B-Engrossed House Bill 2258

Ordered by the House June 16 Including House Amendments dated April 11 and June 16

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on Housing and Homelessness)

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: This Act lets LCDC and DCBS preapprove housing plans. (Flesch Readability Score: 75.5).

Authorizes the Land Conservation and Development Commission to adopt rules requiring local governments to approve certain land use applications for residential developments using building plans preapproved by the Department of Consumer and Business Services. Requires adoption of initial rules by January 1, 2027. Increases appropriation of planning program moneys for rulemaking.

Authorizes the Department of Consumer and Business Services to develop a process to preapprove residential building plans.

Declares an emergency, effective on passage.

1 A BILL FOR AN ACT

- 2 Relating to housing; and declaring an emergency.
- 3 Be It Enacted by the People of the State of Oregon:
- 4 SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 197A.
- 5 SECTION 2. (1) The definitions in ORS 197A.420 apply to this section.
 - (2) The Land Conservation and Development Commission may adopt rules requiring local governments to issue a land use decision, notwithstanding any comprehensive plan or land use regulations or statewide land use planning goals, approving the development of specified residential development types on certain lots or parcels under specified conditions.
- 10 (3) A rule issued under this section may only pertain to lots or parcels that are:
- 11 (a) Lawfully established units of land;
- 12 (b) Within an urban growth boundary;
- 13 (c) Zoned to allow residential use;
- 14 (d) At least 1,500 square feet;
 - (e) Not larger than 20,000 square feet;
- 16 (f) Not covered by slopes averaging more than 15 percent;
- 17 (g) Not within an area identified in an inventory or map that is part of the local 18 government's comprehensive plan as:
 - (A) Environmentally sensitive or containing significant natural resources;
- 20 (B) Open space or scenic areas; or
- 21 (C) Natural hazard areas, including floodplains, river greenways, landslide zones or 22 wildfire risk areas; and
 - (h) Vacant, including a lot or parcel:

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.

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- 1 (A) Created by any lawful division of land, regardless of when the division occurred.
 - (B) On which is sited a nonresidential structure that is nonconforming or not suitable for any lawful use.
 - (C) For which residential units were demolished more than five years prior.
 - (D) For which residential units were demolished within the previous five years, provided that the approved development would create net additional units and would use a building construction plan approved under section 5 of this 2025 Act.
 - (4) The residential development types that may be approved under this section may only include:
 - (a) Attached or detached housing, including accessory dwelling units or prefabricated or modular housing.
 - (b) Types with a buildable area of:

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- (A) A size of not more than 2,200 square feet for a single-unit dwelling, accessory dwelling unit, duplex, triplex, quadplex or townhouse.
- (B) An average per-unit size of not more than 1,400 square feet for cottage clusters or a multiunit dwelling.
 - (c) A multiunit dwelling with more than six and fewer than 12 units.
- (d) Housing that complies with the minimum density requirements of the applicable comprehensive plan or land use regulations for the lot or parcel.
- (e) Housing types whose building plans have been approved under section 5 of this 2025 Act.
- (5) The commission may specify for the approved residential development types allowed under this section:
- (a) Processes that the local governments may apply to the development, except for public facilities or traffic impact analysis processes, which the local government may establish and implement.
- (b) Applicable design standards and the scope of the design review, which may include requiring the approval of the use of any material, design or method of construction that is approved under the applicable building code or approved under section 5 of this 2025 Act.
- (c) Allowable variations or adjustments, or variation or adjustment types, from the specific approval. A local government is not required to grant a request for adjustment under sections 38 to 41, chapter 110, Oregon Laws 2024, to development authorized under this section except as specified by the commission.
- (d) Limits on land use, including establishing appropriate minimum or maximum setbacks, parking requirements, floor-to-area ratios or minimum dwelling units per acre.
- (e) Standards for tree removal, replacement or planting. The standards for tree removal must include:
- (A) Prohibiting the removal of heritage trees or trees with a DBH, as defined in ORS 90.100, of 20 inches or more.
- 40 (B) Requiring the replacement of or replanting on or adjacent to the developed lot or parcel for every removed tree that is:
 - (i) Locally designated as a protected species;
 - (ii) Not deemed unhealthy by a certified arborist; and
- 44 (iii) Has a DBH of 12 inches or more.
 - (6) In adopting rules under this section, the commission shall coordinate with the review

of building construction plans by the Department of Consumer and Business Services under section 5 of this 2025 Act.

SECTION 3. The Land Conservation and Development Commission shall adopt initial rules implementing section 2 of this 2025 Act on or before January 1, 2027.

SECTION 4. Section 5 of this 2025 Act is added to and made a part of ORS chapter 455.

SECTION 5. (1) The Department of Consumer and Business Services may designate a process by which an applicant for a building permit for a residential structure of a type described in section 2 (4)(a) to (c) of this 2025 Act may receive building construction plan approval from the municipality, including through the use of:

- (a) Typical drawings and specifications created by the department under ORS 455.062.
- (b) Review of plans and specifications approved by the department under ORS 455.685. Plans and specifications submitted under this paragraph will remain proprietary unless the submitter requests otherwise.
- (2) In implementing this section the department may coordinate with approvals of land use plans by the Land Conservation and Development Commission under section 2 of this 2025 Act.

SECTION 6. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Land Conservation and Development by section 1 (1), chapter ____, Oregon Laws 2025 (Enrolled Senate Bill 5528), for the biennium beginning July 1, 2025, for the planning program, is increased by \$631,806 for rulemaking activities.

<u>SECTION 7.</u> This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.