

**Proposed New Rules to Implement ORS 197A  
Public Draft 3 November 23, 2015**

**OAR CHAPTER 660, DIVISION 38  
Simplified Urban Growth Boundary Method**

1 **OAR 660-038-0000**

2 **Purpose**

3 (1) The purpose of this division is to implement ORS 197A.300 to 197A.325 by providing  
4 simplified methods to evaluate and amend an urban growth boundary (UGB) for a city outside  
5 Metro. (Note: ORS 197A.320 regarding the establishment of study areas and the priority of lands  
6 for UGB amendment applies both to the “simplified” UGB methods under this rule and to the  
7 “traditional” UGB method described in OAR chapter 660, division 24. This division interprets  
8 that statute only with respect to the simplified methods. OAR 660-024-0065 and 660-024-0067  
9 interpret ORS 197A.320 for purposes of the traditional method).

10 (2) The method for UGB evaluation and amendment described in OAR chapter 660, division 24  
11 (the traditional UGB method) is not modified by this division. Cities may choose to apply the  
12 methods described in this division instead of division 24 in order to evaluate or amend a UGB, as  
13 described in OAR 660-038-0020.

14 (3) The methods described in this division are intended to achieve the following objectives  
15 provided in ORS 197A.302:

16 (a) Become, as a result of reduced costs, complexity and time, the methods that are used by  
17 most cities with growing populations to manage their urban growth boundaries;

18 (b) Encourage, to the extent practicable given market conditions, the development of urban  
19 areas in which individuals desire to live and work and that are increasingly efficient in terms  
20 of land uses and in terms of public facilities and services;

21 (c) Encourage the conservation of important farm and forest lands, particularly lands that are  
22 needed to sustain agricultural and forest products industries;

23 (d) Encourage cities to increase the development capacity within their urban growth  
24 boundaries;

25 (e) Encourage the provision of an adequate supply of serviceable land that is planned for  
26 needed urban residential and industrial development; and

27 (f) Assist residents in understanding the major local government decisions that are likely to  
28 determine the form of a city’s growth.

1 **OAR 660-038-0010**

2 **Definitions**

3 The definitions in ORS 197.015, the statewide planning goals, and the following definitions  
4 apply to this division:

5 (1) “Buildable lands” means land in urban or urbanizable areas that are suitable for urban uses,  
6 as provided in ORS 197A.300(1). Note: This definition applies to this division only; a different  
7 definition of “buildable lands” is provided in laws and rules concerning needed housing (ORS  
8 197.295; OAR 660-007-0005 and 660-008-0005 and OAR chapter 660, division 24).

9 (2) “Commercial” and “commercial use” mean office, retail, institutional and public employment  
10 land uses described by the North American Industry Classification System (NAICS) Categories  
11 44, 45, 51, 52, 53, 54, 55, 56, 61, 62, 71, 72, 81, 92, and 99. These are land uses that generally do  
12 not require significant space for indoor or outdoor production or logistics.

13 (3) “Industrial” and “industrial use” mean employment activities including, but not limited to,  
14 manufacturing, assembly, fabrication, processing, storage, logistics, warehousing, importation,  
15 distribution and transshipment, and research and development, that generate income from the  
16 production, handling or distribution of goods or services, including goods or services in the  
17 traded sector, as defined in ORS 285A.010. “Industrial use” means NAICS Categories 11, 21,  
18 22, 23, 31, 32, 33, 42, 48, and 49. These are land uses that generally require significant space for  
19 indoor or outdoor production or logistics.

20 (4) “Initiate” means that the local government issues a public notice specified in OAR 660-018-  
21 0020, including a notice to the department, for a proposed plan amendment that concerns  
22 evaluating or amending a UGB.

23 (5) “Nonresource land” has the meaning specified in OAR 660-004-0005(3).

24 (6) “Range” means a range of numbers specified in rules in this division (see ORS  
25 197A.325(2)(a)). A city may choose to use the number at either end of a stated range or any  
26 number between. Ranges allow a city to make choices regarding its future growth.

27 (7) “Serviceable” means, with respect to land supply in a UGB, and as described in OAR 660-  
28 038-0200, that:

29 (a) Adequate sewer, water and transportation capacity for planned urban development is  
30 available or can be either provided or made subject to committed financing; or

31 (b) Committed financing can be in place to provide adequate sewer, water and transportation  
32 capacity for planned urban development.

33 (8) “UGB” means “urban growth boundary.”

1 (9) “Urbanizable land” means land inside a UGB that, due to the present unavailability of urban  
2 facilities and services, or for other reasons, either retains the zone designations assigned prior to  
3 inclusion in the UGB or is subject to interim zone designations intended to maintain the land’s  
4 potential for planned urban development until appropriate public facilities and services are  
5 available or planned.

6 **OAR 660-038-0020**

7 **Applicability**

8 (1) This division takes effect January 1, 2016. Rules in this division provide optional simplified  
9 methods for a city outside Metro to evaluate or amend its UGB. These methods are available to  
10 cities in addition to and not in lieu of the methods provided in OAR chapter 660, division 24. If a  
11 city uses this division to evaluate or amend a UGB, the requirements of division 24 do not apply  
12 to the UGB evaluation or amendment.

13 (2) A city that evaluates or amends its UGB using this division must demonstrate that:

14 (a) It has sufficient buildable lands and other development capacity, including land and  
15 capacity for needed housing and employment opportunities, within its UGB to meet the  
16 growth in population and employment that is forecast to occur over a 14-year period,

17 (b) It based its determination of the amount of buildable lands needed for housing,  
18 employment and other urban uses on the population and employment growth forecast to  
19 occur over a 14-year period, consistent with rules in this division, and

20 (c) Lands included within the UGB include sufficient serviceable land for at least a seven-  
21 year period and can all be serviceable over a 14-year period as provided in OAR 660-038-  
22 0200.

23 (3) A city using this division is not required to adopt findings to support the use of a number or a  
24 number within a range that is expressed by a rule in this division.

25 (4) A city that uses this division to add land to the UGB may not use a method in this division  
26 again to add land to the UGB until:

27 (a) The population of the city has grown by at least 50 percent of the amount of growth  
28 forecast to occur in conjunction with the previous use of the method by the city; or

29 (b) At least one-half of the lands identified as buildable lands for employment needs or for  
30 residential needs during the previous use of the method by the city have been developed.

31 (5) A city that adopts a UGB amendment using this division must evaluate whether the city  
32 needs to include additional land for residential or employment uses within the UGB before the

1 population of the city has grown by 100 percent of the population growth forecast to occur in  
2 conjunction with the city's previous use of this division.

3 (6) A city that adopts a UGB amendment using this division may subsequently add land to the  
4 UGB using division 24 instead of the method described in this division (*see options, below*)

5 **OPTION 1:** (*limited authority to use traditional method after use of simplified method*)

6 ... *provided the purpose for expansion of the UGB is:*

7 (a) *To accommodate a particular industry use that requires specific site characteristics, or to*  
8 *accommodate a public facility that requires specific site characteristics and the site*  
9 *characteristics may be found in only a small number of locations as provided in OAR 660-*  
10 *024-0065(3);*

11 (b) *To designate Regional Large Lot Industrial Land pursuant to OAR 660-024-0045;*

12 (c) *To add an amount of land less than necessary to satisfy the land need deficiency under*  
13 *OAR 660-024-0065(9); or*

14 (d) *After one or more of the circumstances in section (4) have occurred.*

15 **OPTION 2:** (*broad authority to use traditional method after use of simplified method*)

16 ... *provided, however, that a city's determination of land need resulting from the previous use of*  
17 *this method shall not by itself be considered sufficient to support a housing and employment need*  
18 *determination under OAR chapter 660, division 24.*

19 (7) A city may not use this division in order to evaluate or amend a UGB for purposes of OAR  
20 660-024-0045 concerning Regional Large Lot Industrial Land.

21 (8) A city that elects to use this division shall notify the department in the manner required by  
22 ORS 197.610, ORS 197.615 and OAR chapter 660, division 18 regarding notice of a post-  
23 acknowledgment plan amendment. The city may revoke its election under this section at any  
24 time until the city makes a final decision to amend the UGB.

25 (9) A city that initiated an amendment of its UGB under OAR chapter 660, division 24, but has  
26 not submitted that amendment to the department, may withdraw the proposed amendment and  
27 use a method described in this division by filing notice of the election with the department in the  
28 manner required by ORS 197.610, 197.615, and OAR chapter 660, division 18 for notice of a  
29 post-acknowledgment plan amendment.

30 (10) Notwithstanding ORS 197.626, when a city evaluates or amends the UGB pursuant to this  
31 division, the Land Use Board of Appeals rather than the commission has jurisdiction for review

1 of the final decision of the city.

2 (11) Where this division provides a number or a range of numbers that a city may use, the city is  
3 not required to adopt findings to support the use of the number or a number within the range of  
4 numbers.

5 (12) Use of this division to amend a UGB is deemed to satisfy the requirements of ORS 197.296  
6 applicable to a UGB amendment for cities subject to that statute.

7 (13) All statewide planning goals and related administrative rules are applicable when  
8 establishing or amending a UGB, except as follows:

9 (a) The exceptions process in Goal 2 and OAR chapter 660, division 4, is not applicable to a  
10 UGB amendment unless a local government chooses to take an exception to a particular goal  
11 requirement, for example, as provided in OAR 660-004-0010(1), provided however that a  
12 local government may not take an exception to the UGB requirements of Goal 14.

13 (b) Goals 3 and 4 are not applicable;

14 (c) Goal 5 and related rules under OAR chapter 660, division 23, apply only to lands added  
15 to the UGB, except as required under OAR 660-023-0070 and 660-023-0250;

16 (d) The transportation planning rule requirements under OAR 660-012-0060 need not be  
17 applied at the time of a UGB amendment if the land added to the UGB is zoned as  
18 urbanizable land, either by retaining the zoning that was assigned prior to inclusion in the  
19 UGB or by assigning interim zoning that does not allow development that would generate  
20 more vehicle trips than development allowed by the zoning assigned prior to inclusion in the  
21 UGB;

22 (e) Goal 15 is not applicable to land added to the UGB unless the land is within the  
23 Willamette River Greenway Boundary;

24 (f) Goals 16 to 18 are not applicable to land added to the UGB unless the land is subject to  
25 acknowledged comprehensive plan provisions that implement these goals;

26 (g) Goal 19 is not applicable to a UGB amendment.

27 (14) A city considering a UGB evaluation or amendment must apply its acknowledged citizen  
28 involvement program to ensure adequate notice and participation opportunities for the public and  
29 must assist the public in understanding the major local government decisions that are likely to  
30 determine the form of the city's growth.

31 (15) A city that is scheduled to commence periodic review as required by OAR 660-025-0030 is  
32 not required to commence periodic review if the city has amended the UGB pursuant to this

1 division, or if the city has evaluated the UGB need and land supply using this division and  
2 determined that the UGB contains sufficient buildable land for a 14-year period, including a  
3 supply that is serviceable for a seven-year period and a supply that can be serviceable for a 14-  
4 year period.

