



Oregon

Tina Kotek, Governor

Department of Land Conservation and Development

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2540

Phone: 503-373-0050

Fax: 503-378-5518

www.oregon.gov/LCD

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To: Land Conservation and Development Commission

From: Brenda Ortigoza Bateman, Ph.D., Director
Ethan Stuckmayer, Housing Division Manager
Karen Guillén-Chapman, Urban Growth Boundary Specialist



Subject: **Agenda Item #5, October 23-24, 2025, LCDC Meeting**

Public Hearing on 2025 Oregon Housing Needs Analysis (OHNA) Rulemaking

I. Agenda Item Summary

Department of Land Conservation and Development (DLCD or department) staff ask that the Land Conservation and Development Commission (LCDC or commission) consider proposed amendments to Oregon Administrative Rules (OAR) Chapter 660, Divisions 007, 008, 021, and 024 and hold a public hearing on the draft rules. The purpose of these rules to shift the implementation of Goal 10 and Goal 14 (for residential uses) from a historically narrow focus on housing land capacity towards a more comprehensive framework that emphasizes local actions to promote housing production, affordability, and choice. Staff ask that the commission consider the Department of Land Conservation and Development's (DLCD or department) proposed amendments, consider public testimony, and provide direction to staff on the draft rules. The commission schedule calls for consideration and adoption of final rule amendments at their December 2025 meeting.

A. Purpose

As background for the public hearing, staff will provide a summary of DLCD's draft rule amendments to OAR Chapter 660 in Divisions 007 (Metropolitan Housing), 008 (Interpretation of Goal 10 Housing), 021 (Urban Reserves), and 024 (Urban Growth Boundaries) to implement the capacity and urbanization elements of the OHNA. Staff also will summarize compliance pathways through local Goal 10 requirements.

B. Objective

Commissioners are up to date on draft rules implementing the OHNA program. Commissioners will hold a public hearing on the proposed rules.

For further information about this report, please contact Ethan Stuckmayer, Housing Division Manager, at 503-302-0937 or ethan.stuckmayer@dlcd.oregon.gov.

II. Background

Amendments to Oregon Administrative Rules Chapter 660 provided here are directed by House Bill 2001 (HB 2001), also known as the Oregon Housing Needs Analysis (OHNA) or OHNA policy. The Oregon Legislature passed the OHNA policy in March 2023. Divisions 7 and 8 of the Oregon Administrative Rules Chapter 660 guide housing planning as required by Statewide Land Use Planning Goal 10 — Housing. Divisions 21 and 24 guide urbanization planning as required by Statewide Land Use Planning Goal 14 — Urbanization. Please refer to the September LCDRC Staff Report linked as Attachment G for further information on the background of this rulemaking.

III. Draft Administrative Rules – OAR Chapter 660, Divisions 007, 008, 021, 024

A. Capacity and Urbanization

The Land Conservation and Development Commission applied the following rulemaking charge relevant to the Capacity and Urbanization Technical Advisory Committee (CAUTAC): to provide clarity and greater certainty to local governments engaging in urbanization - and housing capacity - related planning processes both with regards to regulatory adherence and the desired development outcomes. This includes refinement of methodologies and approaches for the development and adoption of buildable land inventories, urban growth boundary amendments and exchanges, urban and rural reserves, and coordinated public facilities and concept plans.

1. Housing Capacity Analysis (HCA) Methodologies

Staff heard from local governments that ambiguity around partially-vacant land — the lack of definition and the inefficiency of accounting for it on a parcel-by-parcel basis — created uncertainty in their calculation of buildable land and its capacity. This also puts significant burden of inefficient analysis on staff/consultants. Further comments from Technical Advisory Committee members highlighted opportunities to clarify natural hazard constraints, focused mainly on readily-available data sets, so as to reduce reliance on "dueling expert" testimony that often left cities vulnerable to litigation.

In the summary tables below; staff present challenges, and how they are addressed in the draft rules.

How the Proposed Rules Add Clarity, Create Certainty	How the Proposed Rules Reduce Analytical Burden
Provides a definition for partially-vacant land, safe harbor for inventorying this category of land, and consideration of publicly-owned land.	Avoids parcel-by-parcel identification of partially-vacant land and/or assessment of development capacity; Land Market Supply Factor allows cities to discount the capacity of some buildable land unlikely to develop over the planning period.

2. Land Use Efficiency Measures (LUEMs)

Staff heard from Advisory Committee members that a wide variety of actions, not all being land use decisions nor directly impacting zoning criteria, have been characterized as "efficiency measures" in past Urban Growth Boundary amendment contexts. Local governments have encountered political challenges with the selection of efficiency measures. This uncertainty also left local governments with little clarity around how many individual or collective efficiency measures a local government should implement to meet their needs. Further, cities typically only used these actions in their work related to Goal 14.

How the Proposed Rules Add Clarity, Create Certainty	How the Proposed Rules Reduce Analytical Burden
Creates a definition for Land Use Efficiency Measures. Clarifies that these actions are a subset of Housing Production Strategy (HPS) actions.	Creates safe harbors related to when and how many Land Use Efficiency Measures can be implemented in support of Goal 14 urbanization

3. Development-Readiness, Land Inventory

HB 2001 (2023) reinforced concerns shared by Advisory Committee members that the inventorying of buildable land in the Housing Capacity Analysis process may not meaningfully respond to immediate housing production needs in many cities. At the root of these concerns is the lack of available and sufficient infrastructure, natural impediments to straightforward permit issuance, and/or barriers to annexing and zoning land at incorporation into city limits. Staff continue to hear a need for development-ready land that developers can count on in the near-term to help satisfy housing production targets. The Development-Ready Land Inventory is a subset of the Buildable Lands Inventory. However, unlike the Buildable Lands Inventory which is an assessment of whether zoning is sufficient to meet a long term land need, the Development-Ready Lands Inventory represents an assessment of Buildable Lands that have the present conditions to be developed in the short-term (6- or 8-years).

How the Proposed Rules Add Clarity, Create Certainty	How the Proposed Rules Reduce Analytical Burden
Defines "development-ready land" and its sub-criteria, quantifying development-readiness in acres and capacity; responds to concerns that Buildable Land Inventory does not meaningfully respond to land needs for near-term housing development. Actions that respond to a lack of development-readiness take place in the HPS.	Safe harbors and methodologies for calculating development-readiness provided in rule. Menu of options for Housing Production Strategies identifies actions that respond to specific deficit of development-ready land.

4. Urban Growth Boundary (UGB) Expansions

Urban Growth Boundary expansions are often fraught with competing interests. By definition, they sit on the "fence" between rural and urban areas and priorities. Local governments often

struggle with ambiguity in rules around setting the UGB study area. This ambiguity extends to how the community balances the Goal 14 Location Factors — a multi-faceted set of considerations that bring case law precedent and administrative rules to bear. Advisory Committee members expressed the need to maintain flexibility in this step of the process, while also prioritizing housing "yield" and balancing the ability of selected land to fulfill the city's identified residential land deficit.

How the Proposed Rules Add Clarity, Create Certainty	How the Proposed Rules Reduce Analytical Burden
Creates a threshold for removing land from the study area due to impracticability to serve with public facilities; Defines when interaction with Tribes is required. Refinements of public facilities scope and timeline related to cost-to-serve.	Removing land from the study area due to impracticability will likely significantly narrow the Goal 14 Boundary Location factor analysis; Requires capacity estimates for parcelized land in the study area to be reduced by 50 percent.

5. Complete Neighborhoods and Fair Housing Choice

Advisory Committee members expressed a desire to enable cities to prioritize balancing and selection of expansion area(s) based on those areas' ability to produce complete neighborhoods. Instead of retrofitting dated Euclidian zoning that often results in resources being located far from residences, cities asked staff to encourage the location of complete neighborhoods, where neighborhood-scale commercial and affordable housing opportunities are planned and prioritized.

How the Proposed Rules Add Clarity, Create Certainty	How the Proposed Rules Reduce Analytical Burden
Adds a safe harbor for estimating neighborhood commercial land needs in areas added to the UGB to meet a residential land need. Clarifies that neighborhood commercial and open space may be zoned on residentially designated land at the time of zoning.	Does not require an updated Economic Opportunities Analysis (EOA) or additional analysis to use the safe harbor for neighborhood-serving commercial land.

6. UGB Exchanges

Local governments expressed concerns about the "like-for-like" exchange process, noting a desire to swap land constrained or otherwise less likely to develop in the planning period for land more likely to develop. Staff noted a desire by cities to have greater flexibility with designating densities for land swapped, in particular, to be allowed to zone incoming land at

higher densities if a need was identified in a city's Contextualized Housing Need. Staff has provided additional clarity regarding the principle of substantial equivalency.

How the Proposed Rules Add Clarity, Create Certainty	How the Proposed Rules Reduce Analytical Burden
Allows the exchange of residential land (regardless of whether it is buildable or constrained) for buildable residential land. Allows residential land added to be designated at the same or higher densities (so long as the acreage is substantially equivalent). Specifies “substantially equivalent” as a 10% margin, expanding flexibility in “like for like” exchange process.	UGB exchanges are a tool intended to reduce analytical burden for local governments by providing an alternative, less burdensome process for amending a UGB compared to an expansion. By adding flexibility for land that may be exchanged out of a UGB, proposed amendments facilitate more jurisdictions using this tool.

7. Urban Reserves Areas (URAs)

Local governments expressed a desire to have the URA process mirror the UGB amendment prioritization process so that, when a city is expanding its UGB (whether that is after it has adopted URAs or concurrently), it could utilize similar analysis for UGB prioritization and URA prioritization. SB 1129 (2025) required this rulemaking to add new provisions for the consideration of land to be included in the URA. Finally, the rules articulate a timeline and threshold by which cities can identify the next generation of Urban Reserves.

How the Proposed Rules Add Clarity, Create Certainty	How the Proposed Rules Reduce Analytical Burden
Incorporates consideration factors from state law for evaluating land to be added to URA. Clarifies the evaluation of land, per the familiar UGB prioritization hierarchy (high value farmland last, prime & unique soils only if other land is not available). Clarifies when a local government can adopt new, second-generation URAs and how to conduct the analysis of need. Include 80 percent of original URA into the UGB before adding land from a future-generation URA.	URAs are a tool intended to reduce analytical burden for local governments by simplifying the process to amend a UGB at a future time. Urban Reserves are the first priority to be brought into UGBs. Designating URAs using similar and familiar analysis to that of the UGB, significantly reduces the amount of analysis needed during the UGB expansion process and significantly reduces litigation risk in that decision making.

