



Oregon

Kate Brown, Governor

Department of Land Conservation and Development



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Expanding UGBs for Affordable Housing HB 4079 Pilot Program

Overview

In 2016, the Oregon Legislature passed House Bill 4079 (HB 4079).

HB 4079 aims to boost affordable housing by allowing two cities to develop affordable and market rate housing on lands currently outside urban growth boundaries (UGBs) without going through the normal UGB expansion process.

The law directed the Land Conservation and Development Commission (LCDC) to set up a process and select two pilot projects, one for a city with a population up to 25,000, and one for a city with a population greater than 25,000.

The proposed pilot project sites can be up to 50 acres, cannot be on high value farmland, and must meet other requirements. The pilot project cities must ensure the affordable housing on the sites remains affordable for the next 50 years, and must demonstrate efforts to accommodate and encourage needed housing within their existing UGBs.

LCDC has adopted rules to implement HB 4079. This spring, DLCD will adopt a timeline for pre-applications and full applications for those cities interested in the program; we expect pre-applications to be due in September 2017.

Eligible Cities

The legislation limits which cities may apply.

Eligible Cities over 25,000 Population: Albany, Bend, Corvallis, Eugene, Grants Pass, McMinnville, Medford, Redmond, and Springfield.

Eligible Cities up to 25,000 Population: Incorporated cities except those in Clackamas, Marion, Multnomah, Polk, and Washington counties and cities in Jefferson County served by the North Unit Irrigation District.

Additional Information

The rule, a webinar explaining the program, and more materials are available at http://www.oregon.gov/LCD/Pages/HB4079_AHPP.aspx

Questions/Contact

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More about the Program Process

Under the rules, **interested cities must complete a pre-application to DLCD** with basic information about their proposal, including a site map, current zoning designations, the number and type of proposed housing units, a list of development partners, and a brief statement about how public facilities and services will be provided.

In the spring of 2017, DLCD will set application deadlines and provide pre-application forms and materials to assist interested cities, including sample materials. DLCD staff will be available to answer questions. The Department will review pre-applications and talk to each city applying; additional materials may be submitted if the pre-application is insufficient.

Interested cities must then submit a full application, including a concept plan, resolutions of support from local jurisdictions, consent statements from property owners, data on how the project will serve those needing affordable housing, more information about development partners and public facilities and services, and a demonstration that the city has adopted measure to encourage the development of affordable and needed housing within its existing urban growth boundary. They must also explain why the project could not be developed elsewhere, and how the affordable housing on the site will remain such for 50 years.

The rules require 30% of the housing units to be affordable to households making 80% or less of the area median income (unless the project is for a manufactured dwelling park, in which case 30% of the units must be for those making up to 100% of the area median income). The remaining units may be market rate.

The Department will review full applications to ensure they meet the requirements of the program, soliciting additional information as required.

The Commission will make preliminary selections of two pilot projects that best meet the goals of the program. Selected cities shall provide additional documentation about their projects. Once the form and content of those documents are satisfactory to the commission, it shall issue a final order selecting the pilot projects.

The selected cities shall then amend their urban growth boundaries, annex the pilot project sites, and adopt needed regulations and measures. They then issue permits for development.

The selected cities shall send the Commission reports on the projected and actual development costs, and annual reports for ten years information on the housing units on the site, as well as lessons learned.

Process overview:

<http://www.oregon.gov/LCD/docs/Pilot%20Project%20Process%20Overview.pdf>

Application requirements overview:

<http://www.oregon.gov/LCD/docs/Pilot%20Project%20Selection%20Overview.pdf>

Checklist of measures promoting affordable and needed housing that cities must adopt some of, for lands inside their urban growth boundaries:

<http://www.oregon.gov/LCD/docs/Affordable%20and%20Needed%20Housing%20Measures.pdf>