5 (16) Beginning on or before January 1, 2023, the commission shall:

6 (a) Evaluate, every five years, the impact of this division on the population per square mile,  
7 livability in the area, the provision and cost of urban facilities and services, the rate of  
8 conversion of agriculture and forest lands and other considerations;

9 (b) Consider changes to the statewide land use planning goals or rules to address adverse  
10 outcomes; and

11 (c) Make recommendations to the Legislative Assembly, as necessary, for statutory changes.

12 **OAR 660-038-0030**

13 **Residential Land Need**

14 OAR 660-038-0030 through 660-038-0080 provides steps that a city must take to determine  
15 residential land need over the 14-year planning period.

16 (1) A city that applies the UGB method in this division:

17 (a) Must forecast the amount of buildable lands that it will need for housing based on the  
18 population forecast for the 14-year period commencing on the date it initiates and consistent  
19 with OAR 660-038-0040 through OAR 660-038-0090, and

20 (b) Must provide within its UGB sufficient buildable lands and other development capacity,  
21 for needed housing to accommodate the growth in population forecast to occur over a 14-  
22 year period.

23 (2) The city must use the most recent final forecast issued by the Portland State University  
24 Population Research Center under ORS 195.033 in effect at the time the city initiates a UGB  
25 review to forecast the UGB population growth for a 14-year period.

26 (3) The city must subtract from the forecast population growth the number of persons projected  
27 to live in group quarters in the UGB during the planning period. The city shall determine this  
28 number by calculating the percentage of the city's population living in group quarters at the last  
29 decennial United States Census and subtracting the same percentage from projected population  
30 growth. For the purpose of this rule, "group quarters," as defined by the United States Census,  
31 are places where people live or stay, in a group living arrangement, which is owned or managed  
32 by an entity or organization providing housing or services for the residents.

- 1 (4) To determine the gross number of dwelling units needed for the 14-year period, the city must  
2 divide the projected growth reduced as determined in section (3) by the persons per household  
3 within the city determined at the most recent decennial United States Census.
- 4 (5) The city must adjust the gross number of needed dwelling units to account for the vacancy  
5 rate projected to occur during the planning period, as follows: Multiply the result calculated in  
6 section (4) by the vacancy rate and add the resulting product to the gross number of dwelling  
7 units needed. The vacancy rate used shall be five percent plus the portion of the vacancy rate that  
8 is comprised of seasonal, recreational, or occasional vacancies within the city, determined at the  
9 last decennial United States Census. However, the total vacancy rate used may not exceed 15  
10 percent.
- 11 (6) The city must account for projected redevelopment expected to occur in residentially zoned  
12 areas, and for mixed use residential development expected to occur in commercially zoned areas,  
13 as follows: multiply the result calculated in section (5) by the applicable percentage in  
14 subsections (a) through (c) of this section.
- 15 (a) For cities with a current UGB population less than 10,000, the percentage shall be within  
16 a range from 1 percent to 10 percent of the result calculated in section (5).
- 17 (b) For cities with a current UGB population equal to or greater than 10,000 and less than  
18 25,000, the percentage shall be within a range from 5 percent to 15 percent of the result  
19 calculated in section (5).
- 20 (c) For cities with a current UGB population equal to or greater than 25,000, the percentage  
21 shall be within a range from 5 percent to 25 percent of the result calculated in section (5).
- 22 (7) The city must account for accessory dwelling units expected to occur during the planning  
23 period by multiplying the result calculated in section (5) by the applicable percentage in  
24 subsection (a) or (b) of this section:
- 25 (a) For cities with UGB population less than 10,000, the percentage shall be within a range  
26 from zero percent to two percent of the result calculated in section (6).
- 27 (b) For cities with UGB population equal to or greater than 10,000, the percentage shall be  
28 within a range from one percent to three percent of the result calculated in section (6).
- 29 (8) The city must subtract the numbers determined in sections (6) and (7) from the result  
30 calculated in section (5). The resulting number is the identified need for new dwelling units for  
31 14 years.
- 32 (9) The city shall accommodate the dwelling unit need identified in section (8):

- 1 (a) On vacant and partially vacant residentially zoned lands within the UGB, and  
2 (b) If the amount of land described in subsection (a) is insufficient to accommodate all of the  
3 identified need, the remaining need must be accommodated on lands to be added to the UGB  
4 for residential development consistent with OAR 660-038-0180.

5 **OAR 660-038-0040**

6 **Determine the Mix of Dwelling Units Needed**

7 (1) A city must determine the current mix of housing types within the city based on the  
8 percentages of low density, medium density, and high density residential dwellings using:

9 (a) For cities with UGB population less than 2,500, the percentages determined in the most  
10 recent five-year American Community Survey conducted by the United States Census;

11 (b) For cities with UGB population greater than or equal to 2,500, using either the  
12 percentages determined in:

13 (A) The most recent American Community Survey conducted by the United States  
14 Census, or

15 (B) An average of the two most recent American Community Surveys conducted by the  
16 United States Census.

17 (2) For the purposes of this rule and for OAR 660-038-0050:

18 (a) For cities with a UGB population less than 2,500, single-family detached dwellings and  
19 mobile homes shall be considered low density residential, and all other dwellings shall be  
20 considered medium density residential.

21 (b) For cities with a UGB population greater than or equal to 2,500, single-family detached  
22 dwellings and mobile homes shall be considered low density residential, single-family  
23 attached dwellings and multiplexes with two to four units shall be considered medium  
24 density residential, and multi-family dwellings with five or more units shall be considered  
25 high density residential.

26 (3) A city must project the mix of housing types needed for new development over the 14-year  
27 period using the ranges of numbers in Table 1. The percentage of low density residential  
28 development is calculated by subtracting the percentage of medium density and high density  
29 residential development selected by the city.

30 (4) To determine the number of low density, medium density and high density dwelling units  
31 needed over the 14-year period, the city must multiply the percentages of needed housing for

1 different housing categories determined in section (3) by the total housing need determined in  
2 OAR 660-038-0030.

3 **OAR 660-038-0050**

4 **Determine Amount of Land Needed for Each Housing Type**

5 A city must:

6 (1) Determine the land needed for each category of residential development over the 14-year  
7 period by dividing the number of needed units determined in OAR 660-038-0040 by the  
8 projected number of net dwelling units per acre using the ranges in Table 2.

9 (2) Calculate the overall net density (total dwelling units divided by total land need) for all  
10 residential land need in terms of dwellings per acre and compare the result with the current  
11 density of the developed lands shown in the buildable lands inventory within the city's UGB  
12 completed under OAR 660-038-0060(5).

13  
14 (3) If necessary, adjust the density assumptions used in the residential land need analysis so that  
15 the overall net density for all residential land need is at least equal to the density determined in  
16 OAR 660-038-0050(2).

17  
18 (4) Add an amount equal to 25 percent of the total residential land needed to account for public  
19 land need for infrastructure and facilities such as schools and parks and to account for private  
20 institutional land need.

21  
22 **OAR 660-038-0060**

23 **Buildable Lands Inventory (BLI) for Residential Land within the UGB**

24 A city must determine the supply and development capacity of lands within its UGB by  
25 conducting a buildable lands inventory (BLI) as provided in this rule.

26 (1) For purposes of the BLI, the city shall classify the existing residential comprehensive plan  
27 and zoning designations within its UGB based on allowed density. The classification shall be  
28 based on either:

29 (a) The allowed density and housing types on the comprehensive plan map; or

30 (b) If the comprehensive plan map does not differentiate residential districts by density or  
31 type of housing, the applicable city or county zoning map, as follows:

32 (A) For cities with a UGB population less than 2,500, districts shall be classified as  
33 follows:

1 (i) Districts with a maximum density less than or equal to eight dwelling units per  
2 acre: low density residential. A city may classify a district as low density residential  
3 despite a maximum density of greater than eight dwelling units per acre if the  
4 majority of existing residences within the district are single-family detached and if  
5 the city has a high density residential district as determined by subparagraph (ii);

6 (ii) Districts with a maximum density greater than eight dwelling units per acre:  
7 medium density residential.

8 (B) For cities with UGB populations greater than or equal to 2,500, districts shall be  
9 classified as follows:

10 (i) Districts with a maximum density less than or equal to eight dwelling units per  
11 acre: low density residential. A city may classify a district as low density residential  
12 despite a maximum density of greater than eight dwelling units per acre if the  
13 majority of existing residences within the district are single-family detached and the  
14 city has a medium density residential district as determined by subparagraph (ii);

15 (ii) Districts with a maximum density greater than eight dwelling units per acre and  
16 less than or equal to 16 dwelling units per acre: medium density residential, unless the  
17 district has been classified as low density residential pursuant to subparagraph (i). A  
18 city may classify a district as medium density residential despite a maximum density  
19 of greater than 16 dwelling units per acre if the majority of development within the  
20 district is developed at densities of between eight and 16 dwelling units per net acre  
21 and the city has a high density residential district as determined by subparagraph (iii);

22 (iii) Districts with a maximum density greater than 16 dwelling units per acre: high  
23 density residential, unless the district has been classified as medium density  
24 residential pursuant to subparagraph (ii);

25 (iv) A city may not classify as low density a district that allows higher residential  
26 densities than a district the city has classified as medium density. A city may not  
27 classify as medium density a district that allows higher residential densities than a  
28 district the city has classified as high density.

29 (2) The city must identify all vacant lots and parcels with a residential comprehensive plan  
30 designation. A city shall assume that a lot or parcel is vacant if it is at least 3,000 square feet with  
31 a real market improvement value of less than \$10,000.

32 (3) The city must identify all partially vacant lots and parcels with a residential comprehensive  
33 plan designation, as follows:

1 (a) For lots and parcels at least one-half acre in size that contain a single-family residence,  
2 the city must subtract one-quarter acre for the residence, and count the remainder of the lot or  
3 parcel as vacant land, and

4 (b) For lots and parcels at least one-half acre in size that contain more than one single-family  
5 residence, multiple-family residences, non-residential uses, or ancillary uses such as parking  
6 areas and recreational facilities, the city must identify vacant areas using an orthophoto or  
7 other map of comparable geometric accuracy. For the purposes of this identification, all  
8 publicly owned park land shall be considered developed. If the vacant area is at least one-  
9 quarter acre, the city shall consider that portion of the lot or parcel to be vacant land.

10 (4) The city must determine the amount and mapped location of low density, medium density,  
11 and high density vacant and partially vacant land in residential plan or zone districts within the  
12 city's UGB.

13 (5) The city must:

14 (a) Identify all lots and parcels within a residential district that are developed;

15 (b) Identify all portions of partially vacant parcels within a residential district that are  
16 developed with residential uses;

17 (c) Calculate the total area of land identified in (a) and (b);

18 (d) Calculate the total number of existing dwelling units located on the land identified in (a)  
19 and (b); and

20 (e) Calculate the net density of residential development on the land identified in (a) and (b).

21 **OAR 660-038-0070**

22 **Adjust Residential Lands Inventory to Account for Constrained Lands**

23 A city must adjust the inventory of residential lands prepared under OAR 660-038-0060 to  
24 account for constrained lands using this rule.

