsection (1)(a) and (d) of this section does not apply to:

27 (a) A city with a population of less than 2,500.

28 (b) A county with a population of less than 15,000.

29 (4) The determination of needed housing shall include, for each housing type:

30 (a) The total number of units needed;

31 (b) The average anticipated household sizes;

32 (c) The average anticipated land use density; and

33 (d) The estimated demographic proportions of occupying households.

34 **SECTION 18.** ORS 197A.320 is amended to read:

35 197A.320. (1) *[Notwithstanding the priority in ORS 197.298 for inclusion of land within an urban*
 36 *growth boundary,]* A city outside of Metro shall comply with this section when determining which
 37 lands to include within the urban growth boundary of the city, **including when amending an urban**
 38 **growth boundary under ORS** *[pursuant to ORS 197.286 to 197.314,]* 197A.310 or 197A.312 **or sec-**
 39 **tion 16 (5)(a) of this 2023 Act.**

40 (2) The Land Conservation and Development Commission shall provide, by rule, that:

41 (a) When evaluating lands for inclusion within the urban growth boundary, the city shall es-
 42 tablish a study area that includes all land that is contiguous to the urban growth boundary and
 43 within a distance specified by commission.

44 (b) The city shall evaluate all land in the study area for inclusion in the urban growth boundary
 45 as provided in subsection (4) of this section, except for land excluded from the study area because:

1 (A) It is impracticable, as provided in subsection (3) of this section, to provide necessary public
2 facilities or services to the land.

3 (B) The land is subject to significant development hazards, including a risk of land slides, a risk
4 of flooding because the land is within the 100-year floodplain or is subject to inundation during
5 storm surges or tsunamis, and other risks determined by the commission.

6 (C) The long-term preservation of significant scenic, natural, cultural or recreational resources
7 requires limiting or prohibiting urban development of the land that contains the resources.

8 (D) The land is owned by the federal government and managed primarily for rural uses.

9 **(E) The land is designated as rural reserve under ORS 195.137 to 195.145.**

10 (c) When evaluating the priority of land for inclusion under paragraph (b) of this subsection:

11 (A) The city shall evaluate the land within the study area that is designated as an urban reserve
12 under ORS 195.145 in an acknowledged comprehensive plan[.].

13 **(B) If the amount of land appropriate for selection under subparagraph (A) of this para-**
14 **graph is not sufficient to satisfy the need for the land, the city shall evaluate the** land that
15 is subject to an acknowledged exception under ORS 197.732 or land that is nonresource land and
16 select as much of the land as necessary to satisfy the need for land using criteria established by the
17 commission and criteria in an acknowledged comprehensive plan and land use regulations.

18 *[(B)]* (C) If the amount of land appropriate for selection under *[subparagraph (A)]* **subpara-**
19 **graphs (A) and (B)** of this paragraph is not sufficient to satisfy the need for land, the city shall
20 evaluate the land within the study area that is designated as marginal land under ORS 197.247 (1991
21 Edition) in the acknowledged comprehensive plan and select as much of the land as necessary to
22 satisfy the need for land using criteria established by the commission and criteria in an acknowl-
23 edged comprehensive plan and land use regulations.

24 *[(C)]* **(D)** If the amount of land appropriate for selection under subparagraphs (A) *[and (B)]* **to**
25 **(C)** of this paragraph is not sufficient to satisfy the amount of land needed, the city shall evaluate
26 land within the study area that is designated for agriculture or forest uses in the acknowledged
27 comprehensive plan that is not predominantly high-value farmland, as defined in ORS 195.300, or
28 does not consist predominantly of prime or unique soils, as determined by the United States De-
29 partment of Agriculture Natural Resources Conservation Service, and select as much of that land
30 as necessary to satisfy the need for land:

31 (i) Using criteria established by the commission and criteria in an acknowledged comprehensive
32 plan and land use regulations; and

33 (ii) Using the predominant capability classification system or the predominant cubic site class,
34 as appropriate for the acknowledged comprehensive plan designation, to select lower capability or
35 cubic site class lands first.

36 *[(D)]* **(E)** If the amount of land appropriate for selection under subparagraphs (A) to *[(C)]* **(D)**
37 of this paragraph is not sufficient to satisfy the need for land, the city shall evaluate land within
38 the study area that is designated as agricultural land in an acknowledged comprehensive plan and
39 is predominantly high value farmland and select as much of that land as necessary to satisfy the
40 need for land. A local government may not select land that is predominantly made up of prime or
41 unique farm soils, as defined by the United States Department of Agriculture Natural Resources
42 Conservation Service, unless there is an insufficient amount of other land to satisfy its land need.

43 (3) For purposes of subsection (2)(b)(A) of this section, the commission shall determine
44 impracticability by rule, considering the likely amount of development that could occur on the lands
45 within the planning period, the likely cost of facilities and services, physical, topographical or other

1 impediments to service provision and whether urban development has occurred on similarly situated
 2 lands such that it is likely that the lands will be developed at an urban level during the planning
 3 period. When impracticability is primarily a result of existing development patterns, the rules of the
 4 commission shall require that the lands be included within the study area, but may allow the de-
 5 velopment capacity forecast for the lands to be specified at a lower level over the planning period.
 6 The rules of the commission must be based on an evaluation of how similarly situated lands have,
 7 or have not, developed over time.

8 (4) For purposes of subsection (2)(b)(C) of this section, the commission by rule shall determine
 9 the circumstances in which and the resources to which this exclusion will apply.

10 (5) Notwithstanding subsection [(2)(c)(D)] **(2)(c)(E)** of this section, the rules must allow land that
 11 would otherwise be excluded from an urban growth boundary to be included if:

12 (a) The land contains a small amount of resource land that is not important to the commercial
 13 agricultural enterprise in the area and the land must be included to connect a nearby and signif-
 14 icantly larger area of land of higher priority for inclusion within the urban growth boundary; or

15 (b) The land contains a small amount of resource land that is not predominantly high-value
 16 farmland or predominantly made up of prime or unique farm soils and the land is completely sur-
 17 rounded by land of higher priority for inclusion into the urban growth boundary.

18 (6) When the primary purpose for expansion of the urban growth boundary is to accommodate
 19 a particular industry use that requires specific site characteristics, or to accommodate a public fa-
 20 cility that requires specific site characteristics and the site characteristics may be found in only a
 21 small number of locations, the city may limit the study area to land that has, or could be improved
 22 to provide, the required site characteristics. Lands included within an urban growth boundary for
 23 a particular industrial use, or a particular public facility, must remain planned and zoned for the
 24 intended use:

25 (a) Except as allowed by rule of the commission that is based on a significant change in cir-
 26 cumstance or the passage of time; or

27 (b) Unless the city removes the land from within the urban growth boundary.

28 (7) Notwithstanding any other provision of this section, the commission may adopt rules that
 29 specify circumstances under which a city may exchange land within the urban growth boundary of
 30 the city for land that is outside of the urban growth boundary and that is designed to avoid adverse
 31 effects of an exchange on agricultural or forest operations in the surrounding area.

32
 33 **METRO URBANIZATION**

34
 35 **SECTION 19.** ORS 197.296 is amended to read:

36 **197.296. (1) This section applies only to Metro.**

37 [(1)(a) *The provisions of subsections (2) to (9) of this section apply to metropolitan service district*
 38 *regional framework plans and local government comprehensive plans for lands within the urban growth*
 39 *boundary of a city that is located outside of a metropolitan service district and has a population of*
 40 *25,000 or more.*]

41 [(b) *The Land Conservation and Development Commission may establish a set of factors under*
 42 *which additional cities are subject to the provisions of this section. In establishing the set of factors*
 43 *required under this paragraph, the commission shall consider the size of the city, the rate of population*
 44 *growth of the city or the proximity of the city to another city with a population of 25,000 or more or*
 45 *to a metropolitan service district.*]

1 (2)(a) [A local government] **Metro** shall demonstrate that its [comprehensive plan or] regional
 2 framework plan provides sufficient buildable lands within the urban growth boundary established
 3 pursuant to statewide planning goals to accommodate estimated housing needs for 20 years:

4 (A) At periodic review under ORS 197.628 to 197.651;

5 (B) As scheduled by the **Land Conservation and Development** Commission[:]

6 [(i) at least once each eight years for local governments that are not within a metropolitan service
 7 district; or]

8 [(ii)] at least once each six years [for a metropolitan service district]; or

9 (C) At any other legislative review of the [comprehensive plan or] regional framework plan that
 10 concerns the urban growth boundary and requires the application of a statewide planning goal re-
 11 lating to buildable lands for residential use.

12 (b) The 20-year period shall commence on the date initially scheduled for completion of the re-
 13 view under paragraph (a) of this subsection.

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

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

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

22 (4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, “buildable
 23 lands” includes:

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

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

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

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

29 (b) For the purpose of the inventory and determination of housing capacity described in sub-
 30 section (3)(a) of this section, [the local government] **Metro** must demonstrate consideration of:

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

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

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

36 **(D) Factors that influence available housing supply, including short-term rentals, second
 37 homes and vacation homes.**

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

41 (5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of
 42 housing capacity pursuant to subsection (3)(a) of this section must be based on data relating to land
 43 within the urban growth boundary that has been collected since the last review under subsection
 44 (2)(a)(B) of this section. The data shall include:

45 (A) The number, density and average mix of housing types of urban residential development that

1 have actually occurred;

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

3 (C) Market factors that may substantially impact future urban residential development; and

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

10 (c) [A *local government*] **Metro** shall use data from a wider geographic area or use a time period
11 longer than the time period described in paragraph (a) of this subsection if the analysis of a wider
12 geographic area or the use of a longer time period will provide more accurate, complete and reliable
13 data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a)
14 of this subsection. [The *local government*] **Metro** must clearly describe the geographic area, time
15 frame and source of data used in a determination performed under this paragraph.

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

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

26 (b) Amend its [*comprehensive plan,*] regional framework plan, functional plan or land use regu-
27 lations to include new measures **or take any actions allowed under section 23 (4) of this 2023**
28 **Act, whether or not the actions are included within Metro’s housing coordination strategy,**
29 that demonstrably increase the likelihood that residential development will occur at densities suffi-
30 cient to accommodate housing needs for the next 20 years without expansion of the urban growth
31 boundary. [A *local government or metropolitan service district that*] **If Metro** takes this action, **Metro**
32 shall adopt findings regarding the density expectations assumed to result from measures adopted
33 under this paragraph based upon the factors listed in ORS 197.303 (2) and data in subsection (5)(a)
34 of this section. The density expectations may not project an increase in residential capacity above
35 achieved density by more than three percent without quantifiable validation of such departures. [For
36 a *local government located outside of a metropolitan service district, a quantifiable validation must*
37 *demonstrate that the assumed housing capacity has been achieved in areas that are zoned to allow no*
38 *greater than the same authorized density level within the local jurisdiction or a jurisdiction in the same*
39 *region. For a metropolitan service district,*] A quantifiable validation must demonstrate that the as-
40 sumed housing capacity has been achieved in areas **within Metro** that are zoned to allow no greater
41 than the same authorized density level, **as defined in ORS 227.175** [*within the metropolitan service*
42 *district*].

43 [(c) As used in this subsection, “authorized density level” has the meaning given that term in ORS
44 227.175.]

45 (7) Using the housing need analysis conducted under subsection (3)(b) of this section, [the *local*

1 *government*] **Metro** shall determine the overall average density and overall mix of housing types at
 2 which residential development of needed housing types must occur in order to meet housing needs
 3 over the next 20 years. If that density is greater than the actual density of development determined
 4 under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing
 5 types determined under subsection (5)(a)(A) of this section, [*the local government*] **Metro**, as part of
 6 its periodic review, shall adopt measures that demonstrably increase the likelihood that residential
 7 development will occur at the housing types and density and at the mix of housing types required
 8 to meet housing needs over the next 20 years.

9 (8)(a) [*A local government outside a metropolitan service district that*] **If Metro** takes any actions
 10 under subsection (6) or (7) of this section, **Metro** shall demonstrate that the comprehensive plan and
 11 land use regulations comply with goals and rules adopted by the commission and implement ORS
 12 197.286 to 197.314.

13 (b) [*A local government*] **Metro** shall determine the density and mix of housing types anticipated
 14 as a result of actions taken under subsections (6) and (7) of this section and monitor and record the
 15 actual density and mix of housing types achieved following the adoption of these actions. [*The local*
 16 *government*] **Metro** shall compare actual and anticipated density and mix. [*The local government*]
 17 **Metro** shall submit its comparison to the commission at the next review of its urban growth
 18 boundary under subsection (2)(a) of this section.

19 (9) In establishing that actions and measures adopted under subsections (6) and (7) of this sec-
 20 tion demonstrably increase the likelihood of higher density residential development, [*the local gov-*
 21 *ernment*] **Metro** shall at a minimum ensure that land zoned for needed housing is in locations
 22 appropriate for the housing types identified under subsection (3) of this section, is zoned at density
 23 ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of
 24 this section and is in areas where sufficient urban services are planned to enable the higher density
 25 development to occur over the 20-year period. Actions or measures, or both, may include [*but are*
 26 *not limited to:*] **those actions listed in section 23 (4) of this 2023 Act.**

27 [(a) *Increases in the permitted density on existing residential land;*]

28 [(b) *Financial incentives for higher density housing;*]

29 [(c) *Provisions permitting additional density beyond that generally allowed in the zoning district*
 30 *in exchange for amenities and features provided by the developer;*]

31 [(d) *Removal or easing of approval standards or procedures;*]

32 [(e) *Minimum density ranges;*]

33 [(f) *Redevelopment and infill strategies;*]

34 [(g) *Authorization of housing types not previously allowed by the plan or regulations;*]

35 [(h) *Adoption of an average residential density standard; and*]

36 [(i) *Rezoning or redesignation of nonresidential land.*]

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

40 [(b) *As required under paragraph (c) of this subsection, a city shall, according to rules of the*
 41 *commission:*]

42 [(A) *Determine the estimated housing needs within the jurisdiction for the next 20 years;*]

43 [(B) *Inventory the supply of buildable lands available within the urban growth boundary to ac-*
 44 *commodate the estimated housing needs determined under this subsection; and*]

45 [(C) *Adopt measures necessary to accommodate the estimated housing needs determined under this*

1 subsection.]

2 [(c) The actions required under paragraph (b) of this subsection shall be undertaken:]

3 [(A) At periodic review pursuant to ORS 197.628 to 197.651;]

4 [(B) On a schedule established by the commission for cities with a population greater than 10,000,
5 not to exceed once each eight years; or]

6 [(C) At any other legislative review of the comprehensive plan that requires the application of a
7 statewide planning goal relating to buildable lands for residential use.]