B. Housing Actions Work Group

DLCD and the Governor’s Office agreed to identify compliance pathways through the Housing Production Strategy and Housing Acceleration programs to support reliability in program

outcomes for local governments while retaining the programmatic focus on affirmatively furthering fair housing. The proposed rules attempt to strike a balance between establishing predictability and certainty on the one hand and providing cities an opportunity to assess and address localized housing circumstances on the other.

Staff and the project team created compliance pathways to provide pre-approved and expedited options that jurisdictions may take through certain parts of this planning work. As a general rule, these pathways are intended to offer legal and programmatic certainty and help to guide cities to strategic outcomes and shortcut past overly burdensome local analysis. In order to meet this charge, draft rules include compliance pathways related to cities identifying and taking action on the following key needs:

- 1) Affordable housing, including affordable homeownership
- 2) Middle housing
- 3) Multiunit housing
- 4) Accessible housing
- 5) Adaptable housing
- 6) Diversity of unit sizes

The pathways apply a range of tools that fall on a spectrum of prescriptiveness. From least to greatest, the three levels applied in the context of the draft rules are safe harbor, rebuttable presumption, and minimum requirement.

1. Contextualized Housing Need (CHN)

The Contextualized Housing Need is an analysis that localizes and specifies the housing attributes that a local government needs for the purposes of its Goal 10: Housing planning work, spanning both the Housing Capacity Analysis and the Housing Production Strategy. It consists of a localized analysis of quantitative and qualitative housing needs that encompass housing types, characteristics, and locations with particular focus on fair housing issues, protected classes, and other priority populations named in statute or experiencing inequitable housing outcomes to Affirmatively Further Fair Housing.

How the Proposed Rules Add Reliability in Program Outcomes	How the Proposed Rules Affirmatively Further Fair Housing
Compliance pathways established in the Contextualized Housing Need offer certainty in the methods and conclusions of certain key housing needs, providing standardized assumptions that can stand in for local evaluation of need.	Identify key needs to ensure that they are not overlooked or underemphasized. Compliance pathways inherently reduce opportunity for local community-guided needs analysis which may limit the impact of the AFFH paradigm, though predictability in naming substantial needs may be a worthwhile benefit.

a) Core Policy Questions

Different key needs have different data environments and therefore different levels of potential accuracy. Are the current levels of prescription, and flexibility, well suited for the key needs that are being identified?

Is the certainty of the compliance pathway worthwhile when considering that decreased local analysis means decreased local customization?

Are the methods proposed in identifying each key need the best standardized methods available? Do they represent needs and support program objectives?

2. Housing Production Strategy (HPS)

The HPS is a plan of action to address both the key needs and all other needs that a city identifies in its Contextualized Housing Need. The HPS requires a jurisdiction to select a range of responsive actions, including Land Use Efficiency Measures. OAR 660-008-0200(3-5) describes the compliance pathways for meeting the land use efficiency measure requirement of the HPS for key needs.

How the Proposed Rules Add Reliability in Program Outcomes	How the Proposed Rules Affirmatively Further Fair Housing
Compliance pathways offer certainty that a local government's actions, including land use efficiency measures, will satisfy that portion of the program obligations. Other actions, outside of compliance pathways, to meet local housing needs remain required to meet the full housing needs of a city but which specific actions are selected remain at the discretion of local governments.	Compliance pathways emphasize increasing housing type and characteristic diversity. Locational findings in a city's CHN should inform actions that do not create or worsen segregation or other fair housing issues. While powerful, land use and zoning actions are one tool in the toolbox of Affirmatively Furthering Fair Housing. Thus, the charge of AFFH is not carried by the compliance pathway alone and must be supported by other actions included in the HPS and governed by the base rules.

a) Core Policy Questions

The same housing action can have different impacts on the ground in locations across the state, suggesting variation in achieving highest and best outcomes locally with standardized actions. Are the current levels of prescription and flexibility well suited for the key actions that are included in the compliance pathways?

Is the certainty of the compliance pathway worthwhile when considering that decreased local analysis means decreased local customization?

Are the standards represented by the model code, which is invoked in the majority of the action compliance pathways, likely to meet housing needs and support program objectives?

3. Housing Acceleration

The Housing Acceleration program is an opportunity for increased state attention and support in local governments where housing production, affordability, and choice are proving to be the most challenging to achieve. After an audit of local conditions to identify barriers to housing production, affordability, and choice, the program concludes with an action plan to mitigate or remove identified persistent barriers.

How the Proposed Rules Add Reliability in Program Outcomes	How the Proposed Rules Affirmatively Further Fair Housing
The Acceleration Program references the compliance pathway actions in the HPS as potential solutions for any and all barriers identified. If a local government has not yet taken the compliance pathway actions at the HPS stage, it may easily predict that application of those actions is likely in the Acceleration program.	The department continues to look for barriers to fair housing choice in the audit and must propose actions to mitigate or remedy those issues. Rules strengthen the likelihood of adoption of model code incentives for affordable, accessible, and adaptable housing.

a) Core Policy Questions

Participants have largely supported development of this portion of rule as it establishes consistency with the HPS rules without undermining the localized and investigatory purpose of the Acceleration program. Staff do not have any core questions to highlight for Commissioners.

4. Model Code (Senate Bill 1564)

This rule implements direction under Senate Bill 1564 (2024) to adopt model codes by city size and housing type. OAR 660-008-0400 to 0430 fulfill this direction and clarify statutory functions of the model codes, including:

OAR 660-008-0415 establishes a new function under SB 1564 to allow cities to optionally adopt a model ordinance, in whole or in part, by reference for one or more housing types.

OAR 660-008-0420 allows cities to optionally apply a model code to comply with a housing law. This will provide HAPO with a tool to support local government implementation.

OAR 660-008-0425 clarifies how the model code may be compared against local actions and land use regulations in the HPS and housing acceleration program.

OAR 660-008-0430 clarifies how the model code supersedes local land use regulations where it is applied as an enforcement tool by LCDL as the last step in the housing acceleration program.

Staff have provided a summary of the draft of the model codes in Attachment B.

IV. Rulemaking Process

The charge for this rulemaking can be found in Attachment C. Following the commission's direction, staff have used the department's Racial Equity Framework for Decision Making to ensure racial equity is central to both the rulemaking process and its outcomes. The memo summarizing how the rules implement these principles can be found in attachment E.

V. Recommended Action

Aside from the public hearing, no action is required during this meeting. Written public comments are accepted by emailing housing.dlcd@dlcd.oregon.gov until 11:55 p.m. on November 7, 2025. Public comments submitted before October 9 are available online as Exhibits. Staff will include and summarize all comments for the commission's packet for the December meeting.

VI. Attachments

- a. Draft Rule Amendments with Staff Commentary
 - i. Division 7
 - ii. Division 8
 - iii. Division 21
 - iv. Division 24
- b. Model Code Summary and Drafts (Small/Medium and Large)
- c. [OHNA Rulemaking Charge](#)
- d. [OHNA Rulemaking Advisory Committee Member List](#)
- e. [Racial Equity Framework for Decision Making Memo](#)
- f. [Notice of Proposed Rulemaking Including Statement of Need & Fiscal Impact filed with the Secretary of State](#)
- g. [September LCDC Oregon Housing Needs Analysis Staff Report](#)



Draft Amendments: Oregon Administrative Rules Chapter 660, Division 007 – Metropolitan Housing

Updated September 24, 2025

About this Document

This document includes draft amendments to OAR 660-007 proposed as part of the 2025 Oregon Housing Needs Analysis Rulemaking.

Callout boxes are included directly above all rules, as well as relevant sections or subsections where specific changes are proposed and are for information purposes only. These boxes contain the applicable rule, section or subsection numbers, a plain language rule summary, and commentary to provide additional context or explanation behind the proposed changes or retention of the rules.

~~Strikethrough~~ text is proposed to be deleted. Underlined text is proposed to be added.

The deadline for rule adoption is January 1, 2026. In addition, staff will develop guidance to assist cities in implementation after rules are adopted.

Table of Contents

660-007-0000 Statement of Purpose	2
660-007-0005 Definitions	2
660-007-0015 Clear and Objective Approval Standards Required	4
660-007-0018 Specific Plan Designations Required.....	5
660-007-0020 The Rezoning Process	5
660-007-0022 Restrictions on Housing Tenure	6
660-007-0030 New Construction Mix	6
660-007-0033 Consideration of Other Housing Types.....	7
660-007-0035 Minimum Residential Density Allocation for New Construction	7
660-007-0037 Alternate Minimum Residential Density Allocation for New Construction	8
660-007-0045 Computation of Buildable Lands.....	9
660-007-0050 Regional Coordination.....	10
660-007-0060 Applicability	11



Draft Amendments

Oregon Administrative Rules Chapter 660, Division 007 – Metropolitan Housing REPEALED

660-007-0000 Statement of Purpose

Rule summary: This rule describes that the purpose of the division is to outline Goal 10 housing planning requirements in the Portland Metropolitan (Metro) Urban Growth Boundary.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0000 Statement of Purpose~~

~~The purpose of this division is to ensure opportunity for the provision of adequate numbers of needed housing units and the efficient use of land within the Metropolitan Portland (Metro) urban growth boundary, to provide greater certainty in the development process and so to reduce housing costs. OAR 660-007-0030 through 660-007-0037 are intended to establish by rule regional residential density and mix standards to measure Goal 10 Housing compliance for cities and counties within the Metro urban growth boundary, and to ensure the efficient use of residential land within the regional UGB consistent with Goal 14 Urbanization. OAR 660-007-0035 implements the Commission's determination in the Metro UGB acknowledgment proceedings that region wide, planned residential densities must be considerably in excess of the residential density assumed in Metro's "UGB Findings". The new construction density and mix standards and the criteria for varying from them in this rule take into consideration and also satisfy the price range and rent level criteria for needed housing as set forth in ORS 197.303.~~

~~**Statutory/Other Authority:** ORS 197.040~~

~~**Statutes/Other Implemented:** ORS 197.295–197.314 & 197.475–197.490~~

~~**History:**~~

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

~~LCD 10-1981, f. & ef. 12-11-81~~

660-007-0005 Definitions

Rule summary: This rule describes the technical definitions for the rules in Division 7.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0005 Definitions~~