25 (1) The city must identify the following physical constraints on land inventoried as vacant or  
26 partially vacant under OAR 660-038-0060:

27 (a) Floodways and water bodies. For the purpose of this subsection, "water bodies" includes;

28 (A) Rivers; and

29 (B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size.

30 (b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood  
31 Insurance Rate Map.

- 1 (c) Lands within the tsunami inundation zone established pursuant to ORS 455.446,  
2 (d) Contiguous lands of at least one acre with slopes greater than 25 percent. Slope shall be  
3 measured as the increase in elevation divided by the horizontal distance at maximum 10-foot  
4 contour intervals,  
5 (e) Lands subject to development restrictions as a result of acknowledged zoning adopted to  
6 implement Statewide Planning Goals 5 or 6, and  
7 (f) Lands subject to development prohibitions, natural resource protections, or both in  
8 acknowledged comprehensive plan provisions that implement Statewide Planning Goals 16,  
9 17, or 18.
- 10 (2) For lands identified in section (1), the city may reduce the estimated residential development  
11 capacity by the following factors in terms of acreage:
- 12 (a) For lands within floodways and water bodies, a 100 percent reduction.  
13 (b) For other lands within Special Flood Hazard Area as identified on the applicable Flood  
14 Insurance Rate Map, a 100 percent reduction.  
15 (c) For lands within the tsunami inundation zone, no reduction unless the city's existing  
16 zoning classification of such areas prohibits or reduces residential development, in which  
17 case, the reduction shall be based upon the maximum density allowed by the city's existing  
18 zoning classification.  
19 (d) For lands with slopes that are greater than 25 percent, a 100 percent reduction. If a parcel  
20 of land has lands with slopes greater than and less than 25 percent, the reduction applies only  
21 to the lands with slopes greater than 25 percent.  
22 (e) For lands subject to development restrictions in an acknowledged comprehensive plan or  
23 zoning program developed pursuant to Statewide Planning Goal 5 or 6, a reduction to the  
24 levels authorized by the acknowledged comprehensive plan provisions and implementing  
25 land use regulations.  
26 (f) For lands subject to development prohibitions, natural resource protections, or both in  
27 acknowledged comprehensive plan provisions that implement Statewide Planning Goals 16,  
28 17, or 18, a reduction to the levels authorized by the applicable comprehensive plan  
29 provisions and implementing land use regulations.
- 30 (3) The residential BLI amount for each type of needed housing for a city is the amount of  
31 buildable land for that needed housing type determined in OAR 660-038-0060 reduced by the  
32 constraints as determined in this rule.

1 **OAR 660-038-0080**

2 **Compare Residential Land Need to Land Supply**

3 (1) To determine whether to expand the UGB, a city must compare the amount of land needed  
4 for each category of residential development, as determined in OAR 660-038-0050, with the  
5 amount of buildable land available for each category of residential development, as determined  
6 in OAR 660-038-0070(3).

7 (2) Cities with a UGB population of less than 2,500 shall determine whether to expand the UGB  
8 based on Table 3.

9 (3) Cities with a UGB population greater than or equal to 2,500 and less than 10,000 shall  
10 determine whether to expand the UGB based on Table 4.

11 (4) Cities with a UGB population greater than or equal to 10,000 shall determine whether to  
12 expand the UGB based on Table 5.

13 (5) A city may also redesignate surplus employment land as determined in OAR 660-038-0150  
14 to satisfy all or part of a residential land deficit, except for employment lands that are prohibited  
15 from redesignation as provided by OAR 660-038-0150(4).

16 (6) If a city determines that the UGB must be expanded to meet residential land needs, the city  
17 must apply:

18 (a) OAR 660-038-0160 and 660-038-0170 to evaluate which lands to include in the UGB in  
19 order to meet the need deficit, and

20 (b) OAR 660-038-0190 to plan and zone lands that are added and, if necessary, to adjust  
21 planning and zoning of residential lands currently in the UGB.

22 **OAR 660-038-0090**

23 **Employment Land Need**

24 OAR 660-038-0090 to 660-038-0150 provides steps that a city must follow to determine  
25 employment land need over the 14-year planning period.

26 (1) A city that applies the UGB method in this division:

27 (a) Must forecast the amount of buildable lands that will be needed for projected employment  
28 in the UGB over a 14-year period using rules in OAR 660-038-0100 through 660-038-0150,  
29 and

1 (b) Must provide within its UGB sufficient buildable lands and other development capacity  
2 to accommodate the growth in employment that is forecast to occur over a 14-year period  
3 and plan those lands as required by OAR 660-038-0180.

4 (2) The city must forecast employment growth within the UGB for a 14-year period from the  
5 year in which the UGB analysis was initiated. As provided in ORS 197A.310(4) and  
6 197A.312(4), employment growth may be forecast based on either:

7 (a) The population growth forecast for the city in the most recent final forecast issued by the  
8 Portland State University Population Research Center under ORS 195.033 applying the  
9 requirements of OAR 660-038-0100, or

10 (b) The most recent long term employment growth forecast issued by the Oregon  
11 Employment Department (OED) for the applicable region, applying the requirements of  
12 OAR 660-038-0110.

### 13 **OAR 660-038-0100**

#### 14 **Forecast Employment Growth Based on Population Growth**

15 To forecast 14-year employment growth based on the PSU long term forecast of population  
16 growth, a city must:

17 (1) Determine the forecast population of the city's UGB for the 14-year period from the year in  
18 which the UGB analysis was initiated based on the most recent forecast issued by the Portland  
19 State University Population Research Center.

20 (2) Determine the current population of the UGB using the most recent population estimate  
21 issued by the Portland State University Population Research Center.

22 (3) Determine the rate of population growth for the city over the 14-year period based on  
23 sections (1) and (2).

24 (4) Using Table 6, determine the current number of "commercial" and "industrial" jobs in the  
25 UGB, based on the definitions in OAR 660-038-0010.

26 (5) To forecast the number of new commercial and new industrial jobs anticipated to occur in the  
27 UGB for the 14-year planning period, the city must:

28 (a) Multiply the number of commercial jobs currently in the UGB determined in section (4)  
29 by the rate of population growth rate determined in section (3), and

30 (b) Multiply the number of industrial jobs currently in the UGB determined in section (4) by  
31 the rate of population growth determined in section (3).

1 (6) To account for jobs that are likely to occur on land that is zoned for uses other than  
2 commercial or industrial (and which therefore will not require buildable “employment land”), the  
3 city must reduce the forecast of new jobs determined in section (5) by 20 percent.

4 (7) The result is the number of new commercial and industrial jobs forecast for the planning  
5 period to be accommodated on employment lands in the UGB. The city must use this result or  
6 the result in OAR 660-038-0110 as a basis for determining land needs under OAR 660-038-  
7 0140.

8 **OAR 660-038-0110**

9 **Forecast Employment Growth Based on Oregon Employment Department Forecast**

10 As an alternative to the method provided in OAR 660-038-0100, to forecast 14-year employment  
11 growth based on the most recent long-term job forecast issued by the Oregon Employment  
12 Department (OED), a city must:

13 (1) Determine the number of “commercial” and “industrial” jobs currently in the UGB as  
14 provided in Table 6.

15 (2) Using Table 7, determine the long-term growth rates forecast by OED for commercial jobs  
16 and for industrial jobs in the OED region that includes the city. For purposes of this rule, “OED  
17 region” means Workforce Innovation and Opportunity Act (WIOA) Areas for which OED  
18 forecasts long-term job growth.

19 (3) To forecast the number of new commercial and new industrial jobs anticipated to occur in the  
20 UGB for the 14-year planning period, the city must:

21 (a) Multiply the number of commercial jobs currently in the UGB determined in section (1)  
22 by the forecast rate of growth determined in section (2), and

23 (b) Multiply the number of industrial jobs currently in the UGB determined in section (1) by  
24 the forecast rate of growth determined in section (2).

25 (4) To account for jobs that are likely to occur on land that is zoned for uses other than  
26 commercial or industrial (and which therefore will not require buildable “employment land”), the  
27 city must reduce the forecast of new commercial and industrial jobs determined in subsection  
28 (3)(a) by 20 percent.

29 (5) The result is the number of new commercial and industrial jobs forecast for the 14-year  
30 planning period. The city must use this result or the result in OAR 660-038-0100 as a basis for  
31 determining land needs under OAR 660-038-0140.

1 **OAR 660-038-0120**

2 **Inventory of Buildable Employment Land within the UGB**

3 A city must determine the supply and development capacity of employment lands within its  
4 UGB at the time of initiation by conducting a buildable lands inventory (BLI) for employment  
5 land as provided in this rule and OAR 660-038-00130.

6 (1) For purposes of the employment BLI, the city shall classify the existing employment zone  
7 districts and plan districts within its UGB as either “commercial” or “industrial” based on the  
8 applicable definitions in OAR 660-038-0010. Districts that allow both commercial and industrial  
9 uses as per the definition must be classified as one or the other, based on the intent of the plan  
10 and with consideration of whether the predominant NAICS categories allowed by the district are  
11 characteristic of a commercial or industrial use.

12 (2) The city must identify all lots and parcels in the UGB with either a commercial or industrial  
13 comprehensive plan designation or zoning district, determine which lots or parcels are vacant,  
14 partially vacant, or developed and calculate the total area of such land, as follows:

15 ***OPTION 1 (recommended):***

16 *(a) A city may assume that a lot or parcel is vacant if the real market improvement value is*  
17 *less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of*  
18 *the real market land value.*

19 *(b) A city may assume that a lot or parcel is partially vacant if the real market improvement*  
20 *value is greater than five percent and less than 40 percent of the real market land value.*

21 *(c) A city may assume that a lot or parcel is developed if the real market improvement value*  
22 *is greater than or equal to 40 percent of the real market land value.*

23 ***OPTION 2:***

24 *(a) A city may assume that a lot or parcel is vacant if it is:*

25 *(A) Equal to or larger than one-half acre, if the lot or parcel does not contain a*  
26 *permanent building; or*

27 *(B) Equal to or larger than five acres, if less than one-half acre of the lot or parcel is*  
28 *occupied by a permanent building.*

29 *(b) A city may assume that a lot or parcel is partially vacant if it is greater than one acre in*  
30 *size with at least one-half acre that is not improved.*

31

1 (3) The city must use the result of section (2) to determine the current density of employment  
2 land within the UGB under OAR 660-038-0140

3 **OAR 660-038-0130**

4 **Adjust Employment Inventory to Account for Constrained Lands**

5 A city must adjust the employment lands inventory determined under OAR 660-038-0120 to  
6 account for constrained lands using this rule.

7 (1) The city must identify the following physical constraints on employment land inventoried  
8 under OAR 660-038-0120:

9 (a) Floodways and water bodies. For the purpose of this subsection, “water bodies” includes;

10 (A) Rivers; and

11 (B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size.

12 (b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood  
13 Insurance Rate Map.