8 [(d) For the purpose of the inventory described in this subsection, “buildable lands” includes those
9 lands described in subsection (4)(a) of this section.]

10 [(11) If a city with a population of 10,000 or less conducts an inventory of the supply of buildable
11 lands or an estimate of housing need, it must satisfy the requirements of subsection (10) of this
12 section.]

13 **SECTION 20.** ORS 197.303 is amended to read:

14 197.303. (1) As used in ORS [197.286 to 197.314] **197.296 to 197.303**, “needed housing” means all
15 housing on land zoned for residential use or mixed residential and commercial use that is determined
16 to meet the need shown for housing within an urban growth boundary at price ranges and rent
17 levels that are affordable to households within the county with a variety of incomes, including but
18 not limited to households with low incomes, very low incomes and extremely low incomes, as those
19 terms are defined by the United States Department of Housing and Urban Development under 42
20 U.S.C. 1437a. “Needed housing” includes the following housing types:

21 (a) Attached and detached single-family housing, **middle housing types as described in ORS**
22 **197.758** and multiple family housing for both owner and renter occupancy;

23 (b) Government assisted housing;

24 (c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;

25 (d) Manufactured homes on individual lots planned and zoned for single-family residential use
26 that are in addition to lots within designated manufactured dwelling subdivisions; [and]

27 (e) **Agriculture workforce** housing [for farmworkers.];

28 (f) **Housing for individuals with a variety of disabilities related to mobility or communi-**
29 **cations that require accessibility features;**

30 (g) **Housing for older persons, as defined in ORS 659A.421; and**

31 (h) **Housing for college or university students, if relevant to the region.**

32 (2) For the purpose of estimating housing needs, as described in ORS 197.296 (3)(b), a [local
33 government] **Metro** shall use the population projections prescribed by ORS [195.033 or] 195.036 and
34 shall consider and adopt findings related to changes in each of the following factors since the last
35 review under ORS 197.296 (2)(a)(B) and the projected future changes in these factors over a 20-year
36 planning period:

37 (a) Household sizes;

38 (b) Household demographics;

39 (c) Household incomes;

40 (d) Vacancy rates; and

41 (e) Housing costs.

42 (3) [A local government] **Metro** shall make the estimate described in subsection (2) of this section
43 using a shorter time period than since the last review under ORS 197.296 (2)(a)(B) if [the local gov-
44 ernment] **Metro** finds that the shorter time period will provide more accurate and reliable data re-
45 lated to housing need. The shorter time period may not be less than three years.

1 (4) [A local government] **Metro** shall use data from a wider geographic area or use a time period
 2 longer than the time period described in subsection (2) of this section if the analysis of a wider ge-
 3 ographic area or the use of a longer time period will provide more accurate, complete and reliable
 4 data relating to trends affecting housing need than an analysis performed pursuant to subsection (2)
 5 of this section. [The local government] **Metro** must clearly describe the geographic area, time frame
 6 and source of data used in an estimate performed under this subsection.

7 (5) Subsection (1)(a) and (d) of this section does not apply to[:]

8 [(a)] a city with a population of less than 2,500.

9 [(b) A county with a population of less than 15,000.]

10 (6) A local government may take an exception under ORS 197.732 to the definition of “needed
 11 housing” in subsection (1) of this section in the same manner that an exception may be taken under
 12 the goals.

13
 14 **HOUSING STRATEGIES**

15
 16 **SECTION 21.** ORS 197.290 is amended to read:

17 197.290. (1) A city with a population greater than 10,000 shall develop and adopt a housing
 18 production strategy under this section no later than one year after the city’s deadline for completing
 19 a housing capacity analysis under ORS [197.296 (2)(a) or (10)(b) or] 197.297 (1) **or section 15 (2) or**
 20 **16 (2) of this 2023 Act.**

21 (2) A housing production strategy must include a list of specific actions, including the adoption
 22 of measures and policies, that the city shall undertake to promote [*development within the city to*
 23 *address a housing need identified under ORS 197.296 (6)(b) or (10)(b) or 197.297.*]:

24 (a) **The development of needed housing;**

25 (b) **The development and maintenance of housing that is of diverse housing types, high-**
 26 **quality, physically accessible and affordable;**

27 (c) **Housing with access to economic opportunities, services and amenities; and**

28 (d) **Development patterns that replace segregated housing patterns with racially inte-**
 29 **grated housing and that transform racially and ethnically concentrated areas of poverty into**
 30 **areas of opportunity in compliance with fair housing laws.**

31 (3) Actions [*under this subsection*] **constituting a housing production strategy** may include:

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

35 (b) The creation of financial and regulatory incentives for development of needed housing, in-
 36 cluding creating incentives for needed housing at higher densities or that is affordable; [*and*]

37 (c) The development of a plan to access resources available at local, regional, state and national
 38 levels to increase the availability and affordability of needed housing[.];

39 (d) **Actions that would help prepare lands for development;**

40 (e) **Actions that would measure and improve the local city’s efficiency in approving per-**
 41 **mits to develop or redevelop needed housing;**

42 (f) **Amendments to the comprehensive plan or land use regulations that would:**

43 (A) **Increase the permitted density on existing residential land;**

44 (B) **Permit additional density in exchange for amenities and features provided by the de-**
 45 **veloper;**

1 (C) Encourage redevelopment and infill to generate additional needed housing;

2 (D) Authorize additional needed housing types not previously allowed;

3 (E) Adoption of an average residential density standard;

4 (F) Rezone or redesignate nonresidential land for residential uses after giving consider-
5 ation to the need to maintain the economic benefits of industrial lands and the public bene-
6 fits of park lands; or

7 (G) Simplify the process by which nonresidential lands may be rezoned to allow the de-
8 velopment of needed housing; or

9 (g) Any other actions identified by rule of the Land Conservation and Development
10 Commission intended to promote the diversity, affordability, quantity, quality, or speed or
11 flexibility of development of housing in a city.

12 (4) Actions proposed in a city's housing production strategy shall include clear deadlines
13 by which the city expects to undertake the action.

14 [(3)] (5) 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 recently*
26 *completed survey under ORS 456.586 (2).*]

27 [(5)] (6) The adoption of a housing production strategy is not a land use decision and is not
28 subject to appeal or review except as provided in ORS 197.291.

29 [(6)] (7) A city with a population of 10,000 or less may develop a housing production strategy
30 as provided in this section.

31 **SECTION 22.** Section 23 of this 2023 Act is added to and made a part of ORS 197.296 to
32 197.303.

33 **SECTION 23.** (1) Metro shall develop and adopt a housing coordination strategy under
34 this section no later than one year after the deadline for completing a housing capacity
35 analysis under ORS 197.296.

36 (2) Regional governments other than Metro, including counties or intergovernmental
37 entities described under ORS 190.003 to 190.130, may adopt a housing coordination strategy
38 as provided in this section.

39 (3) A housing coordination strategy must include a list of actions, including the adoption
40 of measures and policies or coordinating actions among local governments and other entities
41 within a region, that the regional entity shall undertake to promote:

42 (a) The development of needed housing;

43 (b) The development and maintenance of housing that is of diverse housing types, high-
44 quality, physically accessible and affordable;

45 (c) Housing with access to economic opportunities, services and amenities; and

1 (d) Development patterns that replace segregated housing patterns with racially inte-
 2 grated housing and that transform racially and ethnically concentrated areas of poverty into
 3 areas of opportunity in compliance with fair housing laws.

4 (4) Actions constituting a housing coordination strategy may include:

5 (a) The identification or coordination of resources that support the production of needed
 6 housing, including funding, staff capacity or technical support at the regional or state level;

7 (b) The identification of local or regional impediments to developing needed housing, in-
 8 cluding financial, regulatory or capacity-related constraints;

9 (c) Regional strategies that coordinate production of needed housing between local gov-
 10 ernments within a region and that are developed in consultation with impacted local gov-
 11 ernments;

12 (d) The identification of specific actions that cities in the region may consider as part
 13 of a housing production strategy under ORS 197.290; and

14 (e) Any other actions identified by rule of the Land Conservation and Development
 15 Commission that may promote the quantity or quality of developed housing in the region.

16 (5) A housing coordination strategy does not include changes to the amount of buildable
 17 lands under ORS 197.296.

18 (6) In creating a housing coordination strategy, a regional government shall review and
 19 consider:

20 (a) Socioeconomic and demographic characteristics of households living in existing
 21 needed housing;

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

23 (c) Measures already implemented by the regional entity to promote the development of
 24 needed housing;

25 (d) Existing and expected barriers to the planning or development of needed housing; and

26 (e) For each action the regional entity includes in its housing production strategy:

27 (A) The schedule for its adoption, if applicable;

28 (B) The schedule for its implementation, if applicable;

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

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

31 (7) The adoption of a housing coordination strategy is not a land use decision and is not
 32 subject to appeal or review except as provided in ORS 197.291.

33 **SECTION 24.** ORS 197.291 is amended to read:

34 197.291. (1) No later than 20 days after a city's adoption or amendment of a housing production
 35 strategy under ORS 197.290, a city shall submit the adopted strategy or amended strategy to the
 36 Department of Land Conservation and Development.

37 (2) The submission under subsection (1) of this section must include copies of:

38 (a) The signed decision adopting the housing production strategy or amended strategy;

39 (b) The text of the housing production strategy clearly indicating any amendments to the most
 40 recent strategy submitted under this section;

41 (c) A brief narrative summary of the housing production strategy; and

42 (d) The information reviewed and considered under ORS 197.293 (2).

43 (3) On the same day the city submits notice of the housing production strategy or amended
 44 strategy, the city shall provide a notice to persons that participated in the proceedings that led to
 45 the adoption of the strategy and requested notice in writing.

1 (4) Within 10 days of receipt of the submission under subsection (1) of this section, the depart-
 2 ment shall provide notice to persons described under ORS 197.615 (3).

3 (5) The notices given under subsections (3) and (4) of this section must state:

4 (a) How and where materials described in subsection (2) of this section may be freely obtained;

5 (b) That comments on the strategy may be submitted to the department within 45 days after the
 6 department has received the submission; and

7 (c) That there is no further right of appeal.

8 (6) Based upon criteria adopted by the Land Conservation and Development Commission, in-
 9 cluding any criteria adopted under ORS 197.293 (2), the department shall, within 120 days after re-
 10 ceiving the submission under subsection (1) of this section:

11 (a) Approve the housing production strategy;

12 (b) Approve the housing production strategy, subject to further review and actions under ORS
 13 197.293 (2); or

14 (c) Remand the housing production strategy for further modification as identified by the de-
 15 partment.

16 (7) A determination by the department under subsection (6) of this section is not a land use
 17 decision and is final and not subject to appeal.

18 **(8) A city's amendment to a comprehensive plan or adoption of a land use regulation is**
 19 **not subject to review, including under ORS 197.610 to 197.625, for compliance with a statewide**
 20 **land use planning goal related to transportation or economic development if the amendment**
 21 **or adoption is included within a housing production strategy that has been approved under**
 22 **subsection (6) of this section.**

23 **SECTION 25.** ORS 197.293 is amended to read:

24 197.293. (1) The Land Conservation and Development Commission, in consultation with the
 25 Housing and Community Services Department, shall adopt criteria for reviewing and identifying
 26 cities with a population greater than 10,000 that have not sufficiently:

27 (a) Achieved production of needed housing within their jurisdiction; or

28 (b) Implemented a housing production strategy adopted under ORS 197.290.

29 (2) The criteria adopted by the commission under subsection (1) of this section may include the
 30 *[city's]* **local government's**:

31 (a) Unmet housing *[need as described in ORS 197.296 (6)]* **production targets as described in**
 32 **section 4 of this 2023 Act;**

33 (b) Unmet housing *[need]* **production targets** in proportion to the city's population;

34 (c) Percentage of households identified as severely rent burdened as described in ORS 456.586;

35 (d) Recent housing development;

36 (e) Recent adoption of a housing production strategy under ORS 197.290 or adoption of actions
 37 pursuant to a housing production strategy;

38 (f) Recent or frequent previous identification by the Department of Land Conservation and De-
 39 velopment under this section; or

40 (g) Other attributes that the commission considers relevant.

41 (3) The Department of Land Conservation and Development may review cities under the criteria
 42 adopted under subsection (2) of this section for the purposes of prioritizing actions by the depart-
 43 ment, including:

44 (a) Awarding available technical or financial resources;

45 (b) Providing enhanced review and oversight of the city's housing production strategy;

1 (c) Requiring a report and explanation if a city does not implement an action within the ap-
 2 proximate time frame scheduled within a housing production strategy;

3 (d) Entering into agreements with the city relating to the city’s modification or implementation
 4 of its housing production strategy; or

5 (e) Petitioning the commission to act under ORS 197.319 to 197.335 to require the city to comply
 6 with ORS 197.286 to 197.314 or statewide land use planning goals related to housing or urbanization.

7
 8 **URBAN AND RURAL RESERVES**

9
 10 **SECTION 26.** ORS 195.141 is amended to read:

11 195.141. (1) A county and a [*metropolitan service district established under ORS chapter 268*] **city**
 12 **with a population greater than 10,000 or a county and Metro** may enter into an intergovern-
 13 mental agreement pursuant to ORS 190.003 to 190.130, 195.025 or 197.652 to 197.658 to designate
 14 rural reserves pursuant to this section [*and*] **at the same time as designating** urban reserves
 15 pursuant to ORS 195.145 (1)[*(b)*].

16 (2) Land designated as a rural reserve:

17 (a) Must be outside an urban growth boundary.

18 (b) May not be designated as an urban reserve during the urban reserve planning period de-
 19 scribed in ORS 195.145 (4).

20 (c) May not be included within an urban growth boundary during the period of time described
 21 in paragraph (b) of this subsection.

22 (3) When designating a rural reserve under this section to provide long-term protection to the
 23 agricultural industry, [*a county and a metropolitan service district shall base the designation*] **the**
 24 **designation must be based** on consideration of factors including, but not limited to, whether land
 25 proposed for designation as a rural reserve:

26 (a) Is situated in an area that is otherwise potentially subject to urbanization during the period
 27 described in subsection (2)(b) of this section, as indicated by proximity to the urban growth boundary
 28 and to properties with fair market values that significantly exceed agricultural values;

29 (b) Is capable of sustaining long-term agricultural operations;

30 (c) Has suitable soils and available water where needed to sustain long-term agricultural oper-
 31 ations; and

32 (d) Is suitable to sustain long-term agricultural operations, taking into account:

33 (A) The existence of a large block of agricultural or other resource land with a concentration
 34 or cluster of farms;

35 (B) The adjacent land use pattern, including its location in relation to adjacent nonfarm uses
 36 and the existence of buffers between agricultural operations and nonfarm uses;

37 (C) The agricultural land use pattern, including parcelization, tenure and ownership patterns;
 38 and

39 (D) The sufficiency of agricultural infrastructure in the area.

