HB 2658 -1, -2 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By: Kaia Maclaren, LPRO Analyst **Meeting Dates:** 5/14, 5/21

WHAT THE MEASURE DOES:

The measure prohibits cities or counties with a population of 15,000 or greater, and cities and counties of any size after January 1, 2031, from conditioning a permit or a zone change for a single lot or parcel on the development of a project that has already been financed (in whole or part), approved, or has had procurement initiated.

Fiscal Impact: May have fiscal impact, but no statement yet issued

Revenue Impact: No revenue impact

HOUSE VOTE: Ayes, 46; Nays, 5

ISSUES DISCUSSED:

- Conduct of state agencies
- Provisions of -1 amendment
- League of Oregon Cities stance on the measure, and the -1 amendment

EFFECT OF AMENDMENT:

-1 The amendment exempts improvements required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) from provisions of the measure. It specifies that permits for development of a single lot or parcel may not be conditioned on requiring the applicant to make "improvements," rather than "projects," and removes "zone changes" from those applications that may not be conditioned upon making improvements that are already financed, approved or initiated. The amendment adds that in order to be considered "approved," the planned improvement must be reasonably expected to commence within four years from the date of the permit application.

The amendment adds a requirement that, on or before September 15, 2030, the Director of the Legislative Policy and Research Office shall submit a report to the interim land-use-related committees of the legislative assembly on the impacts that implementation of the bill has had on the completion and delivery of public infrastructure improvements. It states that this information should be furnished to the Director by the League of Oregon Cities and the Association of Oregon Counties.

-2 The amendment exempts improvements required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) from provisions of the measure. It specifies that permits for development of a single lot or parcel may not be conditioned on requiring the applicant to make "improvements" rather than "projects," and removes "zone changes" from those applications that may not be conditioned upon making improvements that are already financed, approved or initiated. The amendment adds that in order to be considered "approved," the planned improvement must be reasonably expected to commence within four years from the date of the permit application.

BACKGROUND:

Oregon Revised Statutes 215.416 and 227.175 allow counties and cities to condition an application for a housing development on a reduction in density or height only if the reduction is necessary to resolve a health, safety, or habitability issue or to comply with a protective measure adopted pursuant to a statewide land use planning goal. Notwithstanding ORS 197.350, the county and city must adopt findings supported by substantial evidence

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demonstrating the necessity of the reduction.