~~For the purposes of this division, the definitions in ORS 197.015, 197.295, and 197.303 shall apply. In addition, the following definitions apply:~~



- ~~(1) A "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land, after excluding present and future rights-of-way, restricted hazard areas, public open spaces and restricted resource protection areas.~~
- ~~(2) "Attached Single Family Housing" means common wall dwellings or rowhouses where each dwelling unit occupies a separate lot.~~
- ~~(3) "Buildable Land" means residentially designated land within the Metro urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered "suitable and available" unless it:~~
- ~~(a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;~~
 - ~~(b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6 or 15;~~
 - ~~(c) Has slopes of 25 percent or greater;~~
 - ~~(d) Is within the 100-year flood plain; or~~
 - ~~(e) Cannot be provided with public facilities.~~
- ~~(4) "Detached Single Family Housing" means a housing unit that is free standing and separate from other housing units.~~
- ~~(5) "Housing Needs Projection" refers to a local determination, justified in the plan, as to the housing types, amounts and densities that will be:~~
- ~~(a) Commensurate with the financial capabilities of present and future area residents of all income levels during the planning period;~~
 - ~~(b) Consistent with OAR 660-007-0010 through 660-007-0037 and any other adopted regional housing standards; and~~
 - ~~(c) Consistent with Goal 14 requirements for the efficient provision of public facilities and services, and efficiency of land use.~~
- ~~(6) "Multiple Family Housing" means attached housing where each dwelling unit is not located on a separate lot.~~
- ~~(7) "Needed Housing" means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels, including at least the following housing types:~~
- ~~(a) Attached and detached single-family housing and multiple family housing for both owner and renter occupancy;~~
 - ~~(b) Government assisted housing;~~
 - ~~(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;~~
 - ~~(d) Manufactured homes on individual lots planned and zoned for single family residential use that are in addition to lots within designated manufactured dwelling subdivisions; and~~
 - ~~(e) Housing for farmworkers.~~
- ~~(8) "Redevelopable Land" means land zoned for residential use on which development has already~~



~~occurred but on which, due to present or expected market forces, there exists the likelihood that existing development will be converted to more intensive residential uses during the planning period.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 – 197.314 & 197.475 – 197.490

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDD 3-2008, f. & cert. ef. 4-18-08~~

~~LCDC 3-1990, f. & cert. ef. 6-6-90~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

~~LCD 10-1981, f. & ef. 12-11-81~~

660-007-0015 Clear and Objective Approval Standards Required

Rule summary: This rule requires clear and objective approval standards for housing development applications.

Commentary: This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0015 Clear and Objective Approval Standards Required~~

~~(1) Except as provided in section (2) of this rule, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of needed housing on buildable land. The standards, conditions and procedures may not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.~~

~~(2) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in section (1) of this rule, a local government may adopt and apply an optional alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:~~

~~(a) The applicant retains the option of proceeding under the approval process that meets the requirements of section (1);~~

~~(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and~~

~~(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in section (1) of this rule.~~

~~(3) Subject to section (1), this rule does not infringe on a local government's prerogative to:~~

~~(a) Set approval standards under which a particular housing type is permitted outright;~~

~~(b) Impose special conditions upon approval of a specific development proposal; or~~

~~(c) Establish approval procedures.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 – 197.314 & 197.475 – 197.490



History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCD 10-1981, f. & ef. 12-11-81~~

660-007-0018 Specific Plan Designations Required

Rule summary: This rule requires that all buildable land be designated with plan designations.

Commentary: This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0018 Specific Plan Designations Required~~

~~(1) Plan designations that allow or require residential uses shall be assigned to all buildable land. Such designations may allow nonresidential uses as well as residential uses. Such designations may be considered to be "residential plan designations" for the purposes of this division. The plan designations assigned to buildable land shall be specific so as to accommodate the varying housing types and densities identified in OAR 660-007-0030 through 660-007-0037.~~

~~(2) A local government may defer the assignment of specific residential plan designations only when the following conditions have been met:~~

~~(a) Uncertainties concerning the funding, location and timing of public facilities have been identified in the local comprehensive plan;~~

~~(b) The decision not to assign specific residential plan designations is specifically related to identified public facilities constraints and is so justified in the plan; and~~

~~(c) The plan includes a time-specific strategy for resolution of identified public facilities uncertainties and a policy commitment to assign specific residential plan designations when identified public facilities uncertainties are resolved.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ~~197.295 197.314 & 197.475 197.490~~

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDD 4-1999, f. & cert. ef. 7-2-99~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

660-007-0020 The Rezoning Process

Rule summary: This rule describes the process for a deferral of rezoning requirements.

Commentary: This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0020 The Rezoning Process~~



~~A local government may defer rezoning of land within the urban growth boundary to maximum-planned residential density provided that the process for future rezoning is reasonably justified:~~

~~(1) The plan must contain a justification for the rezoning process and policies which explain how this process will be used to provide for needed housing.~~

~~(2) Standards and procedures governing the process for future rezoning shall be based on the rezoning justification and policy statement, and must be clear and objective.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 – 197.314 & 197.475 – 197.490

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCD 10-1981, f. & ef. 12-11-81~~

660-007-0022 Restrictions on Housing Tenure

Rule summary: This rule restricts tenure-specific development codes without justification of support of needed housing.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0022 Restrictions on Housing Tenure~~

~~Any local government that restricts the construction of either rental or owner-occupied housing on or after its first periodic review shall either justify such restriction by an analysis of housing need according to tenure or otherwise demonstrate that such restrictions comply with ORS 197.303(1)(a) and 197.307(3).~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 – 197.314 & 197.475 – 197.490

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

660-007-0030 New Construction Mix

Rule summary: This rule describes requirements on planning for various housing types.

Commentary: This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0030 New Construction Mix~~

~~(1) Jurisdictions other than small developed cities must either designate sufficient buildable land to provide the opportunity for at least 50 percent of new residential units to be attached single-family housing or multiple family housing or justify an alternative percentage based on changing~~



~~circumstances. Factors to be considered in justifying an alternate percentage shall include, but need not be limited to:~~

~~(a) Metro forecasts of dwelling units by type;~~

~~(b) Changes in household structure, size, or composition by age;~~

~~(c) Changes in economic factors impacting demand for single family versus multiple family units; and~~

~~(d) Changes in price ranges and rent levels relative to income levels.~~

~~(2) The considerations listed in section (1) of this rule refer to county level data within the UGB and data on the specific jurisdiction.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 197.314 & 197.475 197.490

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

~~LCD 10-1981, f. & ef. 12-11-81~~

660-007-0033 Consideration of Other Housing Types

Rule summary: This rule requires local governments to plan for manufactured housing and government assisted housing.

Commentary: This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0033 Consideration of Other Housing Types~~

~~Each local government shall consider the needs for manufactured housing and government assisted housing within the Portland Metropolitan UGB in arriving at an allocation of housing types.~~

Statutory/Other Authority: ORS 183 & 197.040

Statutes/Other Implemented: ORS 197.295 197.314 & 197.475 197.490

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

660-007-0035 Minimum Residential Density Allocation for New Construction

Rule summary: This rule designates minimum densities for new construction across tiers of local governments.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0035 Minimum Residential Density Allocation for New Construction~~



~~The following standards shall apply to those jurisdictions which provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing:~~

~~(1) The Cities of Cornelius, Durham, Fairview, Happy Valley and Sherwood must provide for an overall density of six or more dwelling units per net buildable acre. These are relatively small cities with some growth potential (i.e. with a regionally coordinated population projection of less than 8,000 persons for the active planning area).~~

~~(2) Clackamas and Washington Counties, and the cities of Forest Grove, Gladstone, Milwaukie, Oregon City, Troutdale, Tualatin, West Linn and Wilsonville must provide for an overall density of eight or more dwelling units per net buildable acre.~~

~~(3) Multnomah County and the cities of Portland, Gresham, Beaverton, Hillsboro, Lake Oswego and Tigard must provide for an overall density of ten or more dwelling units per net buildable acre. These are larger urbanized jurisdictions with regionally coordinated population projections of 50,000 or more for their active planning areas, which encompass or are near major employment centers, and which are situated along regional transportation corridors.~~

~~(4) Regional housing density and mix standards as stated in OAR 660-007-0030 and sections (1), (2), and (3) of this rule do not apply to small developed cities which had less than 50 acres of buildable land in 1977 as determined by criteria used in Metro's UGB Findings. These cities include King City, Rivergrove, Maywood Park, Johnson City and Wood Village.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 197.314 & 197.475 197.490

History:

~~LCDD 1 2012, f. & cert. ef. 2-14-12~~

~~LCDC 1 1987, f. & ef. 2-18-87~~

~~LCD 10 1981, f. & ef. 12-11-81~~

660-007-0037 Alternate Minimum Residential Density Allocation for New Construction

Rule summary: This rule provides an alternate approach to the standard minimum density regulations in OAR 660-007-0035.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0037 Alternate Minimum Residential Density Allocation for New Construction~~

~~The density standards in OAR 660-007-0035 shall not apply to a jurisdiction which justifies an alternative new construction mix under the provisions of OAR 660-007-0030. The following standards shall apply to these jurisdictions:~~

~~(1) The jurisdiction must provide for the average density of detached single family housing to be equal to or greater than the density of detached single family housing provided for in the plan at the time of original LCDC acknowledgment.~~

~~(2) The jurisdiction must provide for the average density of multiple family housing to be equal to or greater than the density of multiple family housing provided for in the plan at the time of original LCDC~~



acknowledgment.