40 (4) **Designation and protection of rural reserves pursuant to this section or urban re-**
 41 **serves pursuant to ORS 195.145 (1):**

42 (a) **Is not a basis for a claim for compensation under ORS 195.305 unless the designation**
 43 **and protection of rural reserves or urban reserves imposes a new restriction on the use of**
 44 **private real property.**

45 (b) **Does not impair the rights and immunities provided under ORS 30.930 to 30.947.**

1 [(4)] (5) The Land Conservation and Development Commission shall[, *after consultation*] **consult**
 2 with the State Department of Agriculture[, *adopt by goal or by rule a process and criteria for desig-*
 3 *inating rural reserves pursuant to this section*] **in adopting, amending or repealing rules under this**
 4 **section.**

5 **SECTION 27.** ORS 195.145 is amended to read:

6 195.145. (1) To ensure that the supply of land available for urbanization is maintained:

7 (a) Local governments may cooperatively designate lands outside urban growth boundaries as
 8 urban reserves subject to ORS 197.610 to 197.625 and 197.626.

9 (b) Alternatively, [*a metropolitan service district established under ORS chapter 268*] **Metro** and
 10 a county may enter into a written agreement pursuant to ORS 190.003 to 190.130, 195.025 or 197.652
 11 to 197.658 to designate urban reserves. A process and criteria developed pursuant to this paragraph
 12 are an alternative to a process or criteria adopted pursuant to paragraph (a) of this subsection.

13 (2)[(a)] The Land Conservation and Development Commission may require a local government
 14 to designate [*an urban reserve*] **urban reserves** pursuant to subsection (1)(a) of this section during
 15 its periodic review in accordance with the conditions for periodic review under ORS 197.628.

16 [(b) *Notwithstanding paragraph (a) of this subsection, the commission may require a local govern-*
 17 *ment to designate an urban reserve pursuant to subsection (1)(a) of this section outside of its periodic*
 18 *review if:*]

19 [(A) *The local government is located inside a Primary Metropolitan Statistical Area or a Metro-*
 20 *politan Statistical Area as designated by the Federal Census Bureau upon November 4, 1993; and]*

21 [(B) *The local government has been required to designate an urban reserve by rule prior to No-*
 22 *vember 4, 1993.*]

23 (3) In carrying out subsections (1) and (2) of this section:

24 (a) Within an urban reserve, [*neither the commission nor any*] **a** local government [*shall*] **may**
 25 **not** prohibit the siting on a legal parcel of a single family dwelling that would otherwise have been
 26 allowed under law existing prior to designation as an urban reserve.

27 (b) The commission shall provide to local governments a list of options, rather than prescribing
 28 a single planning technique, to ensure the efficient transition from rural to urban use in urban re-
 29 serves.

30 (4) Urban reserves designated [*by a metropolitan service district and a county pursuant to sub-*
 31 *section (1)(b) of*] **under** this section must be planned to accommodate population and employment
 32 growth for:

33 (a) **At least 40 years and not more than 50 years; or**

34 (b) At least 20 years, and not more than 30 years, after the 20-year period for which the district
 35 has [*demonstrated a buildable land supply in the most recent inventory, determination and analysis*
 36 *performed*] **inventoried buildable lands** under ORS 197.296 **or section 15 or 16 of this 2023 Act.**

37 (5) **Urban reserves may be established at any time without regard to a schedule under**
 38 **ORS 197.296 (2) or section 15 (2) or 16 (2) of this 2023 Act.**

39 [(5)] (6) [*A district and a county shall base*] The designation of urban reserves under [*subsection*
 40 [*(1)(b) of*] this section **must be based** upon consideration of factors including, but not limited to,
 41 whether land proposed for designation as urban reserves, alone or in conjunction with land inside
 42 the urban growth boundary:

43 (a) Can be developed at urban densities in a way that makes efficient use of existing and future
 44 public infrastructure investments;

45 (b) Includes sufficient development capacity to support a healthy urban economy;

1 (c) Can be served by public schools and other urban-level public facilities and services efficiently
 2 and cost-effectively by appropriate and financially capable service providers;

3 (d) Can be designed to be walkable and served by a well-connected system of streets by appro-
 4 priate service providers;

5 (e) Can be designed to preserve and enhance natural ecological systems; and

6 (f) Includes sufficient land suitable for a range of housing types.

7 [(6)] (7) A county may take an exception under ORS 197.732 to a statewide land use planning
 8 goal to allow the establishment of a transportation facility in an area designated as urban reserve
 9 under [subsection (1)(b) of] this section.

10 [(7)] (8) The commission shall adopt by goal or by rule a process and criteria for designating
 11 urban reserves pursuant to [subsection (1)(b) of] this section.

12 **SECTION 28. The amendments to ORS 195.141 and 195.145 by sections 26 and 27 of this**
 13 **2023 Act do not apply to urban reserves or rural reserves that were acknowledged as of the**
 14 **effective date of this 2023 Act.**

15
 16 **LOCAL HOUSING REPORTS**

17
 18 **SECTION 29.** ORS 456.586 is amended to read:

19 456.586. (1) For purposes of this section[:]

20 [(a)] a household is severely rent burdened if the household spends more than 50 percent of the
 21 income of the household on gross rent for housing.

22 [(b) *A regulated affordable unit is a residential unit subject to a regulatory agreement that runs*
 23 *with the land and that requires affordability for an established income level for a defined period of*
 24 *time.*]

25 (2)[(a)] The Housing and Community Services Department shall annually provide to the govern-
 26 ing body of each city in this state with a population greater than 10,000 the most current data
 27 available from the United States Census Bureau, or any other source the department considers at
 28 least as reliable, showing the percentage of renter households in the city that are severely rent
 29 burdened.

30 [(b) *The Department of Land Conservation and Development, in consultation with the Housing and*
 31 *Community Services Department, shall develop a survey form on which the governing body of a city*
 32 *may provide specific information related to the affordability of housing within the city, including the*
 33 *actions relating to land use and other related matters that the city has taken to encourage the devel-*
 34 *opment of needed housing, increase the affordability of housing and reduce rent burdens for severely*
 35 *rent burdened households.*]

36 [(c) *The Department of Land Conservation and Development shall provide the governing body of*
 37 *the city with the survey form developed pursuant to paragraph (b) of this subsection.*]

38 [(d) *The governing body of the city shall return the completed survey form to the Department of*
 39 *Land Conservation and Development at least 24 months prior to a deadline for completing a housing*
 40 *production strategy under ORS 197.290.*]

41 (3)(a) In any year in which the governing body of a city is informed under this section that at
 42 least 25 percent of the renter households in the city are severely rent burdened, the governing body
 43 shall hold at least one public meeting to discuss the causes and consequences of severe rent burdens
 44 within the city, the barriers to reducing rent burdens and possible solutions.

45 (b) The Housing and Community Services Department may adopt rules governing the conduct

1 of the public meeting required under this subsection.

2 [(4) No later than February 1 of each year, the governing body of each city in this state with a
3 population greater than 10,000 shall submit to the Department of Land Conservation and Development
4 a report for the immediately preceding calendar year setting forth separately for each of the following
5 categories the total number of units that were permitted and the total number that were produced:]

6 [(a) Residential units.]

7 [(b) Regulated affordable residential units.]

8 [(c) Multifamily residential units.]

9 [(d) Regulated affordable multifamily residential units.]

10 [(e) Single-family homes.]

11 [(f) Regulated affordable single-family homes.]

12 [(g) Accessory dwelling units.]

13 [(h) Regulated affordable accessory dwelling units.]

14 [(i) Units of middle housing, as defined in ORS 197.758.]

15 [(j) Regulated affordable units of middle housing.]

16 **SECTION 30. Sections 31 and 32 of this 2023 Act are added to and made a part of ORS**
17 **197.286 to 197.314.**

18 **SECTION 31. (1) No later than February 1 of each year, each city with a population**
19 **greater than 10,000 shall submit to the Department of Land Conservation and Development**
20 **a report for the immediately preceding calendar year setting forth, for each of the following,**
21 **the total number of units that were permitted and the total number that were produced:**

22 (a) Total residential units, segmented by:

23 (A) Single-family homes.

24 (B) Accessory dwelling units.

25 (C) Units of middle housing.

26 (D) Multifamily residential units, not including middle housing.

27 (E) Units with accessibility features or of an accessibility category as recognized by a
28 building code established under ORS chapter 455.

29 (b) For each segment under paragraph (a)(A) to (E) of this subsection, the number of
30 which that were subject to a recorded agreement that runs with the land and that requires
31 affordability for an established income level for a defined period, but that would not be in-
32 cluded in the inventory of publicly supported housing described in section 5 (3)(a) of this 2023
33 Act.

34 (2) The department, in consultation with the Housing and Community Services Depart-
35 ment, shall develop a format by which data required under this section must be submitted.
36 The Department of Land Conservation and Development shall provide a copy of any form or
37 notice of the format to each city required to provide a report.

38 (3) The department shall provide a copy of the data received under this section to the
39 Housing and Community Services Department by July 1 of each year.

40 **SECTION 32. Between 12 and 18 months before a city's deadline for completing a housing**
41 **capacity analysis under ORS 197.297 (1) or section 15 (2) or 16 (2) of this 2023 Act, each city**
42 **with a population greater than 10,000 shall submit to the Department of Land Conservation**
43 **and Development a report setting forth the actions that a city has taken since its most re-**
44 **cent housing capacity analysis to implement its housing production strategy or to otherwise**
45 **encourage the development of needed housing, to increase the affordability of housing, to**

1 **reduce rent burdens or to otherwise meet the purposes of ORS 197.290 (2).**

2 **SECTION 33. ORS 197.178 is repealed.**

3
4 **POPULATION FORECAST**

5
6 **SECTION 34.** ORS 195.033 is amended to read:

7 195.033. (1) As used in this section, “affected local government” means:

8 (a) A city or county for which the Portland State University Population Research Center is
9 preparing a population forecast;

10 (b) A county that contains all or part of a city or an urban growth boundary for which the
11 center is preparing a population forecast; and

12 (c) A local service district, as defined in ORS 174.116, that includes territory within the area
13 subject to the population forecast.

14 (2) For the purpose of land use planning, the center shall issue a population forecast for:

15 (a) Each county except Multnomah, Clackamas and Washington Counties;

16 (b) The portions of Multnomah, Clackamas and Washington Counties that are not within Metro;
17 and

18 (c) The area within each urban growth boundary other than the urban growth boundary of
19 Metro.

20 (3) A local government with land use jurisdiction over land for which the center issues popu-
21 lation forecasts under subsection (2) of this section shall apply the current final population forecast
22 when changing the comprehensive plan or a land use regulation of the local government.

23 (4) The center shall issue population forecasts for each area described in subsection (2) of this
24 section not less than once every four years on a schedule established by standards adopted by
25 Portland State University in consultation with the Department of Land Conservation and Develop-
26 ment.

27 (5) When issuing a population forecast, the center shall:

28 (a) Consider and, if appropriate, incorporate available local data and information about local
29 conditions received from representatives of local governments and members of the public;

30 (b) Cause, directly or with the assistance of the Department of Land Conservation and Devel-
31 opment, the issuance of notice to all affected local governments and to members of the public that
32 have provided a written request for notice to the center; and

33 (c) Post the methodology and supporting data used to make the population forecast on a publicly
34 available website when the center causes notice to be issued as described in paragraph (b) of this
35 subsection.

36 (6) A population forecast must forecast population for a 50-year period including:

37 (a) Forecasts for intervals, within the 50-year period, that are established by standards adopted
38 by Portland State University in consultation with the Department of Land Conservation and Devel-
39 opment; [and]

40 (b) Population cohorts as provided by standards adopted by the university in consultation with
41 the department[.];

42 **(c) Population data segmented by race, ethnicity and disability status; and**

43 **(d) Segregated information for populations on tribal lands.**

44 (7) Within 45 days after the center issues a proposed population forecast under this section, a
45 member of the public or an affected local government may file objections with the center. An ob-

1 jection must be supported by the inclusion of data or information that supports the objection. If the
2 center:

3 (a) Does not receive an objection within the 45-day period, the proposed population forecast
4 becomes final.

5 (b) Receives an objection within the 45-day period, the center shall review the objections filed,
6 make changes to the proposed population forecast, if necessary in the discretion of the center, and
7 issue a final population forecast.

8 (8) Periodically, the Department of Land Conservation and Development may require the center
9 to submit its forecasting methodology and local data collection practices for review by an advisory
10 committee established by the department and composed of experts in the field of population fore-
11 casting, representatives of cities and counties and members of the public.

12 (9) The issuance of a final population forecast under this section is:

13 (a) Not a land use decision; and

14 (b) A final decision not subject to further review or appeal.

15 (10) The Land Conservation and Development Commission, in consultation with Portland State
16 University, shall adopt rules to implement the population forecasting program required by this sec-
17 tion.

18 (11) Each biennium, the commission shall allocate, from the grant funding described in ORS
19 197.639 (5), an amount of moneys that the Land Conservation and Development Commission, in
20 consultation with Portland State University, determines is sufficient to operate the population fore-
21 casting program required by this section.

22 **SECTION 35.** ORS 195.036 is amended to read:

23 195.036. Metro, in coordination with local governments within its boundary, shall issue a popu-
24 lation forecast for the entire area within its boundary to be applied by Metro and local governments
25 within the boundary of Metro as a basis for changes to comprehensive plans and land use regu-
26 lations. **The forecasted population data must be segmented by race, ethnicity and disability**
27 **status.**

28
29 **CONFORMING AMENDMENTS**

30
31 **SECTION 36.** ORS 195.137 to 195.145 are added to and made a part of ORS 197.286 to
32 **197.314.**

33 **SECTION 37.** ORS 94.536 is amended to read:

34 94.536. As used in this section and ORS 94.538:

35 (1) "Conservation easement" has the meaning given that term in ORS 271.715.

36 (2) "Governmental unit" means a city, county, metropolitan service district or state agency as
37 defined in ORS 171.133.

38 (3) "Holder" has the meaning given that term in ORS 271.715.

39 (4) "Lot" has the meaning given that term in ORS 92.010.

40 (5) "Parcel" has the meaning given that term in ORS 92.010.

41 (6) "Receiving area" means a designated area of land to which a holder of development credits
42 generated from a sending area may transfer the development credits and in which additional uses
43 or development, not otherwise allowed, are allowed by reason of the transfer.

44 (7) "Resource land" means:

45 (a) Lands outside an urban growth boundary planned and zoned for farm use, forest use or mixed

1 farm and forest use.

