

HB 4035-1  
(LC 205)  
2/6/26 (RLM/ps)

Requested by HOUSE COMMITTEE ON HOUSING AND HOMELESSNESS (at the request of Representative Pam Marsh)

**PROPOSED AMENDMENTS TO  
HOUSE BILL 4035**

On page 1 of the printed bill, line 2, after “sections” insert “49,” and after “52” insert “, 53”.

Delete lines 5 through 28 and delete page 2.

On page 3, delete lines 1 through 22 and insert:

**“SECTION 1.** Section 49, chapter 110, Oregon Laws 2024, as amended by section 4, chapter 530, Oregon Laws 2025, is amended to read:

**“Sec. 49.** As used in sections 49 to 59, chapter 110, Oregon Laws 2024:

“(1) ‘Net residential acre’ means an acre of residentially designated buildable land, **including uses designated under section 55 (3)(b), chapter 110, Oregon Laws 2024, but** not including rights of way for streets, roads or utilities or areas not designated for development due to natural resource protections or environmental constraints.

“(2) ‘Site’ means a lot or parcel or any combination of lots and parcels that are contiguous or separated from one another by a street or road with or without common ownership.

**“SECTION 2.** Section 50, chapter 110, Oregon Laws 2024, is amended to read:

**“Sec. 50.** (1) Notwithstanding any other provision of ORS chapter 197A, a city outside of Metro may add a site to the city’s urban growth boundary under sections 49 to 59, **chapter 110, Oregon Laws 2024** [*of this 2024 Act*], if:

1 “(a) The site is adjacent to the existing urban growth boundary of the city  
2 or is separated from the existing urban growth boundary by only a street or  
3 road;

4 “(b) The site is:

5 “(A) Designated as an urban reserve under ORS 197A.230 to 197A.250,  
6 including a site whose designation is adopted under ORS 197.652 to 197.658;

7 “(B) Designated as nonresource land; *[or]*

8 “(C) Subject to an acknowledged exception to a statewide land use plan-  
9 ning goal relating to farmland or forestland; **or**

10 “(D) **Other land, only if:**

11 “(i) **Resource land constitutes more than 80 percent of the land area**  
12 **lying within a quarter mile outside the city’s urban growth boundary;**

13 “(ii) **Upon the city’s review under section 54 (1), chapter 110, Oregon**  
14 **Laws 2024, there were no qualified applications for lands described in**  
15 **subparagraphs (A) to (C) of this paragraph; and**

16 “(iii) **Of the qualified applications received by the city, the site is**  
17 **the highest priority, based on the prioritization described in ORS**  
18 **197A.285;**

19 “(c) The city has not previously adopted an urban growth boundary  
20 amendment or exchange under sections 49 to 59, **chapter 110, Oregon Laws**  
21 **2024** *[of this 2024 Act]*;

22 “(d) The city has demonstrated a need for the addition under section 52,  
23 **chapter 110, Oregon Laws 2024** *[of this 2024 Act]*;

24 “(e) The city has requested and received an application as required under  
25 sections 53 and 54, **chapter 110, Oregon Laws 2024** *[of this 2024 Act]*;

26 “(f) The total acreage of the site:

27 “(A) For a city with a population of 25,000 or greater, *[does not exceed*  
28 **100] includes up to 150** net residential acres; or

29 “(B) For a city with a population of less than 25,000, *[does not exceed]*  
30 **includes up to 50** net residential acres; and

1 “(g)(A) The city has adopted a binding conceptual plan for the site that  
2 satisfies the requirements of section 55, **chapter 110, Oregon Laws 2024**  
3 *[of this 2024 Act]*; or

4 “(B) The added site does not exceed 15 net residential acres and satisfies  
5 the requirements of section 56, **chapter 110, Oregon Laws 2024** *[of this 2024*  
6 *Act]*.

7 “(2) A county shall approve an amendment to an urban growth boundary  
8 made under this section that complies with sections 49 to 59, **chapter 110,**  
9 **Oregon Laws 2024,** *[of this 2024 Act]* and shall cooperate with a city to fa-  
10 cilitate the coordination of functions under ORS 195.020 to facilitate the  
11 city’s annexation and the development of the site. The county’s decision is  
12 not a land use decision.

13 “(3) Notwithstanding ORS 197.626, an action by a local government under  
14 sections 49 to 59, **chapter 110, Oregon Laws 2024,** *[of this 2024 Act]* is not  
15 a land use decision as defined in ORS 197.015.

16 “**SECTION 3.** Section 52, chapter 110, Oregon Laws 2024, as amended by  
17 section 5, chapter 530, Oregon Laws 2025, is amended to read:

18 “**Sec. 52.** A city may not add, or petition to add, a site under sections 49  
19 to 59, chapter 110, Oregon Laws 2024, unless:

20 “(1) The city has demonstrated a need for additional land based on the  
21 following factors:

22 “(a)(A) In the previous 20 years there have been no urban growth bound-  
23 ary expansions for residential use adopted by a city or by Metro in a location  
24 adjacent to the city; and

25 “(B) The city does not have within the existing urban growth boundary  
26 a tract that:

27 “(i) Is larger than 20 net residential acres;