~~(3) A jurisdiction which justifies an alternative new construction mix must also evaluate whether the factors in OAR 660-007-0030 support increases in the density of either detached single family or multiple family housing or both. If the evaluation supports increases in density, then necessary amendments to residential plan and zone designations must be made.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295—197.314 & 197.475—197.490

History:

~~LCDD 1-2012, f. & cert. of. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

660-007-0045 Computation of Buildable Lands

Rule summary: This rule provides calculation regulation regarding the Buildable Land Inventory.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0045 Computation of Buildable Lands~~

~~(1) The local buildable lands inventory must document the amount of buildable land in each residential plan designation.~~

~~(2) The Buildable Land Inventory (BLI): The mix and density standards of OAR 660-007-0030, 660-007-0035 and 660-007-0037 apply to land in a buildable land inventory required by OAR 660-007-0010, as modified herein. Except as provided below, the buildable land inventory at each jurisdiction's choice shall either be based on land in a residential plan/zone designation within the jurisdiction at the time of periodic review or based on the jurisdiction BLI at the time of acknowledgment as updated. Each jurisdiction must include in its computations all plan and/or zone changes involving residential land which that jurisdiction made since acknowledgment. A jurisdiction need not include plan and/or zone changes made by another jurisdiction before annexation to a city. The adjustment of the BLI at the time of acknowledgment shall:~~

~~(a) Include changes in zoning ordinances or zoning designations on residential planned land if allowed densities are changed;~~

~~(b) Include changes in planning or zoning designations either to or from residential use. A city shall include changes to annexed or incorporated land if the city changed type or density or the plan/zone designation after annexation or incorporation;~~

~~(c) The county and one or more cities affected by annexations or incorporations may consolidate buildable land inventories. A single calculation of mix and density may be prepared. Jurisdictions which consolidate their buildable lands inventories shall conduct their periodic review simultaneously;~~

~~(d) A new density standard shall be calculated when annexation, incorporation or consolidation results in mixing two or more density standards (OAR 660-007-0035). The calculation shall be made as follows:~~

~~(A)(i) BLI Acres x 6 Units/Acre = Num. of Units;~~



~~(ii) BLI Acres x 8 Units/Acre = Num. of Units;~~

~~(iii) BLI Acres x 10 Units/Acre = Num. of Units;~~

~~(iv) Total Acres (TA) — Total Units (TU).~~

~~(B) Total units divided by Total Acres = New Density Standard;~~

~~(C) Example:~~

~~(i) Cities A and B have 100 acres and a 6-unit-per-acre standard: (100 x 6 = 600 units); City B has 300 acres and a 10-unit-per-acre standard: (300 x 10 = 3000 units); County has 200 acres and an 8-unit-per-acre standard: (200 x 08 = 1600 units); Total acres = 600 — Total Units = 5200.~~

~~(ii) 5200 units divided by 600 acres = 8.66 units per acre standard.~~

~~(3) Mix and Density Calculation: The housing units allowed by the plan/zone designations at periodic review, except as modified by section (2) of this rule, shall be used to calculate the mix and density. The number of units allowed by the plan/zone designations at the time of development shall be used for developed residential land.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 — 197.314 & 197.475 — 197.490

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

660-007-0050 Regional Coordination

Rule summary: This rule describes the Metro government's role in coordinating the region-wide urban growth boundary.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements as well as duplication of Oregon Revised Statutes.

660-007-0050 Regional Coordination

~~(1) At each periodic review of the Metro UGB, Metro shall review the findings for the UGB. They shall determine whether the buildable land within the UGB satisfies housing needs by type and density for the region's long-range population and housing projections.~~

~~(2) Metro shall ensure that needed housing is provided for on a regional basis through coordinated comprehensive plans.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.295 — 197.314 & 197.475 — 197.490

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~

**660-007-0060 Applicability**

Rule summary: This rule specifies the applicability of the division to periodic review.

Commentary: This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

~~660-007-0060 Applicability~~

~~(1) The new construction mix and minimum residential density standards of OAR 660-007-0030 through 660-007-0037 shall be applicable at each periodic review. During each periodic review local government shall prepare findings regarding the cumulative effects of all plan and zone changes affecting residential use. The jurisdiction's buildable lands inventory (updated pursuant to 660-007-0045) shall be a supporting document to the local jurisdiction's periodic review order.~~

~~(2) For plan and land use regulation amendments which are subject to OAR 660, Division 18, the local jurisdiction shall either:~~

~~(a) Demonstrate through findings that the mix and density standards in this Division are met by the amendment; or~~

~~(b) Make a commitment through the findings associated with the amendment that the jurisdiction will comply with provisions of this Division for mix or density through subsequent plan amendments.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ~~ORS 197.295 197.314 & 197.475 197.490~~

History:

~~LCDD 1-2012, f. & cert. ef. 2-14-12~~

~~LCDC 1-1987, f. & ef. 2-18-87~~



Draft Amendments: Oregon Administrative Rules Chapter 660, Division 008 – Interpretation of Goal 10 Housing

Updated September 24, 2025

About this Document

This document includes draft amendments to OAR 660-008 proposed as part of the 2025 Oregon Housing Needs Analysis Rulemaking. Please note that this document does not include the entirety of Division 8; only the rules and sections where amendments are proposed. For reference, all rules under Division 8 can be found on the [Secretary of State website](#).

Callout boxes are included directly above all rules, as well as relevant sections or subsections where specific changes are proposed and are for information purposes only. These boxes contain the applicable rule, section or subsection numbers, a plain language rule summary, and commentary to provide additional context or explanation behind the proposed changes or retention of the rules. ~~Strikethrough~~ text is proposed to be deleted. Underlined text is proposed to be added. "..." denotes skipped text.

The deadline for rule adoption is January 1, 2026. In addition, staff will develop guidance to assist cities in implementation after rules are adopted.



Table of Contents

660-008-0000 Purpose	3
660-008-0005 Definitions	4
660-008-0045 Housing Capacity Analysis and Housing Production Strategy Deadlines	15
660-008-0075 Contextualized Housing Need	16
660-008-0100 Housing Capacity Analysis	30
660-008-0110 Allocation of Buildable Land	33
660-008-0120 Specific Plan Designations Required	34
660-008-0150 Land Use Efficiency Measures	35
660-008-0180 Development-Ready Land Inventory	36
660-008-0185 Sufficiency of Development-Ready Land	37
660-008-0200 Housing Production Strategy Structure	38
660-008-0230 Midpoint Reporting on Housing Production Strategy Implementation	50
660-008-0310 Referral for Non-Compliance in Adoption of Housing Capacity Analysis and Housing Production Strategy	52
660-008-0315 Referral for Non-Compliance in Undertaking Actions in a Housing Production Strategy	53
660-008-0320 Referral based on Performance at the Housing Production Strategy Midpoint Report	54
660-008-0325 Department Audit for Cities Referred into the Housing Acceleration Program	56
660-008-0330 Housing Acceleration Agreement	63
660-008-0335 Non-Compliance in Entering or Abiding the Terms of a Housing Acceleration Agreement	66
660-008-0400 Purpose of Model Ordinances	68
660-008-0405 Definitions for Model Ordinances	68
660-008-0410 Model Ordinances	69
660-008-0415 Optional Adoption and Application by Reference	71
660-008-0420 Application of a Model Ordinance to Comply with a Housing Law	72
660-008-0425 Comparison to Local Actions and Land Use Regulations	73
660-008-0430 Mandatory Application of a Model Ordinance	74



Draft Amendments

Oregon Administrative Rules Chapter 660, Division 008 – Interpretation of Goal 10 Housing

660-008-0000 Purpose

Rule summary: This rule describes the intent and purpose of OAR 660-008. The purpose of this division is to ensure there are enough safe, accessible and affordable housing units available and to use land efficiently within urban growth areas. It aims to make the development process more predictable and to create a system to evaluate and improve housing production, affordability, and choice.

Commentary: Division 7 Metropolitan Housing (OAR 660-0007) is proposed to be dissolved. Most of Division 7, which refers to Metro-specific housing rules, is now obsolete and outdated, and many of the sections are the same in Division 8, which applies statewide. Consolidating Division 7 and 8 would be an organizational change intended to reduce redundancy and potential confusion.

A minor change was made to strike the last sentence of section 1 after concluding that it was redundant. The Acceleration program is part of Goal 10 – Housing and is outlined and directed in ORS 197A which are both mentioned in the penultimate sentence. The Housing Production Strategy is not separately named as it is similarly encompassed by referencing Goal 10, thus staff have stricken the specific added reference to the Acceleration program.

660-008-0000 Purpose

(1) The purpose of this division is to ensure opportunity for and promotion ~~of~~ the provision of adequate numbers of needed housing units ~~and~~; the efficient use of ~~land~~ within urban growth boundaries across all communities in the state. ~~The division~~; provides greater certainty in the development process so as to reduce housing costs; and ~~to provide~~ a framework for evaluation and progress on housing production, affordability, and choice. Additionally, this division aims to promote safe, accessible, and affordable housing options for all Oregonians in their communities of choice, in alignment with the Affirmatively Furthering Fair Housing mandate. This division emphasizes fair housing outcomes, environmental justice, climate mitigation and resilience, and access to opportunity, following the principles of transparency, equitable engagement, and sustainability as provided in ORS 197A.025. This division provides standards for compliance with Goal 10 “Housing” and to implement ORS chapter 197A, ORS 184.453, and ORS 184.455, which include statewide allocation of housing need under the Oregon Housing Needs Analysis. ~~This division also operationalizes the Housing Acceleration program of the Oregon Housing Needs Analysis as provided in ORS 197A.130.~~

~~(2) OAR chapter 660, division 7, Metropolitan Housing, is intended to complement and be consistent with OAR chapter 660, division 8 and Statewide Planning Goal 10 – Housing (OAR 660-015-0000(10)). Should differences in interpretation between division 8 and division 7 arise, the provisions of division 7 shall prevail for cities and counties within the Metro urban growth boundary.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.475 - 197.493 & ORS 197A.015 - 197A.470

**660-008-0005 Definitions**

Rule summary: This rule provides clear and precise meanings for key terms used throughout Division 8. The rule includes terms and phrases that may a) have a special meaning in rule, b) have a statutory definition, or c) reflect an implementation requirement.

Commentary: Added and amended definitions and explanation for changes are included below.

660-008-0005 Definitions

For the purpose of this division, the definitions in ORS 184.453, 184.455, 197.015, 197.660, 197A.015, 197A.018, 197A.210, 197A.230, 197A.300, 197A.348, and 197A.420 shall apply, unless the context requires otherwise. In addition, the following definitions shall apply:

660-008-0005(1) Accessible

Rule summary: This section provides a definition for “accessible” as referenced in this division, including for the Contextualized Housing Need and Housing Production Strategy.