2 (b) Lands inside or outside urban growth boundaries identified:

3 (A) In an acknowledged local or regional government inventory as containing significant
4 wetland, riparian, wildlife habitat, historic, scenic or open space resources; or

5 (B) As containing important natural resources, estuaries, coastal shorelands, beaches and dunes
6 or other resources described in the statewide land use planning goals.

7 (c) "Conservation Opportunity Areas" identified in the "Oregon Conservation Strategy" adopted
8 by the State Fish and Wildlife Commission and published by the State Department of Fish and
9 Wildlife in September of 2006.

10 (8) "Sending area" means a designated area of resource land from which development credits
11 generated from forgone development are transferable, for uses or development not otherwise al-
12 lowed, to a receiving area.

13 (9) "Tract" has the meaning given that term in ORS 215.010.

14 (10) "Transferable development credit" means a severable development interest in real property
15 that can be transferred from a lot, parcel or tract in a sending area to a lot, parcel or tract in a
16 receiving area.

17 (11) "Transferable development credit system" means a land use planning tool that allows the
18 record owner of a lot, parcel or tract of resource land in a sending area to voluntarily sever and
19 sell development interests from the lot, parcel or tract for purchase and use by a potential developer
20 to develop a lot, parcel or tract in a receiving area at a higher intensity than otherwise allowed.

21 (12) "Urban growth boundary" has the meaning given that term in ORS [195.060] **197.015**.

22 (13) "Urban reserve" has the meaning given that term in ORS 195.137.

23 **SECTION 38.** ORS 195.060 is amended to read:

24 195.060. As used in ORS 195.020[,], **and** 195.065 to 195.085 [*and 197.005*], unless the context re-
25 quires otherwise[.], **"district" or "special district" has the meaning given the term "district"**
26 **in ORS 198.010 and also**

27 [(1) "*District*" has the meaning given that term in ORS 198.010. In addition, the term] includes a
28 county service district organized under ORS chapter 451.

29 [(2) "*Urban growth boundary*" means an acknowledged urban growth boundary contained in a city
30 or county comprehensive plan or an acknowledged urban growth boundary that has been adopted by
31 a metropolitan service district council under ORS 268.390 (3).]

32 [(3) "*Urban service*" has the meaning given that term in ORS 195.065.]

33 **SECTION 39.** ORS 195.143 is amended to read:

34 195.143. (1) A county and [*a metropolitan service district*] **Metro** must consider simultaneously
35 the designation and establishment of:

36 (a) Rural reserves pursuant to ORS 195.141; and

37 (b) Urban reserves pursuant to ORS 195.145 (1)(b).

38 (2) An agreement [*between a county and a metropolitan service district*] to establish rural reserves
39 pursuant to ORS 195.141 and urban reserves pursuant to ORS 195.145 (1)(b) must provide for a co-
40 ordinated and concurrent process for adoption by the county of comprehensive plan provisions and
41 by [*the district*] **Metro** of regional framework plan provisions to implement the agreement. [*A*
42 *district*] **Metro** may not designate urban reserves pursuant to ORS 195.145 (1)(b) in a county until
43 the county and [*the district*] **Metro** have entered into an agreement pursuant to ORS 195.145 (1)(b)
44 that identifies the land to be designated by [*the district in the district's*] **Metro in Metro's** regional
45 framework plan as urban reserves. A county may not designate rural reserves pursuant to ORS

1 195.141 until the county and [*the district*] **Metro** have entered into an agreement pursuant to ORS
 2 195.141 that identifies the land to be designated as rural reserves by the county in the county's
 3 comprehensive plan.

4 (3) A county and [*a metropolitan service district*] **Metro** may not enter into an intergovernmental
 5 agreement to designate urban reserves in the county pursuant to ORS 195.145 (1)(b) unless the
 6 county and [*the district*] **Metro** also agree to designate rural reserves in the county.

7 [(4) *Designation and protection of rural reserves pursuant to ORS 195.141 or urban reserves pur-*
 8 *suant to ORS 195.145 (1)(b):*]

9 [(a) *Is not a basis for a claim for compensation under ORS 195.305 unless the designation and*
 10 *protection of rural reserves or urban reserves imposes a new restriction on the use of private real*
 11 *property.*]

12 [(b) *Does not impair the rights and immunities provided under ORS 30.930 to 30.947.*]

13 **SECTION 40.** ORS 195.300 is amended to read:

14 195.300. As used in this section and ORS 195.301 and 195.305 to 195.336 and sections 5 to 11,
 15 chapter 424, Oregon Laws 2007, and sections 2 to 9 and 17, chapter 855, Oregon Laws 2009, and
 16 sections 2 to 7, chapter 8, Oregon Laws 2010:

17 (1) "Acquisition date" means the date described in ORS 195.328.

18 (2) "Claim" means a written demand for compensation filed under:

19 (a) ORS 195.305, as in effect immediately before December 6, 2007; or

20 (b) ORS 195.305 and 195.310 to 195.314, as in effect on and after December 6, 2007.

21 (3) "Enacted" means enacted, adopted or amended.

22 (4) "Fair market value" means the value of property as determined under ORS 195.332.

23 (5) "Farming practice" has the meaning given that term in ORS 30.930.

24 (6) "Federal law" means:

25 (a) A statute, regulation, order, decree or policy enacted by a federal entity or by a state entity
 26 acting under authority delegated by the federal government;

27 (b) A requirement contained in a plan or rule enacted by a compact entity; or

28 (c) A requirement contained in a permit issued by a federal or state agency pursuant to a federal
 29 statute or regulation.

30 (7) "File" means to submit a document to a public entity.

31 (8) "Forest practice" has the meaning given that term in ORS 527.620.

32 (9) "Ground water restricted area" means an area designated as a critical ground water area
 33 or as a ground water limited area by the Water Resources Department or Water Resources Com-
 34 mission before December 6, 2007.

35 (10) "High-value farmland" means:

36 (a) High-value farmland as described in ORS 215.710 that is land in an exclusive farm use zone
 37 or a mixed farm and forest zone, except that the dates specified in ORS 215.710 (2), (4) and (6) are
 38 December 6, 2007.

39 (b) Land west of U.S. Highway 101 that is composed predominantly of the following soils in Class
 40 III or IV or composed predominantly of a combination of the soils described in ORS 215.710 (1) and
 41 the following soils:

42 (A) Subclassification IIIw, specifically Ettersburg Silt Loam and Croftland Silty Clay Loam;

43 (B) Subclassification IIIe, specifically Klooqueth Silty Clay Loam and Winchuck Silt Loam; and

44 (C) Subclassification IVw, specifically Huffling Silty Clay Loam.

45 (c) Land that is in an exclusive farm use zone or a mixed farm and forest zone and that on June

1 28, 2007, is:

2 (A) Within the place of use for a permit, certificate or decree for the use of water for irrigation
3 issued by the Water Resources Department;

4 (B) Within the boundaries of a district, as defined in ORS 540.505; or

5 (C) Within the boundaries of a diking district formed under ORS chapter 551.

6 (d) Land that contains not less than five acres planted in wine grapes.

7 (e) Land that is in an exclusive farm use zone and that is at an elevation between 200 and 1,000
8 feet above mean sea level, with an aspect between 67.5 and 292.5 degrees and a slope between zero
9 and 15 percent, and that is located within:

10 (A) The Southern Oregon viticultural area as described in 27 C.F.R. 9.179;

11 (B) The Umpqua Valley viticultural area as described in 27 C.F.R. 9.89; or

12 (C) The Willamette Valley viticultural area as described in 27 C.F.R. 9.90.

13 (f) Land that is in an exclusive farm use zone and that is no more than 3,000 feet above mean
14 sea level, with an aspect between 67.5 and 292.5 degrees and a slope between zero and 15 percent,
15 and that is located within:

16 (A) The portion of the Columbia Gorge viticultural area as described in 27 C.F.R. 9.178 that is
17 within the State of Oregon;

18 (B) The Rogue Valley viticultural area as described in 27 C.F.R. 9.132;

19 (C) The portion of the Columbia Valley viticultural area as described in 27 C.F.R. 9.74 that is
20 within the State of Oregon;

21 (D) The portion of the Walla Walla Valley viticultural area as described in 27 C.F.R. 9.91 that
22 is within the State of Oregon; or

23 (E) The portion of the Snake River Valley viticultural area as described in 27 C.F.R. 9.208 that
24 is within the State of Oregon.

25 (11) "High-value forestland" means land:

26 (a) That is in a forest zone or a mixed farm and forest zone, that is located in western Oregon
27 and composed predominantly of soils capable of producing more than 120 cubic feet per acre per
28 year of wood fiber and that is capable of producing more than 5,000 cubic feet per year of com-
29 mercial tree species; or

30 (b) That is in a forest zone or a mixed farm and forest zone, that is located in eastern Oregon
31 and composed predominantly of soils capable of producing more than 85 cubic feet per acre per year
32 of wood fiber and that is capable of producing more than 4,000 cubic feet per year of commercial
33 tree species.

34 (12) "Home site approval" means approval of the subdivision or partition of property or approval
35 of the establishment of a dwelling on property.

36 (13) "Just compensation" means:

37 (a) Relief under sections 5 to 11, chapter 424, Oregon Laws 2007, sections 2 to 9 and 17, chapter
38 855, Oregon Laws 2009, and sections 2 to 7, chapter 8, Oregon Laws 2010, for land use regulations
39 enacted on or before January 1, 2007; and

40 (b) Relief under ORS 195.310 to 195.314 for land use regulations enacted after January 1, 2007.

41 (14) "Land use regulation" means:

42 (a) A statute that establishes a minimum lot or parcel size;

43 (b) A provision in ORS 227.030 to 227.300, 227.350, 227.400, 227.450 or 227.500 or in ORS chapter
44 215 that restricts the residential use of private real property;

45 (c) A provision of a city comprehensive plan, zoning ordinance or land division ordinance that

1 restricts the residential use of private real property zoned for residential use;

2 (d) A provision of a county comprehensive plan, zoning ordinance or land division ordinance that
3 restricts the residential use of private real property;

4 (e) A provision, enacted or adopted on or after January 1, 2010, of:

5 (A) The Oregon Forest Practices Act;

6 (B) An administrative rule of the State Board of Forestry; or

7 (C) Any other law enacted, or rule adopted, solely for the purpose of regulating a forest prac-
8 tice;

9 (f) ORS 561.191, a provision of ORS 568.900 to 568.933 or an administrative rule of the State
10 Department of Agriculture that implements ORS 561.191 or 568.900 to 568.933;

11 (g) An administrative rule or goal of the Land Conservation and Development Commission; or

12 (h) A provision of a Metro functional plan that restricts the residential use of private real
13 property.

14 (15) "Lawfully established unit of land" has the meaning given that term in ORS 92.010.

15 (16) "Lot" has the meaning given that term in ORS 92.010.

16 (17) "Measure 37 permit" means a final decision by Metro, a city or a county to authorize the
17 development, subdivision or partition or other use of property pursuant to a waiver.

18 (18) "Owner" means:

19 (a) The owner of fee title to the property as shown in the deed records of the county where the
20 property is located;

21 (b) The purchaser under a land sale contract, if there is a recorded land sale contract in force
22 for the property; or

23 (c) If the property is owned by the trustee of a revocable trust, the settlor of a revocable trust,
24 except that when the trust becomes irrevocable only the trustee is the owner.

25 (19) "Parcel" has the meaning given that term in ORS 92.010.

26 (20) "Property" means the private real property described in a claim and contiguous private real
27 property that is owned by the same owner, whether or not the contiguous property is described in
28 another claim, and that is not property owned by the federal government, an Indian tribe or a public
29 body, as defined in ORS 192.311.

30 (21) "Protection of public health and safety" means a law, rule, ordinance, order, policy, permit
31 or other governmental authorization that restricts a use of property in order to reduce the risk or
32 consequence of fire, earthquake, landslide, flood, storm, pollution, disease, crime or other natural
33 or human disaster or threat to persons or property including, but not limited to, building and fire
34 codes, health and sanitation regulations, solid or hazardous waste regulations and pollution control
35 regulations.

36 (22) "Public entity" means the state, Metro, a county or a city.

37 [(23) "Urban growth boundary" has the meaning given that term in ORS 195.060.]

38 [(24)] (23) "Waive" or "waiver" means an action or decision of a public entity to modify, remove
39 or not apply one or more land use regulations under ORS 195.305 to 195.336 and sections 5 to 11,
40 chapter 424, Oregon Laws 2007, sections 2 to 9 and 17, chapter 855, Oregon Laws 2009, and sections
41 2 to 7, chapter 8, Oregon Laws 2010, or ORS 195.305, as in effect immediately before December 6,
42 2007, to allow the owner to use property for a use permitted when the owner acquired the property.

43 [(25)] (24) "Zoned for residential use" means zoning that has as its primary purpose single-family
44 residential use.

45 **SECTION 41.** ORS 197.015 is amended to read:

1 197.015. As used in ORS chapters 195, 196 and 197 [*and ORS 197A.300 to 197A.325*], unless the
 2 context requires otherwise:

3 (1) "Acknowledgment" means a commission order that certifies that a comprehensive plan and
 4 land use regulations, land use regulation or plan or regulation amendment complies with the goals
 5 or certifies that Metro land use planning goals and objectives, Metro regional framework plan,
 6 amendments to Metro planning goals and objectives or amendments to the Metro regional frame-
 7 work plan comply with the goals.

8 (2) "Board" means the Land Use Board of Appeals.

9 (3) "Carport" means a stationary structure consisting of a roof with its supports and not more
 10 than one wall, or storage cabinet substituting for a wall, and used for sheltering a motor vehicle.

11 (4) "Commission" means the Land Conservation and Development Commission.

12 (5) "Comprehensive plan" means a generalized, coordinated land use map and policy statement
 13 of the governing body of a local government that interrelates all functional and natural systems and
 14 activities relating to the use of lands, including but not limited to sewer and water systems, trans-
 15 portation systems, educational facilities, recreational facilities, and natural resources and air and
 16 water quality management programs. "Comprehensive" means all-inclusive, both in terms of the
 17 geographic area covered and functional and natural activities and systems occurring in the area
 18 covered by the plan. "General nature" means a summary of policies and proposals in broad catego-
 19 ries and does not necessarily indicate specific locations of any area, activity or use. A plan is "co-
 20 ordinated" when the needs of all levels of governments, semipublic and private agencies and the
 21 citizens of Oregon have been considered and accommodated as much as possible. "Land" includes
 22 water, both surface and subsurface, and the air.

23 (6) "Department" means the Department of Land Conservation and Development.

24 (7) "Director" means the Director of the Department of Land Conservation and Development.

25 (8) "Goals" means the mandatory statewide land use planning standards adopted by the com-
 26 mission pursuant to ORS chapters 195, 196 and 197.