14 (c) Lands within the tsunami inundation zone established pursuant to ORS 455.446,

15 (d) Contiguous lands planned and zoned for commercial use of at least one acre with slopes  
16 that are 25 percent or more. For purposes of this rule, slope shall be measured as the increase  
17 in elevation divided by the horizontal distance at maximum 10-foot contour intervals,

18 (e) Contiguous lands planned and zoned for industrial use of at least one acre with slopes that  
19 are 10 percent or more. For purposes of this rule, slope shall be measured as the increase in  
20 elevation divided by the horizontal distance at maximum 10-foot contour intervals,

21 (f) Lands subject to development restrictions as a result of acknowledged zoning adopted to  
22 implement Statewide Planning Goals 5 or 6, and

23 (g) Lands subject to development prohibitions, natural resource protections, or both in  
24 acknowledged comprehensive plan provisions that implement Statewide Planning Goals 16,  
25 17, or 18.

26 (2) For lands identified in section (1), the city may reduce the estimated development capacity by  
27 the following factors in terms of acreage:

28 (a) For lands within floodways and water bodies, a 100 percent reduction.

29 (b) For other lands within Special Flood Hazard Area (SFHA) as identified on the applicable  
30 Flood Insurance Rate Map (FIRM), a 100 percent reduction.

1 (c) For lands within the tsunami inundation zone, no reduction unless the city's existing  
2 zoning classification of such areas prohibits or reduces allowed development, in which case,  
3 the reduction shall be based upon the maximum density allowed by the city's existing zoning  
4 classification.

5 (d) For lands designated for commercial use, contiguous lands of at least one acre with slope  
6 greater than 25 percent, a 100 percent reduction. If a lot or parcel has areas with slopes  
7 greater than 25 percent, the reduction applies only to those areas with slopes greater than 25  
8 percent.

9 (e) For lands designated for industrial use, contiguous lands of at least one acre with slope  
10 greater than 10 percent, a 100 percent reduction. If a lot or parcel with slopes greater than 10  
11 percent has at least five contiguous acres with slopes less than 10 percent, the reduction does  
12 not apply to those areas.

13 (f) For lands subject to restrictions in density or location of development in an acknowledged  
14 comprehensive plan or zoning program developed pursuant to Statewide Planning Goal 5 or  
15 6, a reduction to the levels required by the acknowledged zoning.

16 (g) For lands subject to development prohibitions, natural resource protections, or both in  
17 acknowledged comprehensive plan provisions that implement Statewide Planning Goals 16,  
18 17, or 18, a reduction to the levels required by the applicable comprehensive plan provisions  
19 and implementing land use regulations.

20 (3) The amount of buildable land in the UGB designated for commercial and industrial uses is  
21 that amount determined in OAR 660-038-0120 reduced by the constraints determined under  
22 section (2) of this rule.

### 23 **OAR 660-038-0140**

#### 24 **Translate Job Forecast to Employment Land Need**

25 *OPTION to consider redevelopment (if the commission does not adopt this option, subsequent*  
26 *rules in this division, and references to those rules, would be renumbered accordingly)*

27 *(1) Account for redevelopment of commercial land anticipated during the planning period, as*  
28 *follows:*

29 *(a) Multiply the number of new commercial jobs forecast for the planning period to be*  
30 *accommodated on employment lands in the UGB in either OAR 660-038-0100(7) or OAR*  
31 *660-038-0110(5) by the applicable percentages in paragraphs (A) through (C) of this*  
32 *subsection:*

1           (A) For cities with a UGB population less than 10,000, the redevelopment factor shall be  
2           two percent.

3           (B) For cities with a UGB population greater than 10,000 but less than 25,000, the  
4           redevelopment factor shall be five percent.

5           (C) For cities with a UGB population equal to or greater than 25,000, the redevelopment  
6           factor shall be between five and 10 percent.

7           (b) Subtract the resulting number in subsection (a) from the number of new commercial jobs  
8           forecast to be accommodated on commercial lands in the UGB determined in either OAR  
9           660-038-0100(7) or OAR 660-038-0110(5). The result is the number of new commercial jobs  
10          adjusted to account for redevelopment of commercial land.

11         (2) Account for redevelopment of industrial land anticipated during the planning period, as  
12         follows:

13           (a) Multiply the number of new industrial jobs forecast for the planning period to be  
14           accommodated on employment lands in the UGB in either OAR 660-038-0100(7) or OAR  
15           660-038-0110(5) by the applicable percentages in paragraphs (A) or (B) of this subsection:

16           (A) For cities with a UGB population less than 10,000, the redevelopment factor shall be  
17           one-half of a percent.

18           (B) For cities with a UGB population equal to or greater than 10,000, the redevelopment  
19           factor shall be one percent.

20           (b) Subtract the resulting number in subsection (a) from the number of new industrial jobs  
21           forecast to be accommodated on employment lands in the UGB determined in either OAR  
22           660-038-0100(7) or OAR 660-038-0110(5). The result is the number of new industrial jobs  
23           adjusted to account for redevelopment of industrial land.

24         (3) Determine the current density (jobs per acre) for developed commercial land, as follows:

25           (a) Identify all developed lots and parcels and partially vacant lots and parcels within the  
26           UGB that are zoned for and developed with commercial uses and calculate the total area of  
27           such land (from OAR 660-038-0120).

28           (b) Determine current number of commercial jobs in the UGB from Table 6.

29           (c) Subtract 20 percent from (b) to account for current commercial jobs that occur on land not  
30           zoned commercial or industrial.

- 1 (d) Divide the number of jobs determined in subsection (c) by the amount of developed  
2 commercial land determined in subsection (a). The result is the current density of commercial  
3 uses (jobs per acre) on commercial land in the UGB.
- 4 (4) Determine the current density (jobs per acre) for developed industrial land, as follows:
- 5 (a) Identify all developed lots and parcels and partially vacant lots and parcels within the  
6 UGB that are zoned for and developed with industrial uses and calculate the total area of  
7 such land (from OAR 660-038-0120).
- 8 (b) Determine current number of industrial jobs in the UGB from Table 6.
- 9 (c) Subtract 20 percent from (b) to account for current industrial jobs that occur on land not  
10 zoned commercial or industrial.
- 11 (d) Divide the number of jobs determined in subsection (c) by the amount of developed  
12 industrial land determined in subsection (a). The result is the current density of industrial  
13 uses (jobs per acre) on industrial land in the UGB.
- 14 (5) To account for the anticipated long term increase in efficiency of employment land, the city  
15 must
- 16 (a) Multiply the result of section (3) for commercial uses, and section (4) for industrial uses,  
17 by the applicable factors in paragraphs (A) or (B) of this subsection:
- 18 (A) For cities with a UGB population less than 10,000, the factor shall be a range from  
19 one to three percent for commercial, and one-half of a percent for industrial.
- 20 (B) For cities with a UGB population equal to or greater than 10,000 the factor shall be a  
21 range of three to five percent for commercial and one percent for industrial.
- 22 (b) Add the result from subsection (a) to the result in sections (3) for commercial uses, and  
23 section (4) for industrial uses. The result is the anticipated density of commercial and  
24 industrial land (jobs per acre) in the UGB.
- 25 (6) Divide the number of commercial and industrial jobs forecast in sections (1) and (2) by the  
26 applicable results in section (5) to determine the net new land need for commercial and industrial  
27 uses over the planning period.
- 28 (7) The city must increase the results of section (6) by 15 percent to convert net land need to  
29 gross land need in consideration of land need for streets, roads and other public facilities due to  
30 employment land growth over the planning period.

31

1 **OAR 660-038-0150**

2 **Determine if UGB Expansion is Necessary to Accommodate Employment Needs**

3 (1) To determine whether to expand the UGB, a city using the method in this division must  
4 compare the amount of new land needed for commercial and industrial development determined  
5 under OAR 660-038-0140 with the amount of vacant or partially vacant buildable employment  
6 land designated for commercial and industrial development as determined in the employment  
7 BLI as per OAR 660-038-0130.

8 (2) If the amount of buildable employment land is greater than the amount of land needed for  
9 both commercial and industrial development, then no UGB expansion for employment land need  
10 is allowed.

11 (3) If the amount of buildable employment land is less than the amount of land needed for either  
12 commercial or industrial development, then the UGB may be expanded to provide the amount of  
13 land needed, provided that:

14 (a) If the amount of buildable land is less than the amount of land needed for industrial  
15 development, but is greater than the amount of land needed for commercial development,  
16 then the city must consider re-designating surplus commercial land within the existing UGB  
17 for industrial development provided the city determines that the land is suitable to meet that  
18 industrial need, as provided in (cite goal 9 rule), and except as provided in section (4) of this  
19 rule.

20 (b) If the amount of buildable land available is less than the amount of land needed for  
21 commercial development, but is greater than the amount of land needed for industrial  
22 development, then the city must consider re-designating surplus industrial land within the  
23 existing UGB for commercial development provided the land is suitable to meet that need, as  
24 provided in (cite goal 9 rule), and except as provided in section (4) of this rule.

25 (c) A city must also consider redesignating surplus residential land as determined in OAR  
26 660-038-0080 to satisfy all or part of an employment land deficit.

27 (4) The following existing commercial or industrial lands may not be re-designated for another  
28 use under this division, including in response to section (3):

29 (a) Land within industrial sanctuaries identified on the acknowledged comprehensive plan,  
30 including lands added to UGB as Regional Large Lot Industrial Land under to OAR 660-  
31 024-0045.

32 (b) Land owned by a port district or other public entity for the purpose of economic  
33 development.

- 1 (c) Land within
- 2 (A) An urban renewal district;
- 3 (B) An enterprise zone, rural enterprise zone, or urban enterprise zone, as defined in ORS  
4 285C.050; or
- 5 (C) A strategic investment zone, as defined in ORS 285C.623.
- 6 (d) Sites served by state or regional infrastructure investments, such as the Strategic Reserve  
7 Fund (ORS chapter 285B), Connect Oregon, Immediate Opportunity Fund, or grant or loan  
8 programs administered by the Infrastructure Finance Authority.
- 9 (e) Sites that include working port access or Class A rail access (e.g., access to existing  
10 sidings or loops).
- 11 (f) Sites that have been certified as a shovel ready site by the Oregon Business Development  
12 Department, or has received designation as a Regionally Significant Industrial Area by the  
13 Economic Recovery Review Council.
- 14 (g) Land that was previously designated as industrial under rules under this division and may  
15 not be redesignated as provided in OAR 660-038-0180(6).
- 16 (h) Land that is designated for a particular land need under OAR 660-024-0065(10).

17 **OAR 660-038-0160**

18 **Establishment of Study Area to Evaluate Land for Inclusion in the UGB**

19 Cities outside of Metro shall comply with this rule and OAR 660-038-0170 when determining  
20 which lands to include within the UGB in response to a deficit of land to meet long-term needs  
21 that has been determined under OAR 660-038-0080, OAR 660-038-0150, or both.