Commentary: Staff hosted a Subject Matter Expert Small Group to hear detailed feedback from experts in accessible and adaptable housing needs. Discussion confirmed the approach to defining accessible housing in this rule to include both ANSI Type A Unit standards and UFAS ADA standards. Some members suggested the addition of a third standard which some developments would be subject to and represents a commensurate accessibility standard – the Americans with Disabilities Act Accessibility Guidelines commonly referred to as the ADAAG standards. Staff have added this standard to the definition accordingly.

Additionally, participants confirmed the existing rule and program approach to focus on accessible and adaptable housing needs rather than to risk diluting it with additional regulation of visitable housing needs which do increase community livability for people with disabilities but do not provide housing for people who need accessible and adaptable housing.

(1) “Accessible” means a unit that is designed, constructed, or altered in conformance with Uniform Federal Accessibility Standards as implemented by the 2010 Americans with Disabilities Act Standards for Accessible Design, [the Americans with Disabilities Act Accessibility Guidelines](#), or the American National Standards Institute (ANSI) Type A Unit standard adopted by the state building code as defined under ORS 455.010(9)._

660-008-0005(2) Action

Rule summary: This section provides a definition for “action” as it refers to the Housing Production Strategy (HPS) and to Land Use Efficiency Measures to address an identified land need.

Commentary: The action definition is expanded upon to clarify that land use efficiency measures (LUEMs) are a type of action and may be included in a HPS. LUEMs are defined as actions in OAR 660-008-0005(29) and further described in OAR 660-008-0150 and are intended to reduce a land need. Additionally, staff have redirected the language in subsection b to the HPS rule section (OAR 660-008-0200(2)) per the department’s legal counsel direction who found the language functioned as a rule rather than a definition.



(2) "Action" means a specific policy, code, program, investment, administrative measure, advocacy effort, or other tool included in a housing production strategy in alignment with ORS 197A.100(3) and (4), by which a city commits to adoption and implementation. Actions included in a housing production strategy may include:

(a) ~~An action may include e~~Exploratory work as an initial critical step in order to refine, adopt and implement an action;:-

~~(b) An action may identify an alternate action that meets the same housing need and is of commensurate magnitude of impact as the primary action. A city may pursue an alternate action in lieu of the primary action in the event exploratory work or other circumstances suggest the primary action is not feasible. Compliance with the action implementation year as identified according to OAR 660-008-0200(2)(d) may be met by implementation of either the primary or the alternate action.~~

~~(be) An action may include s~~Substantial expansion of existing programming that has proven to meet the city's needed housing types, characteristics, or locations or remedy or mitigate fair housing issues; or

(c) Land use efficiency measures provided a city commits to adoption and implementation.

660-008-0005(3) Adoption-ready Actions

Rule summary: This section provides a definition for "adoption-ready actions" as referenced in this division, including for use in the Housing Production Strategy and Housing Acceleration programs. Adoption-ready actions are state-provided resources to support local government implementation of housing actions in the course of fulfilling the Housing Production Strategy requirement in Goal 10 and in the course of the Housing Acceleration program.

Commentary: This definition and its application in the rest of the division mirrors the working definition discussed with work group and committee members. Some actions are more suited for this "off-the-shelf" approach than others and some will always need local vetting. Despite the variation in truly off-the-shelf readiness, these actions are collectively referred to as "adoption-ready actions" because they are all designed to be able to be applied locally with less effort than creating them anew by every local government.

The first slate of adoption-ready actions includes:

- Nonprofit Low Income Housing Property Tax Exemption
- SDC exemption for Affordable Housing
- SDC deferral for housing
- Multiple Unit Property Tax Exemption
- Rental Housing License Program
- Affirmative Marketing Requirement for City-Funded Units
- Land Disposition for Affordable Housing

The department will continue to work with partners to develop the library of adoption-ready actions, embedded in Attachment B, which will be updated as needed by the commission.

(3) "Adoption-ready action" means an action that the department has developed either partially or fully for local implementation to reduce local capacity and resource needs for action implementation.



Adoption-ready actions are embedded in Attachment B, Housing Production Strategy Guidance for Cities, with demarcations of actions that have been developed for adoption-readiness and appendices to the menu with adoption-ready materials.

660-008-0005(4) Adaptable

Rule summary: This section provides a definition for “adaptable” as referenced in this division, including for the Contextualized Housing Need and Housing Production Strategy.

Commentary: Staff hosted a Subject Matter Expert Small Group to hear detailed feedback from experts in accessible and adaptable housing needs. Discussion confirmed the approach to defining adaptable housing in this rule. Accordingly, no changes are proposed.

(43) “Adaptable” means a unit that is designed, constructed, or altered in conformance with the ANSI Type B Unit standard adopted by the state building code as defined under ORS 455.010(9).

(54) “Affirmatively furthering fair housing” has the meaning provided in ORS 197A.100(9).

(65) “Allocated housing need” has the meaning provided in ORS 197A.015(1).

660-008-0005(7) Buildable Land

Rule summary: This section provides a definition for “buildable land” which local governments subject to OHNA are required to inventory as part of the Housing Capacity Analysis.

Commentary: The following changes are proposed:

- Language is changed to include land “zoned to allow residential use” to clarify that land that is mixed use land that allows residential use is included. “Zoned to allow” is defined in OAR 660-008-0005(52).
- Added “land” after “vacant” for additional clarification
- Language is updated to “the development of needed housing” to reflect language in statute.
- Added language related to coordinating with entities on publicly owned land.
- Added “floodway” for additional clarification.

TAC members have expressed desire to retain flexibility in rule while requesting more data/guidance to improve mapping accuracy and help protect against litigation/appeal. DLCD staff intend to develop guidance for constraints with limited data including discounting less significant constraints. In response to feedback that that sometimes publicly owned lands are suitable for housing and should not necessarily be removed from a BLI, language is proposed in OAR 660-008-0110, where more substantive BLI rules are included, to require coordination with public entities to inventory publicly owned land. Guidance will focus on how this coordination could happen.

(76) “Buildable Land” means ~~residentially designated~~ land zoned to allow residential use within the urban growth boundary, including both vacant land and developed land likely to be redeveloped, that is suitable, available, and necessary for ~~residential use~~the development of needed housing over a 20-year planning period. Publicly owned land is generally not considered available for ~~residential use~~the development of needed housing unless otherwise determined by the local government to be available through coordination with public entities. Land is generally considered “suitable and available” unless it:



- (a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;
- (b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;
- (c) Has slopes of 25 percent or greater;
- (d) Is within the 100-year flood plain or floodway; or
- (e) Cannot be provided with public facilities.

(87) "Characteristics" means the attributes or features of residential units that describe their physical, structural, functional, ownership and tenure aspects, or any combination thereof. Characteristics include at minimum but are not limited to:

- (a) Interior and exterior features to meet accessibility needs for all ages and disabilities including mobility, auditory, visual, mental and behavioral, and other disabilities and age-related needs like caregiving with emphasis on the needs of older adults;
- (b) Number of bedrooms and bathrooms;
- (c) Livability of layouts including eating, sleeping, bathing, and cleaning on one level with a zero-step entrance;
- (d) Number of complete living spaces within the unit or with adjacent units to support multi-generational living;
- (e) Construction type including site-framed and prefabricated;
- (f) Culturally relevant features like multiple kitchens and interior and exterior layouts with accommodating gathering spaces;
- (g) Affordability, including but not limited to government assisted housing;
- (h) Tenure type;
- (i) Climate adaptation and mitigation features including energy efficiency building science, water conservation in appliances and site design, stormwater management, and ventilation and indoor air quality;
- (j) Trauma-informed features and design including the built environment and operational plans and practices; and
- (k) Co-located services with housing, including but not limited to permanent supportive housing (PSH), assisted living housing, skilled nursing housing, and adult foster homes.

(98) "City" has the meaning provided in ORS 197A.015(3).

(109) "Community Action Partnership of Oregon" has the meaning provided in ORS 456.515(2).

(119) "Community members of needed housing" means any individuals who inhabit or are anticipated to inhabit needed housing.

(124) "Continuum of Care" has the meaning provided in OAR 813-385-0010(1).

(132) "Coordinated Care Organization" has the meaning provided in ORS 414.025(8).

(143) "Communities of color" means populations that have been historically marginalized,



underrepresented, or subjected to systemic inequities based on race, color, or ethnicity, including Hispanic, Latina/o/x, Asian, Arabic or North African, Middle Eastern, Pacific Islander, American Indians, Alaska Natives, Native Hawaiians or other Pacific Islanders, and mixed-race or mixed-ethnicity populations.

(154) "Contextualized Housing Need" means the deliverable associated with complying with OAR 660-008-0075 and which, through the framework of Affirmatively Furthering Fair Housing, identifies the needed housing types, characteristics, and locations in a city that will be planned for throughout Goal 10 work.

(165) "Development-ready lands" has the meaning provided in ORS 197A.015(4).

(176) "Environmental justice" has the meaning provided in ORS 182.535(3).

(187) "Exploratory work" means studies, research, and other planning analyses intended to inform a city's housing production strategy planning work but which are noncommittal in nature and do not on their own meet the definition of an action. Exploratory work may be a subtask of an action to further refine an action. Exploratory work may be included in an HPS and planned independently of a specific action, such as to inform future HPSs, however, the department will not consider that work to function as an action that meets housing need in the current HPS cycle.

(198) "Fair housing choice" means individuals and households having the information, opportunity, and options to live where they choose, including in areas with access to opportunity and in integrated areas, without unlawful discrimination and other barriers related to protected classes, named communities in needed housing as provided in ORS 197A.018, and tribal communities. Fair housing choice encompasses:

(a) Actual choice, which means the existence of realistic housing options – options that are affordable, attainable, accessible, and otherwise meet the needs of the household in the housing types, characteristics, and locations of their choice;

(b) Protected choice, which means housing that can be accessed without discrimination; and

(c) Enabled choice, which means realistic access to sufficient information, services, and other resources regarding the housing types, characteristics, and locations available so that any choice is informed; and

(d) For individuals with disabilities, fair housing choice includes a realistic opportunity to obtain and maintain housing with accessibility features meeting the individual's disability-related needs, housing provided in the most integrated setting appropriate to an individual's needs, and housing where community assets are accessible to individuals with disabilities, including voluntary disability-related services that an individual needs to live in such housing.

(2049) "Fair housing issue" means a condition in a city that restricts fair housing choice or access to opportunity, results in inequitable housing outcomes, or any combination thereof and may be indication of current discriminatory actions.