27 (9) "Guidelines" means suggested approaches designed to aid cities and counties in preparation,
 28 adoption and implementation of comprehensive plans in compliance with goals and to aid state
 29 agencies and special districts in the preparation, adoption and implementation of plans, programs
 30 and regulations in compliance with goals. Guidelines [*shall be advisory and shall*] **are advisory and**
 31 **do** not limit state agencies, cities, counties and special districts to a single approach.

32 (10) "Land use decision":

33 (a) Includes:

34 (A) A final decision or determination made by a local government or special district that con-
 35 cerns the adoption, amendment or application of:

36 (i) The goals;

37 (ii) A comprehensive plan provision;

38 (iii) A land use regulation; or

39 (iv) A new land use regulation;

40 (B) A final decision or determination of a state agency other than the commission with respect
 41 to which the agency is required to apply the goals; or

42 (C) A decision of a county planning commission made under ORS 433.763;

43 (b) Does not include a decision of a local government:

44 (A) That is made under land use standards that do not require interpretation or the exercise
 45 of policy or legal judgment;

1 (B) That approves or denies a building permit issued under clear and objective land use stan-
 2 dards;

3 (C) That is a limited land use decision;

4 (D) That determines final engineering design, construction, operation, maintenance, repair or
 5 preservation of a transportation facility that is otherwise authorized by and consistent with the
 6 comprehensive plan and land use regulations;

7 (E) That is an expedited land division as described in ORS 197.360;

8 (F) That approves, pursuant to ORS 480.450 (7), the siting, installation, maintenance or removal
 9 of a liquefied petroleum gas container or receptacle regulated exclusively by the State Fire Marshal
 10 under ORS 480.410 to 480.460;

11 (G) That approves or denies approval of a final subdivision or partition plat or that determines
 12 whether a final subdivision or partition plat substantially conforms to the tentative subdivision or
 13 partition plan; or

14 (H) That a proposed state agency action subject to ORS 197.180 (1) is compatible with the ac-
 15 knowledged comprehensive plan and land use regulations implementing the plan, if:

16 (i) The local government has already made a land use decision authorizing a use or activity that
 17 encompasses the proposed state agency action;

18 (ii) The use or activity that would be authorized, funded or undertaken by the proposed state
 19 agency action is allowed without review under the acknowledged comprehensive plan and land use
 20 regulations implementing the plan; or

21 (iii) The use or activity that would be authorized, funded or undertaken by the proposed state
 22 agency action requires a future land use review under the acknowledged comprehensive plan and
 23 land use regulations implementing the plan;

24 (c) Does not include a decision by a school district to close a school;

25 (d) Does not include, except as provided in ORS 215.213 (13)(c) or 215.283 (6)(c), authorization
 26 of an outdoor mass gathering as defined in ORS 433.735, or other gathering of fewer than 3,000
 27 persons that is not anticipated to continue for more than 120 hours in any three-month period; and

28 (e) Does not include:

29 (A) A writ of mandamus issued by a circuit court in accordance with ORS 215.429 or 227.179;

30 (B) Any local decision or action taken on an application subject to ORS 215.427 or 227.178 after
 31 a petition for a writ of mandamus has been filed under ORS 215.429 or 227.179; or

32 (C) A state agency action subject to ORS 197.180 (1), if:

33 (i) The local government with land use jurisdiction over a use or activity that would be au-
 34 thorized, funded or undertaken by the state agency as a result of the state agency action has already
 35 made a land use decision approving the use or activity; or

36 (ii) A use or activity that would be authorized, funded or undertaken by the state agency as a
 37 result of the state agency action is allowed without review under the acknowledged comprehensive
 38 plan and land use regulations implementing the plan.

39 (11) "Land use regulation" means any local government zoning ordinance, land division ordi-
 40 nance adopted under ORS 92.044 or 92.046 or similar general ordinance establishing standards for
 41 implementing a comprehensive plan.

42 (12) "Limited land use decision":

43 (a) Means a final decision or determination made by a local government pertaining to a site
 44 within an urban growth boundary that concerns:

45 (A) The approval or denial of a tentative subdivision or partition plan, as described in ORS

1 92.040 (1).

2 (B) The approval or denial of an application based on discretionary standards designed to reg-
3 ulate the physical characteristics of a use permitted outright, including but not limited to site re-
4 view and design review.

5 (b) Does not mean a final decision made by a local government pertaining to a site within an
6 urban growth boundary that concerns approval or denial of a final subdivision or partition plat or
7 that determines whether a final subdivision or partition plat substantially conforms to the tentative
8 subdivision or partition plan.

9 (13) "Local government" means any city, county or [*metropolitan service district formed under*
10 *ORS chapter 268*] **Metro** or an association of local governments performing land use planning func-
11 tions under ORS 195.025.

12 (14) "Metro" means a metropolitan service district organized under ORS chapter 268.

13 (15) "Metro planning goals and objectives" means the land use goals and objectives that [*a*
14 *metropolitan service district*] **Metro** may adopt under ORS 268.380 (1)(a). The goals and objectives
15 do not constitute a comprehensive plan.

16 (16) "Metro regional framework plan" means the regional framework plan required by the 1992
17 Metro Charter or its separate components. Neither the regional framework plan nor its individual
18 components constitute a comprehensive plan.

19 (17) "New land use regulation" means a land use regulation other than an amendment to an
20 acknowledged land use regulation adopted by a local government that already has a comprehensive
21 plan and land regulations acknowledged under ORS 197.251.

22 (18) "Person" means any individual, partnership, corporation, association, governmental subdivi-
23 sion or agency or public or private organization of any kind. The Land Conservation and Devel-
24 opment Commission or its designee is considered a person for purposes of appeal under ORS
25 chapters 195 and 197.

26 (19) "Special district" means any unit of local government, other than a city, county, [*metropol-*
27 *itan service district formed under ORS chapter 268*] **Metro** or an association of local governments
28 performing land use planning functions under ORS 195.025, authorized and regulated by statute and
29 includes but is not limited to water control districts, domestic water associations and water coop-
30 eratives, irrigation districts, port districts, regional air quality control authorities, fire districts,
31 school districts, hospital districts, mass transit districts and sanitary districts.

32 **(20) "Urban growth boundary" means an acknowledged urban growth boundary contained**
33 **in a city or county comprehensive plan or adopted by Metro under ORS 268.390 (3).**

34 [(20)] **(21)** "Urban unincorporated community" means an area designated in a county's ac-
35 knowledged comprehensive plan as an urban unincorporated community after December 5, 1994.

36 [(21)] **(22)** "Voluntary association of local governments" means a regional planning agency in
37 this state officially designated by the Governor pursuant to the federal Office of Management and
38 Budget Circular A-95 as a regional clearinghouse.

39 [(22)] **(23)** "Wetlands" means those areas that are inundated or saturated by surface or ground
40 water at a frequency and duration that are sufficient to support, and that under normal circum-
41 stances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions.

42 **SECTION 42.** ORS 197.297 is amended to read:

43 197.297. (1) At least once every six years, by a date scheduled by the Land Conservation and
44 Development Commission, a city that is within [*a metropolitan service district*] **Metro** and has a
45 population greater than 10,000 shall:

1 (a) Inventory the supply of buildable lands within the city and determine the housing capacity
2 of the buildable lands; and

3 (b) Conduct an analysis of the city's existing and projected needed housing under statewide
4 planning goals and rules related to housing by type, mix, affordability and density range to Deter-
5 mine the number of units and amount of land needed for each needed housing type **under ORS**
6 **197.303** for the next 20 years.

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

10 (3) If the housing capacity and needed housing analysis conducted under this section demon-
11 strates a housing need, the city shall amend its comprehensive plan or land use regulations **or take**
12 **actions to update or implement its housing production strategy** to include new measures that
13 demonstrably increase the likelihood that development of needed housing will occur for the type,
14 mix, affordability and densities sufficient to accommodate needed housing for the next 20 years.

15 **SECTION 43.** ORS 197.298 is amended to read:

16 197.298. (1) In addition to any requirements established by rule addressing urbanization, land
17 may not be included within an urban growth boundary of Metro except under the following priori-
18 ties:

19 (a) First priority is land that is designated urban reserve land under ORS 195.145, rule or [*met-*
20 *ropolitan service district*] **Metro** action plan.

21 (b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of
22 land needed, second priority is land adjacent to an urban growth boundary that is identified in an
23 acknowledged comprehensive plan as an exception area or nonresource land. Second priority may
24 include resource land that is completely surrounded by exception areas unless such resource land
25 is high-value farmland as described in ORS 215.710.

26 (c) If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the
27 amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247
28 (1991 Edition).

29 (d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the
30 amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan
31 for agriculture or forestry, or both.

32 (2) **Under this section**, higher priority [*shall*] **must** be given to land of lower capability as
33 measured by the capability classification system or by cubic foot site class, whichever is appropriate
34 for the current use.

35 (3) Land of lower priority under [*subsection (1) of*] this section may be included in an urban
36 growth boundary if land of higher priority is found to be inadequate to accommodate the amount
37 of land estimated in subsection (1) of this section for one or more of the following reasons:

38 (a) Specific types of identified land needs cannot be reasonably accommodated on higher priority
39 lands;

40 (b) Future urban services could not reasonably be provided to the higher priority lands due to
41 topographical or other physical constraints; or

42 (c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion
43 of lower priority lands in order to include or to provide services to higher priority lands.

44 [(4) *When a city includes land within the urban growth boundary of the city pursuant to ORS*
45 *197.286 to 197.314, the city shall prioritize lands for inclusion as provided in ORS 197A.320.*]

1 **SECTION 44.** ORS 197.299 is amended to read:

2 197.299. (1) [A *metropolitan service district organized under ORS chapter 268*] **Metro** shall com-
3 plete the inventory, determination and analysis required under ORS 197.296 (3) not later than six
4 years after completion of the previous inventory, determination and analysis.

5 (2)(a) [*The metropolitan service district*] **Metro** shall take such action as necessary under ORS
6 197.296 (6)(a) to accommodate one-half of a 20-year buildable land supply determined under ORS
7 197.296 (3) within one year of completing the analysis.

8 (b) [*The metropolitan service district*] **Metro** shall take all final action under ORS 197.296 (6)(a)
9 necessary to accommodate a 20-year buildable land supply determined under ORS 197.296 (3) within
10 two years of completing the analysis.

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

15 (d) The metropolitan service district shall consider and adopt new measures that the governing
16 body deems appropriate under ORS 197.296 (6)(b).

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

20 (4)(a) [*The metropolitan service district*] **Metro** shall establish a process to expand the urban
21 growth boundary to accommodate a need for land for a public school that cannot reasonably be
22 accommodated within the existing urban growth boundary. [*The metropolitan service district*] **Metro**
23 shall design the process to:

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

26 (B) Provide for a final decision on a proposal to expand the urban growth boundary within four
27 months after submission of a complete application by a large school district as defined in ORS
28 195.110.

29 (b) At the request of a large school district, [*the metropolitan service district*] **Metro** shall assist
30 the [*large school*] district to identify school sites required by the school facility planning process
31 described in ORS 195.110. A need for a public school is a specific type of identified land need under
32 ORS 197.298 (3).

33 (5) **At least** three years after completing its most recent demonstration of sufficient buildable
34 lands under ORS 197.296, [*a metropolitan service district*] **Metro** may, on a single occasion, revise the
35 determination and analysis required as part of the demonstration for the purpose of considering an
36 amendment to the [*metropolitan service district's*] **Metro's** urban growth boundary, provided:

37 [(a) *The metropolitan service district has entered into an intergovernmental agreement and has*
38 *designated rural reserves and urban reserves under ORS 195.141 and 195.145 with each county located*
39 *within the district;*]

40 [(b) *The commission has acknowledged the rural reserve and urban reserve designations described*
41 *in paragraph (a) of this subsection;*]

42 [(c)] (a) One or more cities within [*the metropolitan service district*] **Metro** have proposed a de-
43 velopment that would require expansion of the urban growth boundary;

44 [(d)] (b) The city or cities proposing the development have provided evidence to [*the metropolitan*
45 *service district*] **Metro** that the proposed development would provide additional needed housing to

1 the needed housing included in the most recent determination and analysis;

2 [(e)] (c) The location chosen for the proposed development is adjacent to the city proposing the
3 development; and

4 [(f)] (d) The location chosen for the proposed development is located within an area designated
5 and acknowledged as an urban reserve.

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

11 (b) [A metropolitan service district that] **If Metro** expands its urban growth boundary under this
12 subsection, **Metro**:

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

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

17 **SECTION 45.** ORS 197.302 is amended to read:

18 197.302. (1) After gathering and compiling information on the performance measures as described
19 in ORS 197.301 but prior to submitting the information to the Department of Land Conservation and
20 Development, [a metropolitan service district] **Metro** shall determine if actions taken under ORS
21 197.296 (6) have established the buildable land supply and housing densities necessary to accommo-
22 date estimated housing needs determined under ORS 197.296 (3). If [the metropolitan service district]
23 **Metro** determines that the actions undertaken will not accommodate estimated need, [the district]
24 **Metro** shall develop a corrective action plan, including a schedule for implementation. [The
25 district] **Metro** shall submit the plan to the department along with the report on performance
26 measures required under ORS 197.301. Corrective action under this section may include amendment
27 of the urban growth boundary, [comprehensive plan,] regional framework plan, functional plan or
28 land use regulations as described in ORS 197.296 (6)(b).

29 (2) Within two years of submitting a corrective action plan to the department, [the metropolitan
30 service district] **Metro** shall demonstrate by reference to the performance measures described in ORS
31 197.301 that implementation of the plan has resulted in the buildable land supply and housing den-
32 sity within the urban growth boundary necessary to accommodate the estimated housing needs for
33 each housing type as determined under ORS 197.296 (3).

34 (3) The failure of [the metropolitan service district] **Metro** to demonstrate the buildable land
35 supply and housing density necessary to accommodate housing needs as required under this section
36 and ORS 197.296 may be the basis for initiation of enforcement action pursuant to ORS 197.319 to
37 197.335.

38 **SECTION 46.** ORS 197.304 is amended to read:

39 197.304. (1) Notwithstanding an intergovernmental agreement pursuant to ORS 190.003 to
40 190.130 or acknowledged comprehensive plan provisions to the contrary, a city within Lane County
41 [that has a population of 50,000 or more within its boundaries] **with a population greater than**
42 **50,000** shall meet its obligation under ORS 197.286 to 197.314 separately from any other city within
43 Lane County. The city shall, separately from any other city:

44 (a) Establish an urban growth boundary, consistent with the jurisdictional area of responsibility
45 specified in the acknowledged comprehensive plan; and

1 (b) Demonstrate, as required by [ORS 197.296] **section 16 of this 2023 Act**, that its compre-
 2 hensive plan provides sufficient buildable lands within an urban growth boundary [*established pur-*
 3 *suant to statewide planning goals to accommodate estimated housing needs for 20 years*] **to**
 4 **accommodate needed housing.**

5 (2) Except as provided in subsection (1) of this section, this section does not alter or affect an
 6 intergovernmental agreement pursuant to ORS 190.003 to 190.130 or acknowledged comprehensive
 7 plan provisions adopted by Lane County or local governments in Lane County.

