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Increasing Housing Production with Statewide Pre-Approved Building and Land Use Plans

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Housing Needs in Oregon





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Housing Needs in Oregon

- Oregon has been experiencing population growth and housing underproduction
- Current housing unit deficit of 100,000, with an additional 400,000 in future needs projected for the next 20 years
 - *89% of current deficit is units for households under 80% AMI*
 - *48% of future need is units for households under 80% AMI*
- More than half of all renters and more than a third of homeowners in Oregon are cost burdened, meaning that they spend more than 30% of their income on housing costs.
- Rent and home prices are outpacing wage gains for many households in Oregon, putting people in a difficult place of navigating home and employment choices.



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Current Housing Production Challenges:

- If the same building plan is used across multiple jurisdictions, or even across neighborhoods within a single jurisdiction, that plan is subject to local review each time it is submitted, increasing costs for housing providers.
- Housing providers face long, unpredictable permitting processes due to varying local design, land use, and building requirements, even if the lot is considered an infill lot or even if the building plan was previously permitted by a local jurisdiction.
- Lengthy review processes can stall or block projects from ever getting built.
- Current zoning practices leave thousands of lots across Oregon that still have restrictions on middle housing development.

The Oregon Homes Concept





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What is Oregon Homes?

A statewide pre-approved building plan and land use program that would:

- Provide a series of building plans for single units, duplexes, triplexes, quadplexes, townhomes, and apartments 12 units or less developed by the Building Code Division*
- Create land use and design standards to be applied to the building plans as developed by the Department of Land Conservation and Development*
- Develop a list of specific eligible sites for application that would encourage development in suitable environments*



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Core Policy Goals

To reduce housing costs and increase housing choice in Oregon

- **Eliminate barriers to development** for additional middle housing and homeownership opportunities in every community
- **Provide clarity and predictability** for land use and design standards while reducing burden for review on local jurisdictions
- **Reduce costs and lengthy reviews** for building plans approved by the state allowing more housing to be built quickly

Eligible Sites





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Policy Changes in Statute:

Eligible sites for the Oregon Homes program are:

- Lawfully established units of land within an urban growth boundary;
- At least 1,500 square feet but not larger than 20,000 square feet;
- Vacant or with a non-residential structure that is nonconforming or not suitable for any lawful use;
- Not covered by slopes averaging more than 15 percent;
- Zoned to allow residential use;
- Not within areas identified as environmentally sensitive, natural hazard areas, or open space or scenic areas



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Policy Changes in Statute:

Additional site eligibility requirements include:

- Prohibiting the removal of heritage trees or trees of 20 inches or more in diameter at breast height;
- Requiring the replacement or replanting of every healthy significant tree removed from an area that is locally designated as an urban heat island;
- Sites with demolition permits in the last 5 years that would produce net new units by utilizing a pre-approved building plan;



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Policy Changes in Rule:

The following would be developed in rule by the Department of Land Use and Conservation and would inform which sites are eligible for specific pre-approved building plans:

- Limits on land use, including establishing appropriate minimum or maximum setbacks, parking requirements, building lot coverage, building heights, or standards for tree removal, replacement, or planting
- Allowable variations or adjustments from the specific approval

Additional developments in rule include:

- The requirements for analysis of impact on public utilities or transportation
- Land use permit costs

Eligible Housing Types





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Policy Changes in Statute:

Housing types eligible for this program are:

- Attached or detached single unit dwellings, duplexes, triplexes, quadplexes, townhomes, cottage clusters, and multi-unit dwellings with more than six or fewer than 12 units.
- ADUs, and prefabricated or modular housing.

Unit sizes that may be approved only include:

- 2,200 square feet or less per unit for single unit dwellings, duplexes, triplexes, quadplexes or townhomes.
- 1,400 square feet or less for cottage clusters or multi-unit dwellings.



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Policy Changes in Statute:

Developers and housing providers may submit building plans to BCD for review and approval as part of the existing Master Plan Program created by ORS 455.685. If utilizing the Oregon Homes process, developers and housing providers can get their plans pre-approved by BCD to be used statewide for sites eligible for Oregon Homes. Building plans approved as part of the Oregon Homes process through the Master Plan Program would be subject to the same land use and design standards as the Oregon Homes building plans.



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Policy Changes through Designated Process:

The following would be developed by the Building Codes Division:

- Building plans for use in sites meeting the eligibility requirements;
- The process by which an applicant for a building permit eligible for Oregon Homes may receive building construction plan approval from the local jurisdiction.

Expanding the Tools





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Adding Production Tools

- Existing production tools

- *Land, land acquisition, and land readiness programs*
- *Mandatory flexibility in design and development standards*
- *Planning and permitting process improvements*
- *Infrastructure funding for new housing*
- *Affordable housing financing program reform and expansion*
- *Moderate income housing revolving loan fund*
- *Housing Accountability and Production Office*

- Expansion of tools

- *Middle housing and infill policy reform, infrastructure for housing program, statewide preapproved plans, and more...*
- *\$1.5 million in local government technical assistance for middle housing, \$7 million overall*

Next Steps



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Changes of Note

- Sites that meet the current minimum density standard of the local jurisdiction by utilizing a pre-approved building plan.
- Clarifying that the 1,400 square foot maximum for cottage clusters and multiunit dwellings is an average for the development.



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Thank you!