(2120) "Housing Acceleration Agreement" means a document that complies with provisions of ORS 197A.130(6) to (8).

660-008-0005(21) Housing Capacity Analysis (HCA)

Rule summary: This rule provides a definition for Housing Capacity Analysis, which assesses



whether there is enough land capacity to accommodate needed housing over 20 years.

Commentary: Proposed amendments update language to align with updates to Goal 10 through adoption of House Bill 2001 (2023) and rule amendments adopted in December 2024 related to the contextualized housing need. The contextualized housing need is only required for cities above 10,000 and other cities and counties subject to OHNA.

(~~222~~4) "Housing Capacity Analysis (HCA)" means a document, incorporated into a city's comprehensive plan by ordinance, which complies with the provisions of ORS 197A.270, 197A.280, 197A.335, and 197A.350. A Housing Capacity Analysis is an assessment of residential land need, based on the allocated housing need and contextualized housing need if applicable, and capacity that includes the inventory, determination, and analysis required under ORS 197A.270(3) to (4), and 197A.350(3).

(~~232~~) "Housing equity indicators" means the information annually produced by the Housing and Community Services Department under ORS 456.602.

(~~243~~) "Housing Production Strategy (HPS)" has the meaning provided in ORS 197A.015(7).

(~~254~~) "Housing production dashboard" means the information annually produced by the Housing and Community Services Department under ORS 456.601.

(~~265~~) "Housing production target" has the meaning provided in ORS 184.455.

660-008-0005(26) Housing Type

Rule summary: This rule provides a definition for "housing type" as referenced in this division.

Commentary: Staff defined housing "characteristics" and "locations" in the rules adopted in December 2024 to provide clarification to the required determination of the "housing types, characteristics, and locations" a city must plan for in its six-or-eight-year housing capacity and production cycle in order to mitigate and remedy the identified fair housing issues in furtherance of fair housing choice. At that time, staff did not provide a definition for "housing types" because a definition was provided for "needed housing" in alignment with statute (ORS 197A.018) and separate definitions for various types of housing including manufactured dwelling park, middle housing, multi-unit housing, and single-room occupancy housing. However, various interested parties have expressed interest in the provision of a definition for "housing types" to further clarify the requirement to identify needed housing types as determined by the Contextualized Housing Need.

Feedback was received that suggested version 1 of the rules did not illustrate the proposed changes for this definition. The entire definition is new and there was no definition in the rules adopted in 2024 (see notes above). Therefore, the entirely new definition is reflected both here in version 2 and in the previously released version 1 as new language.

(~~27~~) "Housing type" means a category of housing distinguished by its physical form and underlying parcel of land.

(~~286~~) "Integration" means a condition, within a specific geographic area of analysis, in which there is not a high concentration of individuals of a particular protected class, named community in needed housing as provided in ORS 197A.018, or tribal community when compared to a broader geographic area. Racial integration means that individuals of different racial groups generally are not highly concentrated in distinct geographic areas within a community, for example, census tract or block



group. For individuals with disabilities, integration also means that such individuals are able to access housing and services in the most integrated setting appropriate to the individual's needs. The most integrated setting is one that enables individuals with disabilities to interact with individuals without disabilities to the fullest extent possible.

660-008-0005(29) Land Use Efficiency Measure

Rule summary: This section provides a definition for "land use efficiency measure" as it refers to those land use actions taken in response to an identified land need.

Commentary: The addition of this definition provides clarification that LUEMs are a specific subset of HPS actions that can be adopted outside of a HPS as well as with the HPS consistent with ORS 197.610.

(29) "Land Use Efficiency Measure" refers to an action taken by a city via an adopted comprehensive plan amendment or land use regulation consistent with ORS 197.610 to quantifiably reduce the land need.

660-008-0005(30) Location

Rule summary: This rule provides a definition for location, which relates to the Contextualized Housing Need in determining needed housing locations and fair housing issues that must be addressed in the Housing Production Strategy.

Commentary: See new term "planning boundary" defined in this rule below with commentary explanation provided.

~~(3027)~~ "Location" means a specific geographic area or series of areas within a city's ~~boundaries or approved expansion areas~~ planning boundary. Locations can significantly impact equity, quality of living, and access to opportunity. Locations include at a minimum but are not limited to areas with proximity to:

(a) Community assets, including but not limited to:

(A) Key destinations as defined by OAR 660-012-0360(2);

(B) Areas with multimodal connectivity infrastructure, including the availability of road networks, public transit and paratransit options, bike lanes, and pedestrian pathways; and

(C) Areas with community based supportive services.

(b) Harms, including but not limited to:

(A) Environmental conditions that may lead to harm such as areas prone to natural hazards, industrial uses, and highways and freeways; and

(B) Areas that are segregated by race and income.

~~(3128)~~ "Manufactured dwelling park" has the meaning provided in ORS 446.003(20).

~~(3229)~~ "Middle housing" has the meaning provided in ORS 197A.420(1)(c)(A) to (E).

~~(339)~~ "Midpoint Report" means a report that a city submits to the department half-way through a housing production strategy cycle pursuant to OAR 660-008-0230.



(3431) “Multi-unit Housing” means housing developed with five units or more where each dwelling unit is not located on a separate lot and is not Middle Housing.

660-008-0005(35) Near-term

Rule summary: This rule provides a definition for the timeframe considered for the Development-Ready Land Inventory.

Commentary: This is a new definition proposed to provide clarification on how determine a project qualifies for consideration in a jurisdiction’s Development-Ready Land Inventory.

(35) “Near-term” means the project will begin construction no later than the applicable HPS cycle minus 2 years (i.e. 8 year HPS cycle = construction begins no later than year 6)

(A) Projects included in an adopted 5-year Capital Improvement Plan used for budgeting purposes may be used to provide near-term commitment.

(B) In the absence of a Plan described in 660-008-0005(35)(a) a subset of Pprojects from each public facilitiy master plan, prorated for the HPS cycle minus 2 years, that are included in an adopted system plan’s financially constrained project list or equivalent subset of capital projects may be used to provide near-term commitment., though these projects may not represent more than 25% of that-list.

(362) “Needed housing” has the meaning provided in ORS 197A.018.

(373) “Oregon Housing Needs Analysis (OHNA)” has the meaning provided in ORS 184.451.

660-008-0005(38) Partially vacant land

Rule summary: This rule provides a definition for partially vacant land as inventoried in the Buildable Land Inventory.

Commentary: This is a new definition proposed to provide clarification on how to consider land that is partially vacant when inventorying buildable land. Partially vacant is referenced in statute but was not previously defined in rule.

(38) “Partially vacant land” refers to buildable land with existing development on it where the land area can be further developed within the applicable development regulations.

(3934) “Past discriminatory actions or practices related to land and housing access” means policies, programs, and other practices which oppressed and discriminated against protected classes and named communities in needed housing as provided in ORS 197A.018 with particular focus on communities of color, low-income communities, individuals with disabilities, and tribal communities, and which are particularly oriented to place, belonging, stability, housing, wealth-building, and the lands themselves that occurred in the city and region. This includes but is not limited to:

(a) The historical and ongoing actions affecting the indigenous stewards and residents of the lands, including land seizure, massacre, termination, attempted erasure, and displacement; the geographic locations of land seizure and displacement including reservations and treaty lands;

(b) The imposition of the ownership model on the land; the Donation Land Act and the associated land grants made exclusively to white settlers in the mid-nineteenth century; laws illegalizing



ownership of land for particular communities;

(c) Land and housing access restrictions like sundown laws and their geographic boundaries; segregated schools, neighborhoods, parks, and natural areas; mortgage redline maps; insurance blueline maps; histories of block-busting practices; and any unnecessary institutionalization and incarceration.

(d) Urban renewal and large public works projects that displaced communities, including transportation infrastructure projects, freeway development, and other uses of eminent domain to seize property and wealth; land use and zoning decisions that systematically excluded or segregated particular communities, limited their access to desirable neighborhoods, or enforced discriminatory land use practices; and

(e) Other occurrences of property seizure, unsafe living conditions, and displacement for particular communities.

660-008-0005(40) Planning boundary

Rule summary: This rule defines the area a jurisdiction must plan for when planning for needed housing under Goal 10.

Commentary: This new definition intends to clarify the geographic boundaries that jurisdictions must analyze and plan for in their CHN, HCA, and HPS. This term is inclusive of Metro counties, which have specific requirements to plan for urban unincorporated lands as outlined in House Bill 4063 (2024). At this time, the language in the bill is not codified but can be found on [the Oregon legislature website](#).

(40) "Planning boundary" means the area a local government must analyze when planning for needed housing which includes:

(a) Lands inside a local government's existing urban growth boundary;

(b) For an incorporated city, lands within its current jurisdictional boundary and any lands delegated to the city as specified in an intergovernmental agreement or urban growth management agreement; and

(c) For Metro counties, Metro urban unincorporated lands as defined by ORS 197A.015(9) and not included in (b).

(4135) "Producers of needed housing" means developers, builders, service providers, or other individuals or entities providing materials and funding needed to build needed housing. Producers of needed housing may include non-profit organizations, for-profit organizations, or public entities.

(4236) "Protected class" includes the meaning provided in ORS 659A.425, which encompasses federal Fair Housing Act protected classes, state protected classes, and any locally protected classes.

(4337) "Public body" has the meaning defined in ORS 174.109.

660-008-0005(44) Public facilities

Rule summary: This rule provides a definition for facilities considered in the Development-Ready



Land Inventory.

Commentary: This is a new definition proposed to provide clarification on how determine the services required to qualify land as “ready” in a jurisdiction’s Development-Ready Land Inventory.

(44) “Public Facilities” means water, wastewater collection, stormwater, and transportation facilities that serve a jurisdiction.

660-008-0005(45) Readily-served

Rule summary: This rule provides a definition qualifying land as “development-ready” for inclusion in a jurisdiction’s Development-Ready Land Inventory.

Commentary: This is a new definition proposed to provide clarification on how determine a project qualifies for consideration in a jurisdiction’s Development-Ready Land Inventory.

(45) “Readily-served” means required improvements are abutting a single parcel or group of contiguous parcels under common ownership, such that no off-site or oversized facilities or facility extensions greater than 300 feet are required ies to serve development is required.

(a) If oversizing or off-site improvements extending more than 300 feet are required, there are cost-sharing mechanisms in place to address costs of oversizing and improvements that will serve multiple developments.