8 **SECTION 47.** ORS 197.307, as amended by section 14, chapter 401, Oregon Laws 2019, and
 9 section 2, chapter 54, Oregon Laws 2022, is amended to read:

10 197.307. (1) The availability of affordable, decent, safe and sanitary housing opportunities for
 11 persons of lower, middle and fixed income, including **agriculture workforce** housing [*for*
 12 *farmworkers*], is a matter of statewide concern.

13 (2) Many persons of lower, middle and fixed income depend on government assisted housing as
 14 a source of affordable, decent, safe and sanitary housing.

15 (3) [*When a need has been shown for housing within an urban growth boundary at particular price*
 16 *ranges and rent levels, needed housing shall be permitted*] **A local government shall permit needed**
 17 **housing** in one or more zoning districts or in zones described by some comprehensive plans as
 18 overlay zones with sufficient buildable land to satisfy that need.

19 (4) Except as provided in subsection (6) of this section, a local government may adopt and apply
 20 only clear and objective standards, conditions and procedures regulating the development of hous-
 21 ing, including needed housing. The standards, conditions and procedures:

22 (a) May include, but are not limited to, one or more provisions regulating the density or height
 23 of a development.

24 (b) May not have the effect, either in themselves or cumulatively, of discouraging needed hous-
 25 ing through unreasonable cost or delay.

26 (5) The provisions of subsection (4) of this section do not apply to:

27 (a) An application or permit for residential development in an area identified in a formally
 28 adopted central city plan, or a regional center as defined by Metro, in a city with a population of
 29 500,000 or more.

30 (b) An application or permit for residential development in historic areas designated for pro-
 31 tection under a land use planning goal protecting historic areas.

32 (6) In addition to an approval process for needed housing based on clear and objective standards,
 33 conditions and procedures as provided in subsection (4) of this section, a local government may
 34 adopt and apply an alternative approval process for applications and permits for residential devel-
 35 opment based on approval criteria regulating, in whole or in part, appearance or aesthetics that are
 36 not clear and objective if:

37 (a) The applicant retains the option of proceeding under the approval process that meets the
 38 requirements of subsection (4) of this section;

39 (b) The approval criteria for the alternative approval process comply with applicable statewide
 40 land use planning goals and rules; and

41 (c) The approval criteria for the alternative approval process authorize a density at or above
 42 the density level authorized in the zone under the approval process provided in subsection (4) of this
 43 section.

44 (7) Subject to subsection (4) of this section, this section does not infringe on a local
 45 government's prerogative to:

- 1 (a) Set approval standards under which a particular housing type is permitted outright;
- 2 (b) Impose special conditions upon approval of a specific development proposal; or
- 3 (c) Establish approval procedures.

4 **SECTION 48.** ORS 197.313 is amended to read:

5 197.313. [*Nothing in ORS 197.312 or in the amendments to ORS 197.286, 197.303, 197.307 by*
 6 *sections 1, 2 and 3, chapter 795, Oregon Laws 1983, shall be construed to*] **ORS 197.286 to 197.314**
 7 **do not** require a city or county to contribute to the financing, administration or sponsorship of
 8 government assisted housing.

9 **SECTION 49.** ORS 197.480 is amended to read:

10 197.480. (1) Each city and county governing body shall provide[, *in accordance with urban growth*
 11 *management agreements,*] for mobile home or manufactured dwelling parks as an allowed use[, *by*
 12 *July 1, 1990, or by the next periodic review after January 1, 1988, whichever comes first*]:

13 (a) By zoning ordinance and by comprehensive plan designation on buildable lands within urban
 14 growth boundaries; and

15 (b) In areas planned and zoned for a residential density of six to 12 units per acre sufficient to
 16 accommodate the need established pursuant to subsections (2) and (3) of this section.

17 (2) A city or county shall establish a projection of need for mobile home or manufactured
 18 dwelling parks based on:

19 (a) Population projections;

20 (b) Household income levels;

21 (c) Housing market trends of the region; and

22 (d) An inventory of mobile home or manufactured dwelling parks sited in areas planned and
 23 zoned or generally used for commercial, industrial or high density residential development.

24 (3) The inventory required by subsection (2)(d) and subsection (4) of this section shall establish
 25 the need for areas to be planned and zoned to accommodate the potential displacement of the in-
 26 ventoried mobile home or manufactured dwelling parks.

27 (4) Notwithstanding the provisions of subsection (1) of this section, a city or county within [*a*
 28 *metropolitan service district, established pursuant to ORS chapter 268*] **Metro**, shall inventory the
 29 mobile home or manufactured dwelling parks sited in areas planned and zoned or generally used for
 30 commercial, industrial or high density residential development [*no later than two years from Sep-*
 31 *tember 27, 1987*].

32 (5)(a) A city or county may establish clear and objective criteria and standards for the place-
 33 ment and design of mobile home or manufactured dwelling parks.

34 (b) If a city or county requires a hearing before approval of a mobile home or manufactured
 35 dwelling park, application of the criteria and standards adopted pursuant to paragraph (a) of this
 36 subsection shall be the sole issue to be determined at the hearing.

37 (c) No criteria or standards established under paragraph (a) of this subsection [*shall*] **may** be
 38 adopted which would preclude the development of mobile home or manufactured dwelling parks
 39 within the intent of ORS [*197.286 and*] 197.475 to 197.490.

40 **SECTION 50.** ORS 197.522 is amended to read:

41 197.522. (1) As used in this section:

42 (a) "Needed housing" has the meaning given that term in ORS [*197.303*] **197.286**.

43 (b) "Partition" has the meaning given that term in ORS 92.010.

44 (c) "Permit" means a permit as defined in ORS 215.402 and a permit as defined in ORS 227.160.

45 (d) "Subdivision" has the meaning given that term in ORS 92.010.

1 (2) A local government shall approve an application for a permit, authorization or other ap-
 2 proval necessary for the subdivision or partitioning of, or construction on, any land for needed
 3 housing that is consistent with the comprehensive plan and applicable land use regulations.

4 (3) If an application is inconsistent with the comprehensive plan and applicable land use regu-
 5 lations, the local government, prior to making a final decision on the application, shall allow the
 6 applicant to offer an amendment or to propose conditions of approval that would make the applica-
 7 tion consistent with the plan and applicable regulations. If an applicant seeks to amend the appli-
 8 cation or propose conditions of approval:

9 (a) A county may extend the time limitation under ORS 215.427 for final action by the governing
 10 body of a county on an application for needed housing and may set forth a new time limitation for
 11 final action on the consideration of future amendments or proposals.

12 (b) A city may extend the time limitation under ORS 227.178 for final action by the governing
 13 body of a city on an application for needed housing and may set forth a new time limitation for final
 14 action on the consideration of future amendments or proposals.

15 (4) A local government shall deny an application that is inconsistent with the comprehensive
 16 plan and applicable land use regulations and that cannot be made consistent through amendments
 17 to the application or the imposition of reasonable conditions of approval.

18 **SECTION 51. ORS 197.637 and 197.764 are added to and made a part of ORS 197.286 to**
 19 **197.314.**

20 **SECTION 52.** ORS 197.637 is amended to read:

21 197.637. (1) Upon request of the Department of Land Conservation and Development, the Hous-
 22 ing and Community Services Department shall review the inventory and analysis of housing, and
 23 measures taken to address the housing need, required of certain local governments under ORS
 24 197.296 **or 197.297 or section 15 or 16 of this 2023 Act.** The review shall address the likely effect
 25 of measures developed by a local government [*under ORS 197.296 (6) or (7)*] on the adequacy of the
 26 supply of buildable land and [*opportunities to satisfy needs identified under ORS 197.296 (3)*] **meas-**
 27 **ures to address needed housing.**

28 (2) The Land Conservation and Development Commission and the Director of the Department
 29 of Land Conservation and Development shall consider the review and any recommendations of the
 30 Housing and Community Services Department when determining whether a local government has
 31 complied with the statewide land use planning goals and the requirements of ORS 197.296 **or 197.297**
 32 **or section 15 or 16 of this 2023 Act.**

33 **SECTION 53.** ORS 197.764 is amended to read:

34 197.764. (1) A local government may **make a land use decision to** approve an application to
 35 remove a lot or parcel from within an urban growth boundary if:

- 36 (a) The application is submitted by the owner of the lot or parcel;
- 37 (b)(A) The lot or parcel is adjacent to the edge of the urban growth boundary; or
- 38 (B) The lot or parcel is adjacent to another lot or parcel that is removed under this section;
- 39 (c) The lot or parcel is assessed under ORS 308A.050 to 308A.128 for its value for farm use;
- 40 (d) The lot or parcel is not within the boundaries of a city; and
- 41 (e) The lot or parcel is not included in an area identified for urban services under ORS 197.754.

42 (2) A local government, in deciding whether to approve an application under subsection (1) of
 43 this section, shall consider:

- 44 (a) The projected costs and other consequences of extending urban services to the affected lot
 45 or parcel;

1 (b) The potential value in the investment of providing urban services to the affected lot or par-
 2 cel;

3 (c) Any requirement for expanding the urban growth boundary in other areas to compensate for
 4 any loss in buildable lands; and

5 (d) The projected costs and other consequences of providing urban services to other areas
 6 brought in under an expanded urban growth boundary.

7 (3)(a) Land that is removed from within an urban growth boundary pursuant to an application
 8 approved under this section shall be removed from any inventory of buildable lands maintained by
 9 the local government.

10 (b) A local government that approves an application under this section shall either expand the
 11 urban growth boundary to compensate for any resulting reduction in available buildable lands or
 12 increase the development capacity of the remaining supply of buildable lands **consistent with ORS**
 13 **197.296 (6) or 197A.300 to 197A.325 or section 15 or 16 of this 2023 Act.**

14 **SECTION 54. ORS 197.766 is repealed.**

15 **SECTION 55.** ORS 197.831 is amended to read:

16 197.831. In a proceeding before the Land Use Board of Appeals or an appellate court that in-
 17 volves an ordinance required to contain clear and objective approval standards, conditions and
 18 procedures for *[needed]* housing, **including under ORS 197.307**, the local government imposing the
 19 provisions of the ordinance shall demonstrate that the approval standards, conditions and proce-
 20 dures are capable of being imposed only in a clear and objective manner.

21 **SECTION 56. ORS 197A.300 to 197A.325 are added to and made a part of ORS 197.286 to**
 22 **197.314.**

23 **SECTION 57.** ORS 197A.300 is amended to read:

24 197A.300. As used in ORS 197A.300 to 197A.325[:]

25 [(1) “Buildable lands” means land in urban or urbanizable areas that are suitable for urban
 26 uses.]

27 [(2)] “serviceable” means, with respect to land, that:

28 [(a)] (1) Adequate sewer, water and transportation capacity for planned urban development is
 29 available or can be either provided or made subject to committed financing; or

30 [(b)] (2) Committed financing can be in place to provide adequate sewer, water and transporta-
 31 tion capacity for planned urban development.

32 **SECTION 58.** ORS 197A.310 is amended to read:

33 197A.310. (1) *[In addition to and not in lieu of]* **As an alternative to** the method prescribed in
 34 *[ORS 197.286 to 197.314 and the statewide land use planning goals]* **section 16 (5)(a) of this 2023**
 35 **Act**, the Land Conservation and Development Commission shall adopt a method by which a city
 36 outside Metro that has a population of less than 10,000 may evaluate or amend its urban growth
 37 boundary.

38 (2) The commission shall design the method so that:

39 (a) A city using the method:

40 (A) Will have within its boundaries sufficient buildable lands and other development capacity,
 41 including land and capacity for needed housing and employment opportunities, to meet the growth
 42 in population and employment forecast to occur over a 14-year period.

43 (B) Will not become less efficient in its use of land as a result of a change to the urban growth
 44 boundary.

45 (b) The urban population per square mile will continue, subject to market conditions, to increase

1 over time on a statewide basis and in major regions of the state, including that portion of the
 2 Willamette Valley outside of Metro.

3 (c) The rate of conversion of agricultural and forest lands to urban uses does not increase over
 4 time in any major region of the state.

5 (3) Under the method adopted by the commission:

6 (a) A city's determination of the amount of buildable lands [*needed for*] **sufficient for needed**
 7 housing, employment and other urban uses must be based on the population and employment growth
 8 forecast to occur over a 14-year period.

9 (b) A city's determination of the supply and development capacity of lands within its urban
 10 growth boundary must be based on:

11 (A) A simple inventory of vacant and partially vacant buildable lands within the urban growth
 12 boundary;

13 (B) The comprehensive plan designation and the zoning of the portion of the buildable lands that
 14 is urban; and

15 (C) Simple factors established by the commission for forecasting:

16 (i) The development and redevelopment capacity of urbanizable lands within the urban growth
 17 boundary; and

18 (ii) The redevelopment capacity of developed urban lands within the urban growth boundary.

19 (c) A city's determination of the supply and development capacity of lands the city proposes to
 20 include within the urban growth boundary must be based on:

21 (A) A simple inventory of vacant and partially vacant lands; and

22 (B) Simple factors established by the commission for forecasting the development and redevelop-
 23 opment capacity of the lands.

24 (d) A city shall demonstrate that lands included within the urban growth boundary:

25 (A) Include sufficient serviceable land for at least a seven-year period.

26 (B) Can all be serviceable over a 14-year period.

27 (e) Lands included within the urban growth boundary:

28 (A) Must be planned and zoned for categories of land uses in amounts that are roughly propor-
 29 tional to the land need determined for each category of use;

30 (B) Must be planned and zoned for an intensity of use that is generally consistent with the es-
 31 timates that were used to determine the amount of land needed;

32 (C) Must be planned and zoned to meet the requirements for needed housing, and those re-
 33 quirements must be specified by rule of the commission in a manner that is as objective as practi-
 34 cable; and

35 (D) May be either:

36 (i) Planned and zoned, or otherwise conditioned, to avoid significantly affecting a state highway,
 37 a state highway interchange or a freight route designated in the Oregon Highway Plan; or

38 (ii) Allowed to significantly affect a state highway, a state highway interchange or a freight
 39 route designated in the Oregon Highway Plan subject to mitigation, consistent with rules of the
 40 commission, if the lands are planned and zoned for compact urban development or industrial uses.