22 (1) The city shall determine which land to add to the UGB by evaluating alternative locations  
23 within a “study area” established pursuant to this rule. To establish the study area, the city must  
24 first identify a “preliminary study area” which shall not include land within a different UGB or  
25 the corporate limits of a city within a different UGB. The preliminary study area shall include:

- 26 (a) All lands in the city’s acknowledged urban reserve, if any;
- 27 (b) All lands that are within the following distance from the acknowledged UGB, except as  
28 provided in subsection (d) of this section:

- 1 (A) For cities with a UGB population less than 10,000: one-half mile;
- 2 (B) For cities with a UGB population equal to or greater than 10,000: one mile;
- 3 (c) All exception areas that are within the following distance from the acknowledged UGB  
4 provided they are contiguous to an exception area that includes land within the distance  
5 specified in subsection (b):
- 6 (A) For cities with a UGB population less than 10,000: one mile;
- 7 (B) For cities with a UGB population equal to or greater than 10,000: one and one-half  
8 miles;
- 9 (d) At the discretion of the city, land that is beyond the distance specified in subsections (b)  
10 and (c).
- 11 (2) The city may exclude land from the preliminary study area if it determines that any of the  
12 conditions in this section apply to the land:
- 13
- 14 (a) Based on the standards in section (5) of this rule, it is impracticable to provide necessary  
15 public facilities or services to the land;
- 16 (b) The land is subject to significant development hazards, due to a risk of:
- 17 (A) Landslides: The land consists of a landslide deposit or scarp flank that is described  
18 and mapped on the Statewide Landslide Information Database for Oregon (SLIDO)  
19 Release 3.2 Geodatabase published by the Oregon Department of Geology and Mineral  
20 Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the  
21 data source is mapped at a scale of 1:40,000 or finer;
- 22 (B) Flooding, including inundation during storm surges: the land is within the SFHA  
23 identified on the applicable FIRM; or
- 24 (C) Tsunamis: the land is within a tsunami inundation zone established pursuant to ORS  
25 455.446.
- 26 (c) The land consists of a significant scenic, natural, cultural or recreational resource  
27 described in this subsection:

- 1 (A) Lands that are designated on an acknowledged comprehensive plan prior to initiation  
2 of the UGB amendment, or that are mapped on a published state or federal inventory at a  
3 scale sufficient to determine its location for purposes of this rule, as:
- 4 (i) Critical or essential habitat for a species listed by a state or federal agency as  
5 threatened or endangered;
  - 6 (ii) Core habitat for Greater Sage Grouse; or
  - 7 (iii) Big game winter range or migration corridors.
- 8 (B) Federal Wild and Scenic Rivers and State Scenic Waterways, including Related  
9 Adjacent Lands described by ORS 390.805, as mapped by the applicable state or federal  
10 agency responsible for that scenic program;
- 11 (C) Designated Natural Areas on the Oregon State Register of Natural Heritage  
12 Resources;
- 13 (D) A wellhead protection area described under OAR 660-023-0140 and delineated on a  
14 local comprehensive plan;
- 15 (E) Aquatic areas subject to Statewide Planning Goal 16 that are in a Natural or  
16 Conservation management unit designated in an acknowledged comprehensive plan;
- 17 (F) Lands subject to acknowledged comprehensive plan provisions that implement  
18 Statewide Planning Goal 17, Coastal Shoreland, Use Requirement 1;
- 19 (G) Lands subject to acknowledged comprehensive plan provisions that implement  
20 Statewide Planning Goal 18, Implementation Requirement 2.
- 21 (d) The land is owned by the federal government and managed primarily for rural uses.
- 22 (3) After excluding land from the preliminary study area under section (2), the city must adjust  
23 the study area, if necessary, so that it includes an amount of land that is at least twice the amount  
24 of land needed to satisfy the combined need deficiency determined under OAR 660-038-0080  
25 and OAR 660-038-0150. Such adjustment shall be made by expanding the applicable distance  
26 specified under section (1) and applying section (2) to the expanded area.
- 27 (4) For purposes of evaluating the priority of land under OAR 660-038-0170, the “study area”  
28 shall consist of all land that is included in the preliminary study area described in section (1) of  
29 this rule after adjustments to the area based on sections (2) and (3).

1 (5) For purposes of subsection (2)(a), the city may consider it impracticable to provide necessary  
2 public facilities or services to the following lands:

3 (a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of  
4 25 percent or greater. Slope shall be measured as the increase in elevation divided by the  
5 horizontal distance at maximum ten-foot contour intervals;

6 (b) Lands requiring the construction of a new freeway interchange, overpass, underpass, or  
7 similar improvement to accommodate planned urban development providing such  
8 improvement is not currently identified in the Statewide Transportation Improvement  
9 Program (STIP) for construction within the planning period;

10 (c) Land that is isolated from existing service networks by physical, topographic, or other  
11 impediments to service provision such that it is impracticable to provide necessary facilities  
12 or services to the land within the planning period. The city's determination shall be based on  
13 an evaluation of:

14 (A) The likely amount of development that could occur on the land within the planning  
15 period;

16 (B) The likely cost of facilities and services; and,

17 (C) Any substantial evidence collected by or presented to the city regarding how  
18 similarly situated land has, or has not, developed over time.

19 (d) As used in this section, "impediments to service provision" may include but are not  
20 limited to:

21 (A) Major rivers or other water bodies that would require new bridge crossings to serve  
22 planned urban development;

23 (B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and  
24 vertical relief of greater than 80 feet;

25 (C) Freeways, rail lines, or other restricted access corridors that would require new grade  
26 separated crossings to serve planned urban development;

27 (D) Significant scenic, natural, cultural or recreational resources on an acknowledged  
28 plan inventory and subject protection measures under the plan or implementing  
29 regulations, or on a published state or federal inventory, that would prohibit or substantially  
30 impede the placement or construction of necessary public facilities and services.

1 (6) Land may not be excluded from the preliminary study area based on a finding of  
2 impracticability that is primarily a result of existing development patterns. However, a city may  
3 forecast development capacity as provided in OAR 660-038-0170(1)(c).

4 (7) A city that has a population of 10,000 or more that evaluates or amends its UGB using a  
5 method described in this division, must notify districts and counties that have territory within the  
6 study area as required by ORS 197A.315 and meet other applicable requirements in that statute.

7 **OAR 660-038-0170**

8 **Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities**

9 (1) A city considering a UGB amendment must decide which land to add to the UGB by  
10 evaluating all land in the study area determined under OAR 660-038-0160, as follows:

11 (a) Beginning with the highest priority category of land described in section (2), the city must  
12 apply section (5) of this rule to determine which land in that priority category is suitable to  
13 satisfy the need deficiency determined under OAR 660-038-0080 and OAR 660-038-0150  
14 and select for inclusion in the UGB as much of the land as necessary to satisfy the need.

15 (b) If the amount of suitable land in the first priority category is not adequate to satisfy the  
16 identified need deficiency, the city must apply section (5) to determine which land in the next  
17 priority is suitable and select for inclusion in the UGB as much of the suitable land in that  
18 priority as necessary to satisfy the need. The city must proceed in this manner until all the  
19 land need is satisfied.

20 (c) If the amount of suitable land in a particular priority category in section (2) exceeds the  
21 amount necessary to satisfy the need deficiency, the city must choose which land in that  
22 priority to include in the UGB by applying the criteria in section (7) of this rule.

23 (d) In evaluating the sufficiency of land to satisfy a need under this section, the city may  
24 consider factors that reduce the capacity of the land to meet the need, including factors  
25 identified in sections (5) and (6) of this rule.

26 (e) Land that is determined to not be suitable under section (5) of this rule to satisfy the need  
27 deficiency determined under OAR 660-038-0080 or OAR 660-038-0150 is not required to be  
28 selected for inclusion in the UGB unless its inclusion is necessary to serve other higher  
29 priority lands.

30 (2) Priority of Land for inclusion in a UGB:

31 (a) First priority is urban reserve, exception land, and nonresource land. Lands in the study  
32 area that meet the description in paragraphs (A) through (C) of this subsection are of equal  
33 (first) priority:

1 (A) Land designated as an urban reserve under OAR chapter 660, division 21, in an  
2 acknowledged comprehensive plan;

3 (B) Land that is subject to an acknowledged exception under ORS 197.732; and

4 (C) Land that is nonresource land.

5 (b) Second priority is marginal land: land within the study area that is designated as marginal  
6 land under ORS 197.247 (1991 Edition) in the acknowledged comprehensive plan.

7 (c) Third priority is farm or forest land that is not predominantly high-value farmland: land  
8 within the study area that is designated for agriculture or forest uses in the acknowledged  
9 comprehensive plan that is not predominantly high-value farmland, as defined in ORS  
10 195.300, or that does not consist predominantly of prime or unique soils, as determined by  
11 the United States Department of Agriculture Natural Resources Conservation Service. In  
12 selecting as much of the suitable land as necessary to satisfy the need, the city must use the  
13 predominant capability classification system or the predominant cubic site class, as  
14 appropriate for the acknowledged comprehensive plan designation, to select lower capability  
15 or cubic site class lands first.

16 (d) Fourth priority is farmland that is predominantly high-value farmland: land within the  
17 study area that is designated as farmland in an acknowledged comprehensive plan and is  
18 predominantly high-value farmland as defined in ORS 195.300(10). A city may not select  
19 land that is predominantly made up of prime or unique farm soils, as defined by the United  
20 States Department of Agriculture Natural Resources Conservation Service, unless there is an  
21 insufficient amount of other land to satisfy its land need. In selecting as much of the suitable  
22 land as necessary to satisfy the need, the city must use the predominant capability  
23 classification system or the predominant cubic site class, as appropriate for the acknowledged  
24 comprehensive plan designation, to select lower capability or cubic site class lands first.

25 (3) Notwithstanding subsections (2)(c) or (d) of this rule, land that would otherwise be excluded  
26 from a UGB may be included if:

27 (a) The land contains a small amount of third or fourth priority land that is not important to  
28 the commercial agricultural enterprise in the area and the land must be included in the UGB  
29 to connect a nearby and significantly larger area of land of higher priority for inclusion  
30 within the UGB; or

31 (b) The land contains a small amount of third or fourth priority land that is not predominantly  
32 high-value farmland or predominantly made up of prime or unique farm soils and the land is  
33 completely surrounded by land of higher priority for inclusion into the UGB.

34 ***OPTION 1 (Recommended) regarding sorting land into priorities***

1 (4) For purposes of subsections (2)(c) and (d) and section (3) of this rule:

2 (a) Areas of land not larger than 200 acres may be grouped together and studied as a single  
3 unit of land;

4 (b) Areas of land larger than 200 acres that are similarly situated and have similar soils may  
5 be grouped together provided, however, that soils of lower agricultural or forest capability  
6 may not be grouped with soils of higher capability in a manner inconsistent with the intent of  
7 section (2) of this rule which establishes that higher capability resource lands are the last  
8 priority for inclusion in a UGB;

9 (c) Notwithstanding subsection (4)(a), if a city initiated the evaluation or amendment of its  
10 UGB prior to January 1, 2016, and if the analysis involves more than one parcel or area  
11 within a particular priority category for which circumstances are reasonably similar, these  
12 parcels or areas may be considered and evaluated as a single group;

13 (d) When determining whether the land is predominantly high-value farmland, or  
14 predominantly prime or unique, or when using the predominant capability classification  
15 system or the predominant cubic site class of the subject land, “predominantly” means more  
16 than 50 percent. (b) Notwithstanding subsection (4)(a), where a city initiated the evaluation  
17 or amendment of its UGB prior to January 1, 2016, where the analysis involves more than  
18 one parcel or area within a particular priority category for which circumstances are  
19 reasonably similar, these parcels or areas may be considered and evaluated as a single  
20 group.

