HB 2647 A STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By:Kaia Maclaren, LPRO AnalystMeeting Dates:5/7, 5/14

WHAT THE MEASURE DOES:

The measure allows the City of Monmouth to amend its urban growth boundary by adding and removing sites under a specified process.

Detailed Summary:

- Allows the City of Monmouth to amend its urban growth boundary (UGB) to add one or more sites to the urban growth boundary and to remove one or more tracts of land from the urban growth boundary.
- Specifies removed and added area requirements.
- Requires cities to adopt amendments to the city's comprehensive plan and land use regulations to allow for residential development of the added sites at a minimum density of seven units per acre.
- Directs the Department of Land Conservation and Development (DLCD) to allow and acknowledge these amendments to the UGB by the city.
- Allows land to be removed from UGB without landowner consent.
- Clarifies that provisions regarding compensation for restriction of use of real property due to land use regulation do not apply to the removal of land with this process.
- Specifies that review of an exchange of lands can only be made by the county and DLCD under the one-time site addition requirements for UGBs enacted in 2024 through Senate Bill 1537.
- Exempts site additions from provisions on current one-time site additions to UGBs.
- Sunsets provisions on January 2, 2033.

Fiscal impact: Minimal fiscal impact Revenue impact: No revenue impact

HOUSE VOTE: Ayes, 51; Nays, 1

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Every city in Oregon is encircled by an urban growth boundary (UGB), which is a designated line on planning maps that indicates where the city plans to expand over the next 20 years. This expansion may include new residential developments, industrial sites, commercial establishments, or public amenities like parks and utilities. Areas beyond the UGB are protected from urban development to safeguard farmland and forest resources, effectively marking the transition from urban to rural landscapes.

Expanding a UGB involves collaboration between the city and county, along with coordination with special districts that supply essential urban services. Typically, the expansion process includes opportunities for public participation. Once an area is incorporated within a UGB, it becomes eligible for annexation into the city limits. Notably, this annexation process is not overseen by the Land Conservation and Development Commission (LCDC).

Since 2016, after the LCDC introduced updated guidelines for UGB expansions, cities and counties across Oregon have approved 40 such changes. This alternative process is optional and is meant to simplify and speed up UGB

amendments by reducing costs and administrative complexity (<u>OAR 660-038-0000</u>). Some local governments submit their UGB amendments to the Department of Land Conservation and Development (DLCD) for <u>review</u>. The DLCD director is required to either approve the amendment, send it back for revisions, or refer it to the LCDC, with a decision made within 120 days of receiving the submission.

In 2007, legislation authorized Metro and metro-area counties to designate areas for future urban development and conversely, to protect rural lands for agricultural, forestry, and other non-urban uses. Specific rules for urban reserves in the Portland metropolitan region are designed to guide long-term urban planning, helping industries, landowners, and service providers recognize potential expansion areas for the Metro UGB over the next 50 years. Additionally, rural reserves serve to preserve extensive tracts of agricultural and forest lands, as well as other key natural landscapes, limiting urban sprawl (<u>OAR 660-027-0005</u>).