41 (4) For purposes of subsection (3)(a) of this section, population growth must be forecast as pro-
 42 vided in ORS 195.033. Employment growth must be forecast based on the population growth forecast
 43 for the city or the employment growth forecast issued by the Employment Department for the county
 44 or region. The commission shall establish factors, by rule, for converting the forecasted population
 45 and employment growth into forecasts of land need for housing, employment and other categories

1 of uses. The factors must:

2 (a) Be based on an empirical evaluation of the relation between population and employment
3 growth and the rate and trends of land utilization in the recent past in the applicable major region
4 of the state;

5 (b) Reflect consideration by the commission of any significant changes occurring or expected to
6 occur in the markets for urban land uses in that major region of the state;

7 (c) Be designed to encourage an increase in the land use efficiency of a city, subject to market
8 conditions; and

9 (d) Provide a range of policy choices for a city about the form of its future growth.

10 (5) For purposes of subsection (3)(b) of this section, the commission shall establish factors for
11 supply and development capacity that are:

12 (a) Based on an empirical evaluation of the population and employment growth that has oc-
13 curred on similarly situated lands through development and redevelopment;

14 (b) Based on consideration by the commission of any significant changes occurring or expected
15 to occur in the markets for urban land uses in that major region of the state;

16 (c) Designed to encourage an increase in the land use efficiency of the city, subject to market
17 conditions; and

18 (d) Designed to provide a range of policy choices for a city about the form of its future growth.

19 (6) For purposes of subsection (3)(c) of this section, the commission shall establish factors that
20 are:

21 (a) Based on an empirical evaluation of the population and employment growth that has oc-
22 curred on similarly situated lands through development and redevelopment;

23 (b) Based on consideration by the commission of any significant changes occurring or expected
24 to occur in the markets for urban land uses in each major region of the state;

25 (c) Designed to encourage an increase in the land use efficiency of the city, subject to market
26 conditions; and

27 (d) Designed to provide a range of policy choices for a city about the form of its future growth.

28 (7) For lands that are included within an urban growth boundary pursuant to this section and
29 not made serviceable within 20 years after the date of their inclusion, the commission may provide
30 by rule that:

31 (a) The lands must be removed from within the urban growth boundary the next time the city
32 evaluates the urban growth boundary; or

33 (b) The planned development capacity of the lands must be reduced if there are significant in-
34 creases in the cost of making the lands serviceable.

35 (8) When lands included within the urban growth boundary pursuant to this section are planned
36 and zoned for industrial or residential uses, the lands must remain planned and zoned for the use
37 unless a rule of the commission allows a change in planning and zoning based on a significant
38 change in circumstance.

39 **SECTION 59.** ORS 197A.305 is amended to read:

40 197A.305. (1) *[In addition to and not in lieu of]* **As an alternative to** the method prescribed in
41 *[ORS 197.286 to 197.314 and the statewide land use planning goals]* **section 16 (5)(a) of this 2023**
42 **Act**, the Land Conservation and Development Commission shall adopt by rule methods by which a
43 city that is outside Metro may evaluate or amend the urban growth boundary of the city.

44 (2) A city outside Metro may use the methods adopted pursuant to:

45 (a) ORS 197A.310 if the city has a population of less than 10,000.

1 (b) ORS 197A.312 if the city has a population of 10,000 or more.

2 (3) A city that elects to include land within the urban growth boundary of the city under a
3 method established pursuant to ORS 197A.310 or 197A.312:

4 (a) May use the method again when:

5 (A) The population of the city has grown by at least 50 percent of the amount of growth forecast
6 to occur in conjunction with the previous use of the method by the city; or

7 (B) At least one-half of the lands identified as buildable lands during the previous use of the
8 method by the city have been developed.

9 (b) Shall evaluate whether the city needs to include within the urban growth boundary addi-
10 tional land for residential or employment uses before the population of the city has grown by 100
11 percent of the population growth forecast to occur in conjunction with the previous use of the
12 method by the city.

13 (4) A city that elects to use a method established pursuant to ORS 197A.310 or 197A.312 shall
14 notify the Department of Land Conservation and Development of the election in the manner required
15 by ORS 197.610 for notice of a post-acknowledgment plan amendment. The city may revoke the
16 election until the city makes a final decision whether to amend the urban growth boundary of the
17 city. A city that has initiated, but not completed, an amendment of its urban growth boundary before
18 January 1, 2014, may withdraw the proposed amendment and use a method established pursuant to
19 ORS 197A.310 or 197A.312 by filing notice of the election with the department in the manner re-
20 quired by ORS 197.610 and 197.615 for notice of a post-acknowledgment plan amendment.

21 (5) Beginning on or before January 1, 2023, the commission shall:

22 (a) Evaluate, every five years, the impact of the implementation of ORS 197A.310 (2) and
23 197A.312 (2) on the population per square mile, livability in the area, the provision and cost of urban
24 facilities and services, the rate of conversion of agriculture and forest lands and other consider-
25 ations;

26 (b) Consider changes to the statewide land use planning goals or rules to address adverse out-
27 comes; and

28 (c) Make recommendations to the Legislative Assembly, as necessary, for statutory changes.

29 **SECTION 60.** ORS 197A.312 is amended to read:

30 197A.312. (1) *[In addition to and not in lieu of]* **As an alternative to** the method prescribed in
31 *[ORS 197.286 to 197.314 and the statewide land use planning goals]* **section 16 (5)(a) of this 2023**
32 **Act**, the Land Conservation and Development Commission shall adopt a method by which a city
33 outside Metro that has a population of 10,000 or more may evaluate or amend its urban growth
34 boundary.

35 (2) The commission shall design the method so that:

36 (a) A city using the method:

37 (A) Will have within its boundaries sufficient buildable lands and other development capacity,
38 including land and capacity for needed housing and employment opportunities, to meet the growth
39 in population and employment forecast to occur over a 14-year period.

40 (B) Will not become less efficient in its use of land as a result of a change to the urban growth
41 boundary.

42 (b) The urban population per square mile will continue to increase over time on a statewide
43 basis and in major regions of the state, including that portion of the Willamette Valley outside of
44 Metro.

45 (c) The rate of conversion of agricultural and forest lands to urban uses does not increase over

1 time in any major region of the state.

2 (3) Under the method adopted by the commission:

3 (a) A city's determination of the amount of buildable lands *[needed for]* **sufficient for needed**
 4 housing, employment and other urban uses must be based on the population and employment growth
 5 forecast to occur over a 14-year period.

6 (b) A city's determination of the supply and development capacity of lands within its urban
 7 growth boundary must be based on:

8 (A) An inventory of vacant and partially vacant buildable lands within the urban growth
 9 boundary;

10 (B) The comprehensive plan designation and the zoning of the portion of the buildable lands that
 11 is urban; and

12 (C) Factors established by the commission for forecasting:

13 (i) The development and redevelopment capacity of urbanizable lands within the urban growth
 14 boundary; and

15 (ii) The redevelopment capacity of developed urban lands within the urban growth boundary.

16 (c) A city's determination of the supply and development capacity of lands the city proposes to
 17 include within the urban growth boundary must be based on:

18 (A) An inventory of vacant and partially vacant lands; and

19 (B) Factors established by the commission for forecasting the development and redevelopment
 20 capacity of the lands.

21 (d) A city shall consider a range or combination of measures identified by rule of the commission
 22 to accommodate future need for land within the urban growth boundary and implement at least one
 23 measure or satisfy an alternate performance standard established by the commission. The commis-
 24 sion shall design the alternate performance standard so that the standard is satisfied when the city:

25 (A) Has a development code that contains specified provisions designed to encourage the de-
 26 velopment of needed housing; and

27 (B) Demonstrates that, during the preceding planning period, the city:

28 (i) If located in the Willamette Valley, exceeded the median rate of redevelopment and infill for
 29 cities with a population of 10,000 or more in the Willamette Valley that are outside of the bounda-
 30 ries of Metro by an amount set by commission rule; and

31 (ii) If located outside of the Willamette Valley, exceeded the median rate of redevelopment and
 32 infill for cities with a population of 10,000 or more that are outside the Willamette Valley by an
 33 amount set by commission rule.

34 (e) A city shall demonstrate that lands included within the urban growth boundary:

35 (A) Include sufficient serviceable land for at least a seven-year period.

36 (B) Can all be serviceable over a 14-year period.

37 (f) Lands included within the urban growth boundary:

38 (A) Must be planned and zoned for categories of land uses in amounts that are roughly propor-
 39 tional to the land need determined for each category of use;

40 (B) Must be planned and zoned for an intensity of use that is generally consistent with the es-
 41 timates that were used to determine the amount of land needed;

42 (C) Must be planned and zoned to meet the requirements for needed housing, and those re-
 43 quirements must be specified by rule of the commission in a manner that is as objective as practi-
 44 cable; and

45 (D) May be either:

1 (i) Planned and zoned, or otherwise conditioned, to avoid significantly affecting a state highway,
2 a state highway interchange or a freight route designated in the Oregon Highway Plan; or

3 (ii) Allowed to significantly affect a state highway, a state highway interchange or a freight
4 route designated in the Oregon Highway Plan subject to mitigation, consistent with rules of the
5 commission, if the lands are planned and zoned for compact urban development or industrial uses.

6 (4) For purposes of subsection (3)(a) of this section, population growth must be forecast as pro-
7 vided in ORS 195.033. Employment growth must be forecast based on the population growth forecast
8 for the city or the employment growth forecast issued by the Employment Department for the county
9 or region. The commission shall establish factors, by rule, for converting the forecasted population
10 and employment growth into forecasts of land need for housing, employment and other categories
11 of uses. The factors must:

12 (a) Be based on an empirical evaluation of the relation between population and employment
13 growth and the rate and trends of land utilization in the recent past in the applicable major region
14 of the state;

15 (b) Reflect consideration by the commission of any significant changes occurring or expected to
16 occur in the markets for urban land uses in that major region of the state;

17 (c) Be designed to encourage an increase in the land use efficiency of a city, subject to market
18 conditions; and

19 (d) Provide a range of policy choices for a city about the form of its future growth.

20 (5) For purposes of subsection (3)(b) of this section, the commission shall establish factors for
21 supply and development capacity that are:

22 (a) Based on an empirical evaluation of the population and employment growth that has oc-
23 curred on similarly situated lands through development and redevelopment;

24 (b) Based on consideration by the commission of any significant changes occurring or expected
25 to occur in the markets for urban land uses in that major region of the state;

26 (c) Designed to encourage an increase in the land use efficiency of the city, subject to market
27 conditions; and

28 (d) Designed to provide a range of policy choices for a city about the form of its future growth.

29 (6) For purposes of subsection (3)(c) of this section, the commission shall establish factors that
30 are:

31 (a) Based on an empirical evaluation of the population and employment growth that has oc-
32 curred on similarly situated lands through development and redevelopment;

33 (b) Based on consideration by the commission of any significant changes occurring or expected
34 to occur in the markets for urban land uses in each major region of the state;

35 (c) Designed to encourage an increase in the land use efficiency of the city, subject to market
36 conditions; and

37 (d) Designed to provide a range of policy choices for a city about the form of its future growth.

38 (7) For lands that are included within an urban growth boundary pursuant to this section and
39 not made serviceable within 20 years after the date of their inclusion, the commission may provide
40 by rule that:

41 (a) The lands must be removed from within the urban growth boundary the next time the city
42 evaluates the urban growth boundary; or

43 (b) The planned development capacity of the lands must be reduced if there are significant in-
44 creases in the cost of making the lands serviceable.

45 (8) When lands included within the urban growth boundary pursuant to this section are planned

1 and zoned for industrial or residential uses, the lands must remain planned and zoned for the use
2 unless a rule of the commission allows a change in planning and zoning based on a significant
3 change in circumstance.

4 **SECTION 61. ORS 197A.405, 197A.407, 197A.409, 197A.411 and 197A.413 are repealed.**

5 **SECTION 62. Any moneys remaining in the City Economic Development Pilot Program**
6 **Fund on the effective date of this 2023 Act that are unexpended, unobligated and not subject**
7 **to any conditions shall revert to the General Fund.**

8 **SECTION 63.** ORS 215.457 is amended to read:

9 215.457. A person may establish a youth camp:

10 (1) On land zoned for forest use or mixed farm and forest use, consistent with rules adopted by
11 the Land Conservation and Development Commission.

12 (2) On land in eastern Oregon, as defined in ORS 321.805, that is zoned for exclusive farm use
13 and is composed predominantly of class VI, VII or VIII soils, consistent with rules adopted by the
14 Land Conservation and Development Commission. However, a person may not establish a youth
15 camp authorized under this subsection within an irrigation district or within three miles of an urban
16 growth boundary as defined in ORS [197.286] **197.015**. A youth camp may be authorized under this
17 subsection only on a lawfully established unit of land as defined in ORS 92.010 of at least 1,000
18 acres.

19 **SECTION 64.** ORS 215.501 is amended to read:

20 215.501. (1) As used in this section:

21 (a) "Accessory dwelling unit" means a residential structure that is used in connection with or
22 that is auxiliary to a single-family dwelling.

23 (b) "Area zoned for rural residential use" means land that is not located inside an urban growth
24 boundary as defined in ORS [195.060] **197.015** and that is subject to an acknowledged exception to
25 a statewide land use planning goal relating to farmland or forestland and planned and zoned by the
26 county to allow residential use as a primary use.

27 (c) "Historic home" means a single-family dwelling constructed between 1850 and 1945.

28 (d) "New" means that the dwelling being constructed did not previously exist in residential or
29 nonresidential form. "New" does not include the acquisition, alteration, renovation or remodeling
30 of an existing structure.

31 (e) "Single-family dwelling" means a residential structure designed as a residence for one family
32 and sharing no common wall with another residence of any type.

33 (2) Notwithstanding any local zoning or local regulation or ordinance pertaining to the siting
34 of accessory dwelling units in areas zoned for rural residential use, a county may allow an owner
35 of a lot or parcel within an area zoned for rural residential use to construct a new single-family
36 dwelling on the lot or parcel, provided:

37 (a) The lot or parcel is not located in an area designated as an urban reserve as defined in ORS
38 195.137;

39 (b) The lot or parcel is at least two acres in size;

40 (c) A historic home is sited on the lot or parcel;

41 (d) The owner converts the historic home to an accessory dwelling unit upon completion of the
42 new single-family dwelling; and

43 (e) The accessory dwelling unit complies with all applicable laws and regulations relating to
44 sanitation and wastewater disposal and treatment.

45 (3) An owner that constructs a new single-family dwelling under subsection (2) of this section

1 may not:

2 (a) Subdivide, partition or otherwise divide the lot or parcel so that the new single-family
3 dwelling is situated on a different lot or parcel from the accessory dwelling unit.