21 **OPTION 2**

22 (a) When evaluating the agricultural or forest capability of land within a study area, “land”  
23 means the land in a tract as defined at ORS 215.010.

24 (b) When determining whether the land is predominantly made up of prime or unique farm  
25 soils, “predominantly” means at least 50 percent of a tract as defined at ORS 215.010.

26 (5) With respect to subsection (1) of this rule, a city must assume that vacant or partially vacant  
27 land in a particular priority category is “suitable” to satisfy a need deficiency identified in OAR  
28 660-038-0080 or OAR 660-038-0150, whichever is applicable, unless it demonstrates that the  
29 land cannot satisfy the need based on one or more of the conditions described in subsections (a)  
30 through (d) of this section:

31 (a) Existing parcelization, lot sizes or development patterns of rural residential land make the  
32 land unsuitable for an identified employment need;

33 (b) The land would qualify for exclusion from the preliminary study area under the factors in  
34 OAR 660-038-0160(2) but the city declined to exclude it pending more detailed analysis.

1 (c) The land is, or would be upon inclusion in the UGB, subject to natural resources  
2 protections under Statewide Planning Goals 5 such that that no development capacity should  
3 be forecast with respect to the need.

4 (d) With respect to needed industrial uses only, the land is over 10 percent slope, as measured  
5 in the manner described in OAR 660-038-0160(5), or is an existing lot or parcel that is  
6 smaller than 5 acres in size, or both.

7 (6) For lands added to the UGB to provide for residential uses:

8 (a) Existing lots or parcels one acre or less may be assumed to have a development capacity  
9 of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less  
10 than two acres shall be assumed to have an aggregate development capacity of two dwelling  
11 units per acre.

12 (b) In any subsequent review of a UGB pursuant to this division, the city may use a  
13 development assumption for land described subsection (a) of this section for a period of 14  
14 years from the date the lands were added to the UGB.

15 (7) As provided in subsection (1)(c), if the amount of suitable land in a particular priority  
16 category under section (2) exceeds the amount necessary to satisfy the need deficiency, the city  
17 must choose which land in that priority to include in the UGB by first applying the Boundary  
18 Location Factors of Goal 14 and then applying applicable criteria in the comprehensive plan and  
19 land use regulations acknowledged prior to initiation of the UGB evaluation or amendment. The  
20 city may not apply local comprehensive plan criteria that contradict the requirements of the  
21 Boundary Location Factors of Goal 14. The Boundary Location Factors are not independent  
22 criteria; when the factors are applied to compare alternative boundary locations and to determine  
23 the UGB location the city must demonstrate that it considered and balanced all the factors.

24 (8) The city must apply the Boundary Location Factors in coordination with service  
25 providers and state agencies, including the Oregon Department of Transportation with  
26 respect to Factor 2 regarding impacts on the state transportation system, and the Oregon  
27 Department of Fish and Wildlife and the Oregon Department of State Lands with respect to  
28 Factor 3 regarding environmental consequences. “Coordination” includes timely notice to  
29 agencies and service providers and consideration of any recommended evaluation  
30 methodologies.

31 (9) In applying Boundary Location Factor 2, to evaluate alternative locations under  
32 section(6), the city must compare relative costs, advantages and disadvantages of alternative  
33 UGB expansion areas with respect to the provision of public facilities and services needed to  
34 urbanize alternative boundary locations. For purposes of this section, the term “public  
35 facilities and services” means water, sanitary sewer, storm water management, and  
36 transportation facilities. The evaluation and comparison under Boundary Location Factor 2

1 must consider:

2 (a) The impacts to existing water, sanitary sewer, storm water and transportation facilities  
3 that serve nearby areas already inside the UGB;

4 (b) The capacity of existing public facilities and services to serve areas already inside the  
5 UGB as well as areas proposed for addition to the UGB; and

6 (c) The need for new transportation facilities, such as highways and other roadways,  
7 interchanges, arterials and collectors, additional travel lanes, other major improvements  
8 on existing roadways and, for urban areas of 25,000 or more, the provision of public  
9 transit service.

10 (10) The adopted findings for UGB adoption or amendment must describe or map all of the  
11 alternative areas evaluated in the boundary location alternatives analysis.

12 **OAR 660-038-0180**

13 **Planning Requirements for Land added to a UGB**

14 (1) A city must plan and zone lands included within the UGB:

15 (a) For categories of land uses in amounts that are roughly proportional to the land need  
16 determined for each category of use; and

17 (b) For an intensity of use that is generally consistent with the estimates that were used to  
18 determine the amount of land needed.

19 (2) All land added to a UGB under this division must be planned and zoned such that the lands  
20 will not significantly affect a state highway, a state highway interchange, or a freight route  
21 designated in the Oregon Highway Plan, based on the requirements of OAR 660-012-0060(1)  
22 and on written concurrence provided by the Department of Transportation. However, a city may  
23 add land that does not meet this requirement provided the land is planned and zoned either:

24 (a) For industrial uses only, or

25 (b) Compact urban development consisting of a mixed-use, pedestrian friendly center or  
26 neighborhood as described in OAR 660-012-0060(8).

27 (3) For lands added to the UGB to provide for residential uses, the city must also satisfy  
28 applicable requirements of OAR 660-038-0190.

29 (4) If factual information is submitted demonstrating that a Goal 5 resource site, or the impact  
30 areas of such a site, is included in the area proposed to be added to the UGB, the city shall apply  
31 the applicable requirements of OAR chapter 660, division 23, concurrent with adoption of a

1 UGB amendment. For purposes of this section, “impact area” is a geographic area within which  
2 conflicting uses could adversely affect a significant Goal 5 resource, as described in OAR 660-  
3 023-0040(3).

4 (5) Concurrently with adoption of a UGB amendment pursuant to this division, a city must  
5 assign appropriate urban plan designations to land added to the UGB consistent with the need  
6 determination. The city must also apply appropriate zoning to the added land consistent with the  
7 plan designation or may maintain the land as urbanizable land until the land is rezoned for the  
8 planned urban uses, either by retaining the zoning that was assigned prior to inclusion in the  
9 boundary or by applying other interim zoning that maintains the land’s potential for planned  
10 urban development.

11 (6) When lands added to the UGB pursuant to rules in this division are planned and zoned for  
12 industrial or residential uses, the lands must remain planned and zoned for the use for 20 years  
13 beyond the date of adoption by the city.

14 (7) The UGB and amendments to the UGB must be shown on the applicable city and county  
15 plan and zone maps at a scale sufficient to determine which particular lots and parcels are  
16 included in the UGB. Where a UGB does not follow lot or parcel lines, the map must provide  
17 sufficient information to determine the precise UGB location.

18 (8) Amendment of a UGB shall be a cooperative process among cities and counties. A UGB and  
19 amendments to the UGB shall be adopted by all cities within the boundary and by the county or  
20 counties within which the boundary is located. Cities and counties shall follow the requirements  
21 of OAR 660-018-0021 regarding coordinated notice of a UGB amendment.

22 (9) “Roughly proportional” means, with respect to planning of land added to a UGB in response  
23 to a need determination, the amount of land provided for a particular category of need is within  
24 five percent of the amount needed or within 10 acres, whichever is less.

25 **OAR 660-038-0190**

26 **Additional Planning for Residential Lands Added to the UGB**

27 Cities that use the method in this division to provide land for needed housing must plan for  
28 residential lands added to the UGB as provided in this rule, in addition to the requirements in  
29 OAR 660-038-0180.

30 (1) The comprehensive plan and implementing zoning shall allow the housing types and  
31 densities determined to be needed in OAR 660-038-0040 and 660-038-0050 under clear and  
32 objective standards and shall meet other applicable needed housing requirements specified in  
33 ORS 197.307 and OAR chapter 660, division 8.

1 (2) The city and appropriate counties must assign appropriate urban plan designations to the  
2 added residential land consistent with the need determination, and either:

3 (a) Apply appropriate zoning to the added land consistent with the plan designation, or

4 (b) Adopt measures to maintain the land as urbanizable land until the land is rezoned for the  
5 planned urban uses by retaining the zoning that was assigned prior to inclusion in the  
6 boundary or by applying other interim zoning that maintains the land's potential for planned  
7 urban development. Measures for rezoning urbanizable land for needed housing shall be  
8 clear and objective and consistent with other requirements of ORS 197.307.

9 (3) Cities with UGB population of 10,000 or greater must either:

10 (a) Consider the housing measures listed in the Table 8 and adopt at least one high impact  
11 measure or three low impact measures, or

12 (b) Satisfy the alternate performance standard in section (4).

13 (4) A city has satisfied the alternate performance standard section (3)(b) if the city:

14 (a) Has a development code that contains the provisions specified in items 1 through 5 and 29  
15 through 31 of Table 8; and

16 (b) Demonstrates with substantial evidence in the record that, during the preceding planning  
17 period or preceding seven years, whichever is less, development in the city equaled or  
18 exceeded the maximum percentage set forth in the ranges for redevelopment in residentially  
19 zoned and developed areas and mixed use residential development in commercially zoned  
20 areas in OAR 660-038-0030(6)(a) through (c).

21 **OAR 660-038-0200**

22 **Serviceability**

23 (1) Pursuant to ORS 197A.310(3) or 197A.312(3), a city that amends its UGB using this division  
24 shall demonstrate that lands included within the UGB:

25 (a) Provide sufficient serviceable land for at least a seven-year period, and

26 (b) Can all be serviceable over a 14-year period.

27 (2) For purposes of subsection (1)(a) of this rule, a city shall demonstrate adequate sewer, water  
28 and transportation capacity to serve at least seven years of planned urban development based on  
29 system capacity and system improvements that are identified and described in an acknowledged  
30 public facilities plan, an acknowledged Transportation System Plan, a capital improvement plan,  
31 or the findings adopted by a city in support of a decision to amend its UGB. This shall consist of

1 sewer, water and transportation capacity that is available or can be provided based on subsection  
2 (a) or (b) of this section, or both:

3 (a) Capacity is available: existing sewer, water and transportation system capacity sufficient  
4 to serve some or all of the anticipated seven-year demand is available. To demonstrate  
5 available sewer and water capacity, a city may rely upon the system capacity documentation  
6 contained in the acknowledged Public Facilities Plan adopted pursuant to OAR chapter 660,  
7 division 11, and documentation from city or other service provider records of current system  
8 condition and demand. To demonstrate available transportation system capacity, a city may  
9 rely upon the system capacity documentation contained in an acknowledged Transportation  
10 System Plan (TSP) adopted pursuant to OAR chapter 660, division 12;

11 (b) Capacity can be provided within seven years: sewer, water and transportation system  
12 capacity sufficient to serve the anticipated seven-year demand can be provided by identified  
13 system improvements that:

14 (A) Are fully funded and scheduled for construction within a seven-year period;

15 (B) Can be made subject to committed financing, which means a city or other service  
16 provider has one or more dedicated funding mechanisms in place that will generate  
17 sufficient revenue to fund the construction of such improvements within a seven-year  
18 period; or

19 (C) Can have committed financing in place, which means a city or other service provider  
20 does not have dedicated funding mechanisms in place but has identified funding sources  
21 and methods that will be implemented by the city or other service provider, and that will  
22 generate sufficient revenues to fund the construction of such improvements within a  
23 seven-year period.