(b) A development may be considered readily-served if a developer has agreed through recorded instrument to build the required improvements in the near-term.

660-008-0005(46) Redevelopable land

Rule summary: This section provides a definition for “redevelopable land” as it refers to the Buildable Land Inventory.

Commentary: This definition is amended to clarify that it refers to land that is “zoned to allow” residential use. Zoned to allow is defined in 008-0005(52). Language is also clarified to refer to the “20-year” planning period.

(4638) “Redevelopable land” means land zoned ~~for~~to allow residential use on which development has already occurred but on which, due to present or expected market forces, there exists the strong likelihood that existing development will be converted to more intensive residential uses during the 20-year planning period.

(4739) “Safe harbor” means an optional course of action that a city may use to satisfy a requirement of Goal 10. Use of a safe harbor prescribed in this division will satisfy the requirement for which it is prescribed. A safe harbor is not the only way or necessarily the preferred way to comply with a requirement and it is not intended to interpret the requirement for any purpose other than applying a safe harbor within this division.

(4840) “Segregation” means a condition within specific geographic areas of analysis in which there is a significant concentration of individuals of a particular protected class, named community in needed housing as provided in ORS 197A.018, or tribal community in a particular geographic area when compared to a different or broader geographic area. Racial segregation includes a concentration of individuals of the same race regardless of whether that race is the majority or minority of the



population in the geographic area of analysis. For example, in a community where individuals of one race are concentrated in one neighborhood and individuals of another race are concentrated in a different neighborhood, racial segregation exists in each of the neighborhoods. For individuals with disabilities, segregation includes a condition in which available housing or services are not in the most integrated setting appropriate to an individual's needs.

(494) "Single-room occupancy housing" has the meaning provided in ORS 197A.430.

(5042) "Tenure" means the full range of housing tenure types encompassing forms of occupancy and ownership, including but not limited to rental; market-, shared-, limited-, and zero-equity structures as applied to various ownership models like community land trusts and resident-owned cooperatives; condominium ownership; and fee simple ownership.

660-008-0005(51-52) Tribal governments and Tribal communities

Rule summary: These definitions provide the terms and foundation for serving Tribal housing need in Goal 10 housing planning.

Commentary: These definitions have been amended in order to transition from referencing "Tribes" to referencing "Tribal governments." Coordination and consultation with Tribal governments in Oregon yielded guidance to use the term "Tribal governments" when referring to the formal governing bodies of federally recognized Tribes in Oregon instead of "Tribe." Reasons for this include that the intention in these contexts is indeed typically to address the governmental body rather than the broad membership, some Tribal governments represent multiple Tribes, and while less applicable in the context of discussing only federally recognized Tribes not all Tribes have Tribal governments. Conforming term switch revisions are incorporated throughout the rules.

(5143) "Tribal government" ~~"Tribe" as defined in ORS 182.162(2)~~ means the governing body of a federally recognized Indian tribe in Oregon including but not limited to Tribal Council and staff.

(5244) "Tribal communities" means tribally affiliated Oregonians including enrolled members of federally recognized Indian tribes and their households.

660-008-0005(53) Zoned to Allow

Rule summary: This section provides a definition for "zoned to allow" as used in this division and refers to land with development rules that allow for a particular land use, such as residential. This term appears in rules related to the Buildable Land Inventory and Development-Ready Land Inventory.

Commentary: This definition, while new to Division 8, appeared in Division 24 in 024-0040(8)(j), which was defined as "the comprehensive plan and implementing zoning allows the specified housing type(s) and density or densities under clear and objective standards and other requirements specified in ORS 197.307(4) and (6)." Additional changes are proposed for clarity which include:

- Replacing "shall" with "allows"
- Adding singular housing type and density
- Replacing the previous reference to ORS 197.307(4) and (6) to 197A.400

(53) "Zone to Allow" or "Zoned to Allow" means that the comprehensive plan and implementing zoning



allows the specified housing type(s) and density or densities under clear and objective standards and other requirements specified in ORS 197A.400.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.475 - 197.493 & ORS 197A.015 - 197A.470

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660-008-0045 Update Housing Capacity Analysis Schedule

Rule summary: This rule describes the deadlines, process, and schedule for Housing Capacity Analyses and Housing Production Strategies. It requires the Department to publish the schedule annually.

Commentary: This rule title is proposed to be updated to more accurately reflect that the rule includes deadlines for both the HCA and HPS. This change was intended to be made as part of the 2024 rulemaking but was not included in the final set of rules that was adopted.

An additional minor change was made to section (1) to more clearly define the joint roles of the Land Conservation and Development Commission and the department in making the Housing Capacity Analysis and Housing Production Strategy schedule available.

660-008-0045 Update Housing Capacity Analysis and Housing Production Strategy Schedule Deadlines

Cities described in ORS 197A.270, 197A.280, and 197A.335 shall adopt a housing capacity analysis and adopt a housing production strategy as scheduled by the commission.

- (1) The commission shall adopt and the department shall publish the schedule of housing capacity analyses and housing production strategies deadlines for cities identified under ORS 197A.270, 197A.280, and 197A.335 in Attachment A.
- (2) The deadline for adoption of a housing capacity analysis and a housing production strategy in a given year is December 31st.
- (3) The department will consider a city to have met its obligation to adopt a housing capacity analysis upon adoption of the housing capacity analysis by ordinance. The department will not consider a subsequent appeal of the city ordinance adopting its housing capacity analysis a failure to comply with the deadline provided in Attachment A provided in section (1).
- (4) The department will consider a city to have met its obligation to adopt a housing production strategy upon adoption of the housing production strategy. As provided in ORS 197A.100(7), the adoption of a housing production strategy is not a land use decision and is not subject to appeal or review except as provided in ORS 197A.103.
- (5) Upon adoption of a housing capacity analysis, the deadline for a subsequent housing capacity analysis is as follows:
 - (a) Eight years subsequent for cities that are not within Metro; or
 - (b) Six years subsequent for cities that are within Metro.
- (6) The housing production strategy is due one year after the city's deadline for completing a housing capacity analysis, as prescribed in section (1).
- (7) The applicable allocation of housing need and housing production target, as provided in ORS



184.451 to 184.455, are those that are most recent in the year of the adoption of the housing capacity analysis.

(8) If a population estimate developed under ORS 195.033 and OAR 660-032-0020 and OAR 660-032-0030 results in a city qualifying under ORS 197A.270, 197A.280, and 197A.335, the city must adopt a housing capacity analysis within two years of its qualification or the interval provided in section (5), whichever is the longer period.

[ED. NOTE: To view attachments referenced in rule text, [click here to view rule.](#)]

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.015 - 197A.470

660-008-0075 Contextualized Housing Need

Rule summary: The Contextualized Housing Need is an analysis that localizes and specifies the housing attributes that a local government needs for the purposes of its Goal 10: Housing planning work, spanning both the Housing Capacity Analysis and the Housing Production Strategy. It consists of a localized analysis of quantitative and qualitative needs that encompass housing types, characteristics, and locations with particular focus on fair housing issues, protected classes, and other priority populations named in statute or experiencing inequitable housing outcomes to Affirmatively Further Fair Housing.

Commentary: Proposed amendments connect the contextualized housing need to the housing capacity analysis and clarify that the output for needed housing types must be quantified. The quantified housing type mix will be used to determine residential density and zoning needs in the housing capacity analysis. For the housing capacity analysis, the number of each needed housing type must be based on the allocated housing need, which is the housing need over a 20-year period.

Language is also added to ensure jurisdictions are assessing all areas within their urban growth boundary, including both within city limits and in urbanizable areas. Proposed amendments specify that the locational analysis within the Contextualized Housing Need must include a report of areas added to the UGB in the previous three HCA/HPS cycles. This approach aims to promote annexation, zoning, and needed housing development in new UGB areas that should be addressed in the Housing Production Strategy (HPS). If this analysis results in a finding that land that was added to the UGB has not been annexed and zoned over the allotted time, cities must take action in their HPS to address the issue.

Finally, proposed amendments include increased specificity and direction in some provisions of the required analyses.

660-008-0075 Contextualized Housing Need

The contextualized housing need is an analysis relating a city's allocated housing need and housing production target, as provided in ORS 184.451 to 184.455 and OAR 660-008-0045(7), to local qualitative and quantitative information. This analysis uses current and future housing needs, along with population and market trends, to evaluate fair housing choice and identify fair housing issues within the city's planning boundary to affirmatively further fair housing. A city must work interdepartmentally to the extent possible in developing and implementing its contextualized housing need, including but not limited to collaboration across the planning, permitting, public works, and



community development departments. The analysis must include consideration of protected classes and named communities in needed housing as provided in ORS 197A.018, with particular focus on communities of color, low-income communities, individuals with disabilities, and tribal communities.

The output of the analysis is a determination of the needed housing types, characteristics, and locations of housing within a city's planning boundary that a city must plan for in its six- or eight-year housing capacity and production cycle and in its twenty-year planning period in order to mitigate and remedy the identified fair housing issues in furtherance of fair housing choice. Subsequent housing capacity analyses, and any land use efficiency measures taken and any resulting urban growth boundary amendments, the development-ready land inventory, as well as the housing production strategy and all actions therein, must respond to the identified needed housing types and locations, and characteristics as applicable, as determined by this contextualized housing need. To the extent it exists, a city may utilize information, data, and analyses from other housing planning efforts completed in the last five years within the city including, but not limited to, equity analyses and other reports conducted under OAR chapter 660, division 12 and consolidated plans for any of the United States Department of Housing and Urban Development (HUD)'s Community Planning and Development formula grant programs including Community Development Block Grant Entitlement Communities.

660-008-0075(1)

Section summary: This section requires Cities to provide a detailed analysis of their allocated housing need for the Housing Capacity Analysis and housing production targets for the Housing Production Strategy as outlined by the Oregon Housing Needs Analysis (OHNA). This analysis serves as the foundation for completing both the Housing Capacity Analysis and the Housing Production Strategy. This involves an inventory and evaluation of various qualitative and quantitative sources, including the Housing Production Dashboard, Equity Indicators, mapped discriminatory actions, and equitable engagement data. These elements collectively inform the affordability analysis, analysis of past discriminatory actions or practices related to land and housing access, and the analysis of fair housing choice. This thorough contextualization should reveal the housing needs and fair housing issues within the City, which then must be responded to with the identification of the housing types, characteristics, and locations of housing that should be planned for as part of their 6- or 8- year Housing Production Strategy cycle in order to remedy or mitigate the fair housing issues identified and meet the City's housing need.