4 (b) Alter, renovate or remodel the accessory dwelling unit so that the square footage of the
5 accessory dwelling unit is more than 120 percent of the historic home's square footage at the time
6 construction of the new single-family dwelling commenced.

7 (c) Rebuild the accessory dwelling unit if the structure is lost to fire.

8 (d) Construct an additional accessory dwelling unit on the same lot or parcel.

9 (4) A county may require that a new single-family dwelling constructed under this section be
10 served by the same water supply source as the accessory dwelling unit.

11 (5) A county may impose additional conditions of approval for construction of a new single-
12 family dwelling or conversion of a historic home to an accessory dwelling unit under this section.

13 **SECTION 65.** ORS 270.005 is amended to read:

14 270.005. For purposes of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to
15 273.436 and 273.551:

16 (1) "Department" means the Oregon Department of Administrative Services.

17 (2) "Improvements" means any and all structures on or attachments to state-owned real prop-
18 erty, but excluding public improvements as defined in ORS 279A.010.

19 (3) "Real property" means all real property together with any and all improvements thereon.

20 (4) "Rural community" means an unincorporated community that consists primarily of permanent
21 residential dwellings but also has at least two other land uses that provide commercial, industrial
22 or public uses to the community, the surrounding rural area or persons traveling through the area.

23 (5) "Surplus real property" means all state-owned real property and improvements surplus to
24 agency and state need.

25 (6) "Urban growth boundary" has the meaning given that term in ORS [195.060] **197.015**.

26 (7) "Urban reserve" means any land designated as an urban reserve under ORS 195.145.

27 (8) "Urban unincorporated community" has the meaning given that term in ORS 197.015.

28 **SECTION 66.** ORS 466.055 is amended to read:

29 466.055. Before issuing a permit for a new facility designed to dispose of or treat hazardous
30 waste or PCB, the Environmental Quality Commission must find, on the basis of information sub-
31 mitted by the applicant, the Department of Environmental Quality or any other interested party,
32 that the proposed facility meets the following criteria:

33 (1) The proposed facility location:

34 (a) Is suitable for the type and amount of hazardous waste or PCB intended for treatment or
35 disposal at the facility;

36 (b) Provides the maximum protection possible to the public health and safety and environment
37 of Oregon from release of the hazardous waste or PCB stored, treated or disposed of at the facility;
38 and

39 (c) Is situated sufficient distance from urban growth boundaries, as defined in ORS [197.286]
40 **197.015**, to protect the public health and safety, accessible by transportation routes that minimize
41 the threat to the public health and safety and to the environment and sufficient distance from parks,
42 wilderness and recreation areas to prevent adverse impacts on the public use and enjoyment of
43 those areas.

44 (2) Subject to any applicable standards adopted under ORS 466.035, the design of the proposed
45 facility:

1 (a) Allows for treatment or disposal of the range of hazardous waste or PCB as required by the
2 commission; and

3 (b) Significantly adds to:

4 (A) The range of hazardous waste or PCB handled at a treatment or disposal facility currently
5 permitted under ORS 466.005 to 466.385; or

6 (B) The type of technology employed at a treatment or disposal facility currently permitted un-
7 der ORS 466.005 to 466.385.

8 (3) The proposed facility uses the best available technology for treating or disposing of hazard-
9 ous waste or PCB as determined by the department or the United States Environmental Protection
10 Agency.

11 (4) The need for the facility is demonstrated by:

12 (a) Lack of adequate current treatment or disposal capacity in Oregon, Washington, Idaho and
13 Alaska to handle hazardous waste or PCB generated by Oregon companies;

14 (b) A finding that operation of the proposed facility would result in a higher level of protection
15 of the public health and safety or environment; or

16 (c) Significantly lower treatment or disposal costs to Oregon companies.

17 (5) The proposed hazardous waste or PCB treatment or disposal facility has no major adverse
18 effect on either:

19 (a) Public health and safety; or

20 (b) Environment of adjacent lands.

21 **SECTION 67.** ORS 527.755 is amended to read:

22 527.755. (1) The following highways are hereby designated as scenic highways for purposes of
23 the Oregon Forest Practices Act:

24 (a) Interstate Highways 5, 84, 205, 405; and

25 (b) State Highways 6, 7, 20, 18/22, 26, 27, 30, 31, 34, 35, 36, 38, 42, 58, 62, 66, 82, 97, 101, 126, 138,
26 140, 199, 230, 234 and 395.

27 (2) The purpose of designating scenic highways is to provide a limited mechanism that maintains
28 roadside trees for the enjoyment of the motoring public while traveling through forestland, consist-
29 ent with ORS 527.630, safety and other practical considerations.

30 (3) The State Board of Forestry, in consultation with the Department of Transportation, shall
31 establish procedures and regulations as necessary to implement the requirements of subsections (4),
32 (5) and (6) of this section, consistent with subsection (2) of this section, including provisions for al-
33 ternate plans. Alternate plans that modify or waive the requirements of subsection (4), (5) or (6) of
34 this section may be approved when, in the judgment of the State Forester, circumstances exist such
35 as:

36 (a) Modification or waiver is necessary to maintain motorist safety, protect improvements such
37 as dwellings and bridges, or protect forest health;

38 (b) Modification or waiver will provide additional scenic benefits to the motoring public, such
39 as exposure of distant scenic vistas;

40 (c) Trees that are otherwise required to be retained will not be visible to motorists;

41 (d) The operation involves a change of land use that is inconsistent with maintaining a visually
42 sensitive corridor; or

43 (e) The retention of timber in a visually sensitive corridor will result in severe economic hard-
44 ship for the owner because all or nearly all of the owner's property is within the visually sensitive
45 corridor.

1 (4)(a) For harvest operations within a visually sensitive corridor, at least 50 healthy trees of at
2 least 11 inches DBH, or that measure at least 40 square feet in basal area, shall be temporarily left
3 on each acre.

4 (b) Overstory trees initially required to be left under paragraph (a) of this subsection may be
5 removed when the reproduction understory reaches an average height of at least 10 feet and has
6 at least the minimum number of stems per acre of free to grow seedlings or saplings required by the
7 board for reforestation, by rule.

8 (c) Alternatively, when the adjacent stand, extending from 150 feet from the outermost edge of
9 the roadway to 300 feet from the outermost edge of the roadway, has attained an average height
10 of at least 10 feet and has at least the minimum number of stems per acre of free to grow seedlings
11 or saplings required by the board for reforestation, by rule, or at least 40 square feet of basal area
12 per acre, no trees are required to be left in the visually sensitive corridor, or trees initially required
13 to be left under paragraph (a) of this subsection may be removed. When harvests within the visually
14 sensitive corridor are carried out under this paragraph, the adjacent stand, extending from 150 feet
15 from the outermost edge of the roadway to 300 feet from the outermost edge of the roadway, shall
16 not be reduced below the minimum number of stems per acre of free to grow seedlings or saplings
17 at least 10 feet tall required by the board for reforestation, by rule, or below 40 square feet of basal
18 area per acre until the adjacent visually sensitive corridor has been reforested as required under
19 subsection (6) of this section and the stand has attained an average height of at least 10 feet and
20 has at least the minimum number of stems per acre.

21 (5) Harvest areas within a visually sensitive corridor shall be cleared of major harvest debris
22 within 30 days of the completion of the harvest, or within 60 days of the cessation of active har-
23 vesting activity on the site, regardless of whether the harvest operation is complete.

24 (6) Notwithstanding the time limits established in ORS 527.745 (1)(a), when harvesting within a
25 visually sensitive corridor results in a harvest type 1 or harvest type 3, reforestation shall be com-
26 pleted by the end of the first planting season after the completion of the harvest. All other pro-
27 visions of ORS 527.745 shall also apply to harvest type 1 or harvest type 3 within visually sensitive
28 corridors.

29 (7) Landowners and operators shall not be liable for injury or damage caused by trees left within
30 the visually sensitive corridor for purposes of fulfilling the requirements of this section, when car-
31 ried out in compliance with the provisions of the Oregon Forest Practices Act.

32 (8) The following are exempt from this section:

33 (a) Harvest on single ownerships less than five acres in size;

34 (b) Harvest within an urban growth boundary, as defined in ORS [195.060] **197.015**; and

35 (c) Harvest within zones designated for rural residential development pursuant to an exception
36 adopted to the statewide land use planning goals under ORS 197.732.

37 **SECTION 68.** Section 6, chapter 552, Oregon Laws 2021, is amended to read:

38 **Sec. 6.** (1) Notwithstanding ORS 197.286 to 197.314, 197.626 or 197A.320 or any statewide land
39 use planning goal related to housing or urbanization, the Department of Land Conservation and
40 Development shall approve an expansion of the urban growth boundary submitted by the city and
41 approved by the city by ordinance, if the department determines that:

42 (a) The department has received the letters required by section 4, **chapter 552, Oregon Laws**
43 **2021** [of this 2021 Act];

44 (b) The department has approved the city's conceptual plan under section 5, **chapter 552,**
45 **Oregon Laws 2021** [of this 2021 Act]; and

1 (c) The proposed urban growth boundary expansion adds all of the Stevens Road tract and no
 2 other lands to the area within the city’s urban growth boundary.

3 (2) The city shall include the lands brought within the city’s urban growth boundary under this
 4 section in the city’s inventory of buildable lands under [ORS 197.296 (3)(a)] **section 16 (3)(a) of this**
 5 **2023 Act.**

6 **SECTION 69.** Section 9, chapter 552, Oregon Laws 2021, is amended to read:

7 **Sec. 9.** (1) Notwithstanding ORS 197.250 or 197.612 or any statewide land use planning goal, the
 8 Department of Land Conservation and Development shall approve Stevens Road planning amend-
 9 ments provided the department determines, in its discretion, that the Stevens Road planning
 10 amendments, with respect to the Stevens Road tract, include:

11 (a) An inventory of significant historical artifacts, cultural sites and natural resources.

12 (b) Areas designated for recreational and open space.

13 (c) Land use regulations for the protection and preservation of significant resources and desig-
 14 nated areas identified in paragraphs (a) and (b) of this subsection.

15 (d) Land use regulations that comply with applicable wildfire planning and development re-
 16 quirements, including requirements in regulations adopted to implement a statewide planning goal
 17 relating to natural disasters and hazards.

18 (e) Areas designated for adequate employment lands that account for the city’s most recent
 19 economic opportunity analysis, including consideration of subsequent economic development activ-
 20 ities and trends.

21 (f) Within areas zoned for residential purposes, without counting the lands designated under
 22 subsection (2) of this section, land use regulations for housing that:

23 (A) Ensure adequate opportunities for the development of all needed housing types, sizes and
 24 densities of market-rate housing, including middle housing as defined in ORS 197.758;

25 (B) Exceed the proportions of single-family attached and multifamily housing called for in the
 26 city’s most recently adopted housing needs analysis under ORS 197.296 (3) (**2021 Edition**);

27 (C) Exceed a minimum density standard of nine residential units per gross residential acre; and

28 (D) On the date the Stevens Road planning amendments are approved, comply with land use
 29 regulations adopted by the city, or any minimum applicable rules adopted by the department, to
 30 implement ORS 197.758 and the amendments to ORS 197.312 by section 7, chapter 639, Oregon Laws
 31 2019.

32 (g) Sufficient areas designated for mixed use development to support and integrate viable com-
 33 mercial and residential uses along with transportation options, including walking, bicycling and
 34 transit use.

35 (h) Land use regulations ensuring that:

36 (A) Adequate capacity is available, or feasible with development, for water, sewer and storm
 37 water services; and

38 (B) Adequate consideration is given to the financing, scheduling and development of urban ser-
 39 vices, as defined in ORS 195.065.

40 (i) Land use regulations for transportation that:

41 (A) Ensure the development of adequate infrastructure to support walking, bicycling, public
 42 transit and motor vehicle movement; and

43 (B) Give adequate consideration to transportation networks that connect the Stevens Road tract
 44 to other areas within the urban growth boundary of the city.

45 (j) The adequate consideration of the recommendations and comments received under section 8

1 (3) to (5), **chapter 552, Oregon Laws 2021** [*of this 2021 Act*].

2 (2) The department may not approve the planning amendments under subsection (1) of this sec-
 3 tion unless the planning amendments designate at least 20 net acres of land to be:

4 (a) Restricted so the area may be zoned, planned, sited or developed only for residential housing
 5 units at a minimum density of nine residential units per gross acre;

6 (b) Conveyed to the city at a price per acre established under section 4 (2)(b), **chapter 552,**
 7 **Oregon Laws 2021** [*of this 2021 Act*]; and

8 (c) Notwithstanding ORS 91.225 or 197.309, preserved for a period of no less than 50 years as
 9 affordable to own or rent as follows:

10 (A) At least 12 net acres made affordable to:

11 (i) Households with incomes of 60 percent or less of the area median income, as defined in ORS
 12 456.270; or

13 (ii) If part of an income-averaging program approved by the Housing and Community Services
 14 Department, households whose incomes average 60 percent or less of the area median income.

15 (B) At least six net acres:

16 (i) Made affordable to households with incomes of 80 percent or less of the area median income;
 17 and

18 (ii) Made available, to the extent permitted by law, in a manner that gives a priority to house-
 19 holds in which at least one individual is employed by an education provider over other members of
 20 the public.

21 (C) At least two net acres in which at least 80 percent of the units in each contiguous devel-
 22 opment tract are made affordable to households with 80 percent or less of the area median income,
 23 of which at least one net acre is made available, to the extent permitted by law, in a manner that
 24 gives a priority to households in which at least one individual is employed by an education provider
 25 over other members of the public.

26 (3) Upon a partition or subdivision of the Stevens Road tract following the approval of the
 27 planning amendments under subsection (1) of this section establishing one or more lots or parcels
 28 described in subsection (2) of this section, the owner shall transfer those lots or parcels to the city.
 29 For a period of 99 years after the purchase of property under this section, if the city resells any lot
 30 or parcel, the city may recover only the city’s costs of the purchase and resale of the property.

31 (4) Neither the city nor the Department of Land Conservation and Development is obligated to
 32 adopt any specific findings or evaluate any specific criteria in exercising its discretion with respect
 33 to any Stevens Road planning amendments under this section and may receive, solicit or consider
 34 information from any source.

35 (5) As used in this section, “education provider” means a school district as defined in ORS
 36 332.002, an educational program under the Youth Corrections Education Program or Juvenile De-
 37 tention Education Program as both are defined in ORS 326.695, or an education service district as
 38 defined in ORS 334.003.

39
 40 **CAPTIONS**

41
 42 **SECTION 70. The unit captions used in this 2023 Act are provided only for the conven-**
 43 **ience of the reader and do not become part of the statutory law of this state or express any**
 44 **legislative intent in the enactment of this 2023 Act.**