24 (3) For purposes of subsection (1)(b) of this rule, to demonstrate that adequate sewer, water and  
25 transportation capacity can be in place for that portion of the 14-year period for which capacity  
26 has not been demonstrated in accordance with section (2) of this rule, a city shall:

27 (a) Identify the type and amount of the needed capacity;

28 (b) Identify the system improvements required to provide the needed capacity; and,

29 (c) Identify the funding method(s) that is or can be in place to provide committed financing  
30 in an amount sufficient to provide the needed capacity within the 14-year period. This  
31 identification shall include:

32 (A) The type of proposed funding method(s);

- 1 (B) The statutory or other legal authority for establishing the proposed funding  
2 method(s);
- 3 (C) The timing of the establishment of the proposed funding method(s); and,
- 4 (D) The projected revenues to be generated by the proposed funding method(s).
- 5 (4) For purposes of this rule, “sewer, water and transportation capacity for planned urban  
6 development” includes:
- 7 (a) Sewer capacity, which consists of wastewater treatment facility capacity and collection  
8 system capacity, including interceptors, lift or pump stations, force mains, and main sewer  
9 lines;
- 10 (b) Water capacity, including:
- 11 (A) Available water rights;
- 12 (B) Water treatment capacity;
- 13 (C) Water storage capacity, including system reserves needed for fire suppression; and,
- 14 (D) Distribution system capacity, including pumping facilities, primary and secondary  
15 feeders, and distributor mains; and
- 16 (c) Transportation capacity, including:
- 17 (A) Networks of pedestrian, bicycle, transit, and street facilities; and
- 18 (B) Performance of the planned transportation system measured against adopted  
19 transportation performance standards set forth in the applicable acknowledged TSP.
- 20 (5) For purposes of this rule, “committed financing” means financing methods for which a city or  
21 other service provider has identified and documented the following: the authority to establish and  
22 implement the method, the amount of funding to be generated, the purpose to which the funding  
23 will be dedicated, and the repayment method and schedule for any bonded or credit indebtedness  
24 is identified and documented. Committed financing includes, but is not limited to, funding that  
25 is:
- 26 (a) Included in the adopted budget of the service provider;
- 27 (b) Designated for projects included in the Statewide Transportation Improvement Program;
- 28 (c) Provided by the Department of Interior through the BIA Tribal Transportation Plan (TTP)  
29 program pursuant to 25 CFR Part 170;

- 1 (d) Provided through a development agreement entered into pursuant to ORS 94.504 to  
2 94.528;
- 3 (e) Provided by system development charges established pursuant to ORS 223.997 to  
4 223.314 or by other authorized development fees and exactions;
- 5 (f) Provided by utility fees;
- 6 (g) Provided through Local Improvement District or Reimbursement District assessments; or
- 7 (h) Provided by revenue bonds, financing agreements, voter approved general obligation  
8 bonds or other authorized debt instruments.
- 9 (6) For lands that are added to a UGB pursuant to a method described in this this division but not  
10 made “serviceable” within 20 years after the date of their inclusion:
- 11 (a) The lands must be removed from within the UGB the next time the city evaluates the  
12 UGB; or
- 13 (b) If there have been significant increases in the cost of making the lands serviceable, the  
14 planned development capacity of the lands must be reduced by an amount based on such  
15 costs the next time the city evaluates the need for land in the UGB.
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**Tables for OAR chapter 660, division 38**

2 Table 1: Housing Mix

**Table 1** OAR 660-038-0040(3): A city shall project the mix of housing types needed for new development over the 14-year period using the ranges of numbers in Table 1

UGB POPULATION	MEDIUM DENSITY		HIGH DENSITY	
	Existing	Required*	Existing	Required*
UNDER 2,500	0-9 percent	n+3 to n+13percent	N/A	N/A
	9-15 percent	n+1 percent to n+15 percent	N/A	N/A
	>15percent	n percent to n+15percent	N/A	N/A
2,500-10,000	0-11 percent	n+3 to n+13 percent	0-11 percent	n+3 to n+13 percent
	11-16 percent	n+1 percent to n+11 percent	11-17 percent	n+1 percent to n+11 percent
	>16 percent	n percent to n+10percent	>17 percent	n percent to n+10 percent
10,000-25,000	0-14 percent	n+3 to n+13 percent	n+3 to n+13 percent	14-24 percent
	14-17 percent	n+1 percent to n+11 percent	14-17 percent	n+1 percent to n+11 percent
	>17 percent	n percent to n+10percent	>17 percent	n percent to n+10 percent
OVER 25,000	0-17 percent	17-27 percent	0-17 percent	17-27 percent
	17-18percent	n+1 percent to n+11 percent	17-21 percent	n+1 percent to n+11 percent
	>18 percent	n percent to n+10 percent	>21 percent	n percent to n+10 percent

3 *n = existing percentage of medium or high density housing within the city boundaries*  
 4 *\* Required percentage may be any whole number or whole number plus a fraction of a whole*  
 5 *number within the allowed range*

6

1 Table 2: Land Need

**Table 2** OAR 660-038-0050(1): To determine the net land needed for each category of residential development over the 14-year period, the city must divide the number of needed units determined in OAR 660-038-0040 by the number of dwelling units per acre from the ranges in Table 2.

	Low	Medium	High
Eastern Oregon*			
Population Less than 2,500	5 to 6.5 du/ac.	10-15 du/ac.	
Population 2,500-10,000	5 to 6.5 du/ac.	10-12 du/ac.	15-24 du/ac.
Population 10,000-25,000	5 to 6.5 du/ac.	10-12 du/ac.	15-24 du/ac.
Population 25,000 or greater	5 to 6.5 du/ac.	10-14 du/ac.	15-33 du/ac.
Outside of Eastern Oregon			
Population Less than 2,500	5 to 6 du/ac.	10-15 du/ac.	
Population 2,500-10,000	5 to 6 du/ac.	10-12 du/ac.	15-24 du/ac.
Population 10,000-25,000	6 to 7 du/ac.	10-12 du/ac.	15-24 du/ac.
Population 25,000 or greater	6 to 7 du/ac.	12-15 du/ac.	20-33 du/ac.

2 \*Eastern Oregon consists of the following counties: Baker, Gilliam, Grant, Harney, Klamath,  
 3 Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, and Wheeler.

4  
 5 Table 3: UGB Expansion Determination for cities less than 2,500 population

**Table 3** OAR 660-038-0080(2): Cities with a UGB population of less than 2,500 shall determine whether to expand the UGB based on Table 3

**CITIES WITH UGB POPULATION LESS THAN 2,500 - SCENARIOS FOR LAND DEFICIT AND SURPLUS**

Scenario	Low Density	High Density	Result
1	Surplus	Surplus	No UGB Expansion
2	Deficit	Deficit	UGB expansion to satisfy all land needs. A city may redesignate low density land within the UGB to meet in all or in part a high density land need, and then expand the UGB to satisfy land needs as modified.
3	Surplus	Deficit	UGB expansion to satisfy high density land need, alternatively satisfy all or part of high density land need by redesignating surplus low density land.
4	Deficit	Surplus	UGB expansion to satisfy low density land need. Do not reduce high density land surplus.

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1 Table 4: UGB Expansion Determination for cities between 2,500 and 10,000 population

<b>Table 4 OAR 660-038-0080(3) Cities with a UGB population greater than or equal to 2,500 and less than 10,000 shall determine whether to expand the UGB based on Table 4:</b>				
<b>CITIES WITH UGB POPULATION GREATER THAN OR EQUAL TO 2,500 AND LESS THAN 10,000</b>				
<b>Scenario</b>	<b>Low Density</b>	<b>Medium Density</b>	<b>High Density</b>	
1	Surplus	Surplus	Surplus	No UGB expansion
2	Deficit	Deficit	Deficit	UGB expansion to satisfy all land needs. A city may redesignate low density land within the UGB to meet in all or in part a medium or high density land need, and then expand the UGB to satisfy land needs as modified
3	Surplus	Deficit	Deficit	UGB expansion to satisfy medium and high density land need – alternatively, satisfy all or part of medium and high density land need by redesignating surplus low density land.
4	Surplus	Surplus	Deficit	UGB expansion to satisfy high density land need – alternatively, satisfy all or part of high density land need by redesignating surplus low and medium density land.
5	Surplus	Deficit	Surplus	UGB expansion to satisfy medium density land need – alternatively, satisfy all or part of medium density land need by redesignating surplus low density land. Do not reduce high density land surplus.
6	Deficit	Surplus	Surplus	UGB expansion to satisfy low density land need. Do not reduce medium or high density land surplus.
7	Deficit	Deficit	Surplus	UGB expansion to satisfy low and medium density land need. Do not reduce high density land surplus.
8	Deficit	Surplus	Deficit	UGB expansion to satisfy low density land need. UGB expansion to satisfy high density land need – alternatively, satisfy all or part of high density land need by redesignating surplus medium density land. Do not reduce medium density land surplus to satisfy low density land need.

Table 5: UGB Expansion Determination for cities 10,000 or more

<b>Table 5 OAR 660-038-0080(4) Cities with a UGB population greater than or equal to 10,000 shall determine whether to expand the UGB based on Table 5:</b>				
<b>CITIES WITH UGB POPULATION GREATER THAN 10,000 – SCENARIOS FOR LAND DEFICIT AND SURPLUS</b>				
Scenario	Low Density	Medium Density	High Density	
1	Surplus	Surplus	Surplus	No UGB expansion
2	Deficit	Deficit	Deficit	UGB expansion to satisfy all land needs. A city may redesignate low density land within the UGB to meet in all or in part a medium or high density land need, and then expand the UGB to satisfy land needs as modified.
3	Surplus	Deficit	Deficit	Satisfy at least 50 percent of medium and high density deficit by redesignating low density land or employment land inside UGB, unless this would result in a deficit of low density land or employment land.
4	Surplus	Surplus	Deficit	Satisfy at least 50 percent of high density deficit by redesignating low and medium density land or employment land inside UGB, unless this would result in a deficit of low or medium density land or employment land.
5	Surplus	Deficit	Surplus	Satisfy at least 50 percent of medium density deficit by redesignating low density land or employment land inside UGB, unless this would result in a deficit of low density land or employment land. Do not reduce high density land surplus.
6	Deficit	Surplus	Surplus	UGB expansion to satisfy low density land need. Do not reduce medium or high density land surplus.
7	Deficit	Deficit	Surplus	UGB expansion to satisfy low and medium density land need. Do not reduce high density land surplus.
8	Deficit	Surplus	Deficit	UGB expansion to satisfy low density land need. Satisfy at least 50 percent of high density deficit by redesignating medium density land or employment land inside UGB, unless this would result in a deficit of medium density land or employment land. Do not reduce medium density land surplus to satisfy low density land need.