28 “[ii] *Is undeveloped; and]*

29 “(ii) **Contains no permanent buildings;**

30 “(iii) **Is not adjacent to improved public utilities that are suitable**

1 **for immediate connection at the property line;**

2 **“(iv) Has not received final approval of any land use entitlements,**  
3 **development approvals, subdivision plats, site plans or building per-**  
4 **mits; and**

5 **“[(iii)] (v) Consists of one or more lots or parcels with or without common**  
6 **ownership and that abut each other or are separated by only a street or a**  
7 **road; or**

8 **“(b) Within urban growth boundary expansion areas for residential use**  
9 **adopted by the city over the previous 20 years, or by Metro in locations ad-**  
10 **jacent to the city, 75 percent of the lands either:**

11 **“(A) Are developed; or**

12 **“(B) Have an acknowledged comprehensive plan with land use desig-**  
13 **nations in preparation for annexation and have a public facilities plan and**  
14 **associated financing plan.**

15 **“(2) The city has demonstrated a need for affordable housing, based on:**

16 **“(a) Having a greater percentage of [severely] cost-burdened households**  
17 **than the average for this state based on the [Comprehensive Housing**  
18 **Affordability Strategy data from the United States Department of Housing and**  
19 **Urban Development] most recent American Community Survey five-year**  
20 **estimate data from the United States Census Bureau; or**

21 **“(b) At least 25 percent of the renter households in the city being**  
22 **[severely] rent burdened as indicated under the most recent [housing equity**  
23 **indicator data under ORS 456.602 (2)(g)] American Community Survey**  
24 **five-year estimate data from the United States Census Bureau.**

25 **“(3) The evaluation of the demonstrations required under this section and**  
26 **the evaluation of criteria in an application under sections 49 to 59, chapter**  
27 **110, Oregon Laws 2024, must be based on the evidence, data and factors as**  
28 **of the time a public notice is issued under section 53 (1), chapter 110, Oregon**  
29 **Laws 2024.**

30 **“SECTION 4. Section 53, chapter 110, Oregon Laws 2024, is amended to**

1 read:

2 “**Sec. 53.** (1) Before a city may select a site for inclusion within the city’s  
3 or Metro’s urban growth boundary under sections 49 to 59, **chapter 110,**  
4 **Oregon Laws 2024** [*of this 2024 Act*], a city must provide public notice that  
5 includes:

6 “(a) The city’s intention to select a site for inclusion within the city’s  
7 urban growth boundary.

8 “(b) Each basis under which the city has determined that it qualifies to  
9 include a site under section 52, **chapter 110, Oregon Laws 2024** [*of this 2024*  
10 *Act*].

11 “(c) A deadline for submission of applications under this section that is  
12 at least 45 days following the date of the notice.

13 “**(d) Additional substantive requirements, including a minimum size**  
14 **for a site, as established by the city and not incompatible with sections**  
15 **49 to 59, chapter 110, Oregon Laws 2024.**

16 “[*(d)*] **(e)** A description of the information, form and format required of  
17 an application, including the requirements of section 55 (2), **chapter 110,**  
18 **Oregon Laws 2024** [*of this 2024 Act*].

19 “(2) A copy of the notice of intent under this section must be provided  
20 to:

21 “(a) Each county in which the city resides;

22 “(b) Each special district providing urban services within the city’s urban  
23 growth boundary;

24 “(c) The Department of Land Conservation and Development; and

25 “(d) Metro, if the city is within Metro.

26 “**SECTION 5.** Section 60, chapter 110, Oregon Laws 2024, as amended by  
27 section 4, chapter 341, Oregon Laws 2025, is amended to read:

28 “**Sec. 60.** (1) **Section 49, chapter 110, Oregon Laws 2024, as amended**  
29 **by section 4, chapter 530, Oregon Laws 2025, and section 1 of this 2026**  
30 **Act, is repealed on January 2, 2033.**

1       “(2) Section 50, chapter 110, Oregon Laws 2024, as amended by sec-  
2       tion 2 of this 2026 Act, is repealed on January 2, 2033.

3       “[(1)] (3) Sections [49 to 56, 58 and 59] 51, 54, 56 and 59, chapter 110,  
4       Oregon Laws 2024, are repealed on January 2, 2033.

5       “(4) Section 52, chapter 110, Oregon Laws 2024, as amended by sec-  
6       tion 5, chapter 530, Oregon Laws 2025, and section 3 of this 2026 Act,  
7       is repealed on January 2, 2033.

8       “(5) Section 53, chapter 110, Oregon Laws 2024, as amended by sec-  
9       tion 4 of this 2026 Act, is repealed on January 2, 2033.

10       “(6) Section 55, chapter 110, Oregon Laws 2024, as amended by sec-  
11       tion 6, chapter 530, Oregon Laws 2025, is repealed on January 2, 2033.

12       “[(2)] (7) Section 57, chapter 110, Oregon Laws 2024, as amended by sec-  
13       tion 3 [of this 2025 Act], chapter 341, Oregon Laws 2025, and section 7,  
14       chapter 530, Oregon Laws 2025, is repealed on January 2, 2033.

15       “(8) Section 58, chapter 110, Oregon Laws 2024, as amended by sec-  
16       tion 8, chapter 530, Oregon Laws 2025, is repealed on January 2, 2033.

17       “[(3)] (9) Section 2, chapter 341, Oregon Laws 2025, [of this 2025 Act]  
18       is repealed on January 2, 2033.”.

19       In line 23, delete “4” and insert “6”.

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