1 **Table 6: Jobs currently in the UGB**

2 Determine the jobs currently in the UGB, sorted into two categories: “commercial” and  
 3 “industrial”

4 (NOTE: This “look-up table” has been provided to DLCD by the Employment Department and  
 5 will be provided via a link. The table is available on request from DLCD).

6 **Table 7:** As an option to forecast new commercial and industrial jobs in the city for the 14-year  
 7 planning period, the city must use the growth rate of “new” jobs projected to occur in the region  
 8 that includes the city, by the Oregon Employment Department (OED) long term Employment  
 9 Forecast. Growth rates are sorted into two “commercial” and “industrial” categories.

10 (NOTE: This is a “look-up table” provided to DLCD by the Employment Department. The table  
 11 provides the growth rate for commercial and industrial jobs in various OED regions. OED has  
 12 provided the information for the table but it has not been formatted at the time of this draft; it  
 13 will be available prior to rule adoption).

14 **Table 8: Measures to Accommodate Housing Needs**

<b>Table 8: OAR 660-038-0190(5) Table of measures to accommodate housing needs within the UGB:</b>			
<b>Item</b>	<b>Current Zoning Code Provision</b>	<b>Adopted change (note: none of these changes may require approval of a conditional use permit)</b>	<b>High or Low Impact</b>
1	Does not allow accessory dwelling units	Allows accessory dwelling units: No off-street parking requirement Any type of structure Owner may live in either dwelling Allowed in any zoning district that allows detached single-family No Systems Development Charges for Water or Sewer	High
2	No minimum density standards	Minimum density standard at least 70 percent of maximum density for all residential zoning districts. Exemptions for constrained lands as defined in OAR 660-38-0070 and for minor partitions.	High
3	Single-family detached homes allowed in medium density zoning district (as defined by residential need path standards)	No more than 25 percent of residences in development application in medium density zoning district may be single-family detached homes. Minor partitions exempted.	High
4	Off-street parking	Change parking requirements to maximum of no	High

<b>Table 8: OAR 660-038-0190(5) Table of measures to accommodate housing needs within the UGB:</b>			
<b>Item</b>	<b>Current Zoning Code Provision</b>	<b>Adopted change (note: none of these changes may require approval of a conditional use permit)</b>	<b>High or Low Impact</b>
	requirements of one space per multi-family dwelling or greater	more than one space per multi-family dwelling and no more than .75 spaces per multi-family dwelling within ¼ mile of high frequency transit service (defined as transit service with weekday peak hour service headway of 20 minutes or less). Allow provision of on-street parking spaces to meet off-street parking requirements. Allow reductions below one space per multi-family dwelling for developments that provide spaces for car-share vehicles or free transit passes to residents.	
5	No density bonus for affordable housing	Establish density bonus for affordable housing of at least 25 percent with no additional development review standards vs. development applications that do not include a density bonus. The affordable housing units shall constitute at least 25 percent of the overall dwelling units in the development application granted the density bonus. The affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined as housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80percent of a city's mean household income.	High
6	Current land use/zoning designations	Rezone from low density to medium or high density: City UGB 10,000 to 25,000: at least 10 acres City UGB 25,000 to 50,000: at least 25 acres City UGB > 50,000: at least 50 acres	High
7	Does not allow duplexes in single-family residential zoning districts	Permit duplexes on any lot in single-family residential zoning districts with no additional development review standards vs. single-family detached residences.	High
8	Current public street standards	Reduction in public street right of way width standard by at least two feet.	High
9	Does not allow residences in some commercial zoning districts	Allow residences above the first floor and behind commercial uses on additional commercially-zoned lands, with no off-street parking requirement greater than one space per residence, with provisions for additional parking reductions for shared commercial and residential uses and in areas	High

<b>Table 8: OAR 660-038-0190(5) Table of measures to accommodate housing needs within the UGB:</b>			
<b>Item</b>	<b>Current Zoning Code Provision</b>	<b>Adopted change (note: none of these changes may require approval of a conditional use permit)</b>	<b>High or Low Impact</b>
		with approved parking management districts. UGB population 10,000 to 25,000: at least 20 acres UGB population 25,000 to 50,000: at least 50 acres UGB population > 50,000: at least 100 acres	
10	Systems Development Charges reductions or waivers	Adopt provisions that eliminate systems development charges for affordable housing units, or reduce systems development charges for such units by a minimum of 75 percent of the total systems development charges assessed to similar units that are not reserved for affordable housing. The affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined as housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.	High
11	Does not authorize property tax exemptions for low income housing development pursuant to ORS 307.515 to 307.537	Authorizes property tax exemptions for low income housing development pursuant to ORS 307.515 to 307.537 under both the criteria set forth in ORS 307.517 and the criteria set forth in ORS 307.518, for all zoning districts within the city that permit multiple-family dwellings, with no additional development review standards vs. equivalent residential development that does not receive the exemption.	High
12	Does not authorize property tax exemptions for non-profit corporation low-income housing development pursuant to ORS 307.540 to 307.548.	Authorizes property tax exemptions for non-profit corporation low-income housing development pursuant to ORS 307.540 to 307.548, with no additional development review standards vs. equivalent residential development that does not receive the exemption.	High
13	Does not authorize property tax exemptions for multiple-unit housing pursuant to ORS 307.600 to 307.637	Authorizes property tax exemptions for multiple-unit housing pursuant to ORS 307.600 to 307.637, with no additional restrictions on location of such exemptions above those set in the statutes, and with required benefits pursuant to ORS 307.618 that are clear and objective and do not have the effect of discouraging the use of the property tax exemption by otherwise qualifying developments through the	High

<b>Table 8: OAR 660-038-0190(5) Table of measures to accommodate housing needs within the UGB:</b>			
<b>Item</b>	<b>Current Zoning Code Provision</b>	<b>Adopted change (note: none of these changes may require approval of a conditional use permit)</b>	<b>High or Low Impact</b>
		imposition of unreasonable cost or delay.	
14	Allows accessory dwelling units, but missing one or more of desired attributes	Allows accessory dwelling units: No off-street parking requirement Any type of structure Owner may live in either dwelling Any zoning district that allows detached units No Systems Dev. Charges for Water or Sewer	Low
15	Does not allow accessory dwelling units	Allows accessory dwelling units, but with at least one of the attributes from measure #14 above not adopted.	Low
16	Off-street parking requirements greater than one space per multi-family dwelling	Change parking requirements to maximum of one space per multi-family dwelling.	Low
17	No minimum density standards	Minimum density standards at least 50 percent of maximum density for all residential zoning districts. Exemptions for constrained lands as defined in OAR 660-38-0070 and for minor partitions.	Low
18	Minimum density standard less than 70percent of maximum density	Raise minimum density standards to at least 70 percent of maximum density for all residential zoning districts. Exemptions for constrained lands as defined in OAR 660-038-0070 and for minor partitions.	Low
19	Current land use/zoning designations	Rezone from low density to medium or high density: City UGB 10,000 to 25,000: 5 to 10 acres City UGB 25,000 to 50,000: 10 to 25 acres City UGB > 50,000: 20 to 50 acres.	Low
20	Density bonus for affordable housing less than 25 percent or with additional development review restrictions vs. standard housing	Increase density bonus for affordable housing to at least 25 percent with no additional development review standards vs. standard housing	Low
21	Current land use/zoning designations	Reduce minimum lot size for single-family residential zoning districts by at least one-quarter of the current minimum: City UGB 10,000-25,000: at least 25 acres City UGB 25,000-50,000: at least 50 acres City UGB >50,000: at least 100 acres	Low
22	Does not allow residences in some commercial zoning districts	Allow residences above the first floor and behind commercial uses on additional commercially-zoned lands, with no off-street parking requirement greater than one space per residence.	Low

<b>Table 8: OAR 660-038-0190(5) Table of measures to accommodate housing needs within the UGB:</b>			
<b>Item</b>	<b>Current Zoning Code Provision</b>	<b>Adopted change (note: none of these changes may require approval of a conditional use permit)</b>	<b>High or Low Impact</b>
		UGB population 10,000 to 25,000: 10 to 20 acres UGB population 25,000 to 50,000: 20 to 50 acres UGB population > 50,000: at least 40 to 100 acres	
23	Does not have a cottage housing code provision	Adopt a cottage housing code provision authorizing at least 12 du/ac.	Low
24	Does not allow duplexes in single-family residential zoning districts	Permit duplexes on corner lots in single-family residential zoning districts with no additional development review restrictions vs. single-family detached residence.	Low
25	Off-street parking requirements for detached single-family units, attached single-family units, duplexes, or triplexes greater than one space per unit.	Reduce parking requirements for detached single-family units, attached single-family units, duplexes, and triplexes to no greater than one space per unit.	Low
26	No systems development charge deferrals	Adopt provisions that defer payment of systems development charges for affordable housing units to the date of occupancy of the unit. The affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined as housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.	Low
27	Does not authorize property tax exemptions for single-unit housing in distressed areas pursuant to ORS 307.651 to 307.687	Authorizes property tax exemptions for single-unit housing pursuant to ORS 307.651 to 307.687, with design standards pursuant to ORS 307.657(3) that are clear and objective and do not have the effect of discouraging the use of the property tax exemption by otherwise qualifying developments through the imposition of unreasonable cost or delay.	Low
28	Does not authorize freeze in property tax assessment valuation for rehabilitated residential property pursuant to ORS 308.450 to 308.481	Authorizes freeze in property tax assessment valuation for rehabilitated residential property pursuant to ORS 308.450 to 308.481. The boundaries of the area that qualifies for the assessment freeze shall be between 10 percent and 20 percent of the city's total land area. The city shall promulgate standards and guidelines for review of	Low

**Table 8:** OAR 660-038-0190(5) Table of measures to accommodate housing needs within the UGB:

Item	Current Zoning Code Provision	Adopted change (note: none of these changes may require approval of a conditional use permit)	High or Low Impact
		applications under the program pursuant to ORS 308.456(3) that are clear and objective and do not have the effect of discouraging use of the program by otherwise qualifying rehabilitations through the imposition of unreasonable cost and delay.	
29	Single-family homes allowed in high density zoning district (as defined by residential need path standards)	New single-family homes not allowed in high density zoning district	Low
30	Does not allow attached-single family residences in a single-family residential district with a minimum lot size 5,000 square feet or less	Permit attached single-family residences in a single-family residential district with a minimum lot size of 5,000 square feet or less.	Low
31	No maximum lot size for single-family detached dwellings in zoning districts that permit attached and multi-family housing	Maximum lot size for single-family detached dwellings in zoning districts that permit attached and multi-family housing of 5,000 square feet. Minor partitions exempted.	Low

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Version: [http://intranet.dlcd.state.or.us/projects/UGBRAC/Reference Documents/Public Draft 2 \(WorkingDraft\).docx](http://intranet.dlcd.state.or.us/projects/UGBRAC/Reference Documents/Public Draft 2 (WorkingDraft).docx)