Commentary:

The proposed amendments clarify that the output for needed housing types identified in the contextualized housing need must include a quantified conclusion. This is necessary for calculating the needed housing densities and comparing to the residential land capacity in the housing capacity analysis. Language is also added to ensure jurisdictions are assessing all areas within their planning boundary, including both within city limits and in urbanizable areas.

While evaluating potential development of compliance pathways through the contextualized housing need, the Oregon legislature passed House Bill 2698 (2025) which established statewide homeownership goals for years to come. In alignment with the Oregon legislature, the draft rule amendment suggests adopting the homeownership goals directly. Additionally, in order to affirmatively further fair housing and support fair housing choice, the homeownership goals are drafted to be operationalized equally across all income brackets. This income-agnostic approach supports that tenure and wealth-building opportunities be available to all Oregonians including but not limited to the use of tenure models like shared-equity resident-owned cooperatives and



community land trusts. Because of the implementation of this policy at the legislative level, an optional approach to identifying this need is not appropriate. Instead, it is included as a minimum standard in the program.

Additionally, DLCD received feedback in support of the income disaggregation and equal distribution of the homeownership goal and suggested that DLCD should go a step further by requiring local governments to report on barriers to homeownership for communities of color. In fact, the work of the Contextualized Housing Need includes a fair housing analysis of the "Housing tenure and wealth building opportunities" issue area, assessing and understanding the degree to which fair housing choice is or isn't available for a number of focus communities including "communities of color." The charge of the Housing Production Strategy is then to take action to mitigate or remedy fair housing issues that are present and to promote the needed housing types, characteristics, and locations in a local government. Lastly, HB 2698 also directs Oregon Housing & Community Services to host a homeownership dashboard including disaggregation by race and ethnicity, and the department plans to include this dashboard in the repository of information local governments will use to conduct these analyses if the dashboard doesn't already by nature get integrated into the housing equity indicator dashboard.

Finally, DLCD received feedback that applying ownership needs equally across income brackets may be impractical and risks under-provision at key AMI levels. Given the charge of Goal 10 – Housing under the new Oregon Housing Needs Analysis paradigm is to Affirmatively Further Fair Housing, the department does not intend to develop a program that continues to perpetuate inequities in housing tenure across income levels. It has been a critical distinction in the work of developing this program, and the Contextualized Housing Need in particular, to understand that identifying need should not in any way be hampered by perceived past, current, or future conditions of practicality. Higher income households do not need more stewardship, stability, or wealth-building opportunities from homeownership than do lower income households. The OHNA program directs substantial structural change to Oregon's housing development, preservation, and maintenance systems. Staff is aware that Oregonians' housing needs and the fair housing choice Oregonians' deserve is not likely to be represented by what has been understood to be practical in previous housing paradigms.

A new analysis was also added separately from the fair housing issue area analysis in (1)(e) which requires cities to assess areas added to the UGB within the past 3 HCA/HPS cycles. Often times, areas added to the UGB take years or decades to become annexed, zoned, and subsequently, developed. This can cause a huge delay for housing. Adding this exercise to the Contextualized Housing Need provides an opportunity to look back, evaluate, and take action to catalyze needed housing development in these areas which play a crucial role in accommodating a city's 20-year housing need. If this analysis results in a finding that land that was added to the UGB has not been annexed and zoned over the allotted time, cities must take action in their HPS to address the issue.

(1) At a minimum, the contextualized housing need must include:

- (a) An affordability analysis including at a minimum a review of market conditions affecting the provision of needed housing including existing and expected barriers to the development of needed housing;
- (b) An analysis of past discriminatory actions or practices related to land and housing access including, as practicable given information and resource availability, mapping of the geographies impacted by these actions and comparing those geographies' relationship to current patterns of segregation as well as affluence and poverty as illustrated in the housing equity indicators. Once initially completed, a city must update the past discriminatory actions analysis for future housing



capacity analysis and housing production strategy cycles, incorporating new information and resources and in comparison to current conditions; and

(c) An analysis of fair housing choice across the following issue areas for communities of color, low-income communities, individuals with disabilities, and tribal communities that concludes with the identification and evaluation of fair housing issues within a city's planning boundary.

(A) Housing tenure and wealth building opportunities;

(B) Permanent housing to resolve homelessness;

(C) Accessible and adaptable housing;

(D) Access to community assets and mitigation of exposure to harms;

(E) Housing stability, anti-displacement, and displacement mitigation;

(F) Addressing and disrupting patterns of segregation, and their correlation with concentrated areas of affluence and poverty;

(G) Any issue areas the city is required to address in other requirements or regulations, including cities subject to OAR 660-012-0315(1) and cities within Metro with Region 2040 centers, as defined in OAR 660-012-0005(24); and

(H) Any other issue areas that appear to exist based on occurrences of disparate housing needs in a city across protected classes and named communities in needed housing as provided in ORS 197A.018;

(d) If a city concludes that there are no fair housing issues in one or more of the identified fair housing issue areas listed in subsection (c), a detailed justification for this conclusion. This justification must include:

(A) A comprehensive analysis from subsection (c) that demonstrates the absence of disparate housing needs or barriers in the issue area(s) and the presence of fair housing choice and stability for all community members across all housing types, characteristics, and locations, and

(B) A plan for ongoing monitoring to ensure that fair housing issues do not emerge in the future, including a commitment to re-evaluate the issue area(s) in subsequent contextualized housing need analyses and housing production strategy adoptions.

(e) An analysis of approved urban growth boundary expansion areas to accommodate a residential need, if any, within the last three housing capacity and production cycles or, if a city has not yet had three housing capacity and production cycles, within the last eighteen years.

(A) This analysis must be based on the following information:

(i) Current zoning; and

(ii) All post-acknowledgement comprehensive plan amendments and comprehensive plan map designations regarding housing-related urbanization including approved urban growth boundary expansion areas within the last three housing capacity and production cycles or, if a city has not yet had three housing capacity and production cycles, within the last eighteen years.

(B) If a city concludes that land within approved urban growth boundary expansion areas has not been annexed or zoned, the city must take action in their housing production strategy to promote annexation, zoning, and needed housing development in the applicable locations.



~~(fe)~~ Description and identification of the housing types, characteristics, and locations needed to ~~:(A) Remedy,~~ or mitigate the fair housing issues identified in subsection (c) ~~in order to achieve fair housing choice, to address (e)(B), and to (B) Meet~~ the city's allocated housing need and housing production target while affirmatively furthering fair housing and achieving fair housing choice; ~~and~~

(A) Description and identification of needed housing types must include a quantification of each needed housing type which may be expressed as a percentage of the total allocated housing need and housing production target, respectively.

(B) Description and identification of needed housing, characteristics, and locations must include specificity including to the degree of quantification to the greatest extent possible. Where quantification is not possible, this requirement may be satisfied by representation of these needs in relative magnitude or narrative form.

(C) Needed homeownership housing must be identified at least as the relevant percentage per HB 2698 (2025) and applied to each income bracket of the allocated housing need and the housing production target provided in ORS 184.453(4).

~~(gf)~~ For cities subject to OAR 660-012-0310, the number of housing units needed for the city to make proportionate progress towards accommodating 30 percent of all housing in climate-friendly areas in pursuit of the greenhouse gas emissions reduction targets as provided in OAR 660-044-0020 and OAR 660-044-0025, including affordable and accessible units. Cities with additional residential mixed-use zones may also report on housing development in those areas, and may evaluate the relative success of measures supporting housing development in both areas.

(2) The contextualized housing need must be informed at a minimum by the following information:

(a) The housing production dashboard;

(b) The housing equity indicators including socioeconomic and demographic characteristics of households living in existing needed housing; ~~and~~

(c) Equitable engagement as provided in section (5); and

(d) Any statewide, regionally, or locally applicable information provided in section (3).

(3) The department may host a repository of information organized by state and regional applicability for use in the contextualized housing need. The department may update this repository as new information is available and obsolete or outdated information needs to be removed. Any information in this repository shall be considered to be "available" for the purposes of section (4).

660-008-0075(4)

Section summary: The previous section (section 3) introduced a state-provided data repository, hosted by the department. This repository may house any statewide, regional, or local information to support the work of the CHN. In response to feedback about the challenges of data collection and its applicability for Goal 10 – Housing requirements, the department expanded its role, as resourced, by offering centralized, accessible data beyond what is provided in the equity indicator and housing production dashboards. This new repository may house broadly applicable reports and datasets that assist cities in meeting their housing planning obligations. This section also emphasizes the department's commitment to supporting cities in their housing planning efforts, reinforcing the shared accountability of the state, local, and regional governments. By making these resources more easily available, the state intends to foster greater coordination and alignment in housing planning, ensuring that all levels of government can effectively contribute to meeting



housing needs. Any dataset included in the department's repository is one way information can be deemed "available and recent within the last five years" for the purposes of this section. This section (section 4) identifies additional, supplemental datasets that cities must use, if available and recent within the last five years, to further contextualize housing needs and housing choice considerations. The data listed has been added to and refined throughout the course of the rule writing process and what is included is intended to represent a strong starting point for types of known data related to housing.

Commentary:

Continuums of Care collect additional data beyond HUD Point-in-Time counts that may be relevant to understanding local housing needs. An additional item was added to the list of data that must be considered when made available accordingly.

In support of local governments completing their Goal 10: Housing planning obligations, which include planning for fair housing choice such that community members are able to live in any neighborhood of their choosing, the department and rulemaking project team have developed a Community Assets & Harms Mapping Tool. The mapping tool identifies and maps the prevalence of some community assets and harms relative to the rest of the jurisdiction and categorizes areas of the jurisdiction as having relatively high assets and high harms, high assets and low harms, low assets and high harms, or low assets and low harms. Local governments should compare this information with the rest of their local knowledge and the department's Community Explorer Tool which maps demographic information to understand varying conditions across the jurisdiction. This holistic analysis reveals locational trends, correlations, and needs.

As noted above, the Community Assets & Harms Mapping Tool is a required data input to the contextualized housing need analysis, however its inclusion in the rules stops short of a compliance pathway for the conclusions of the contextualized housing need. Because statewide mapping tools will always be limited in their inputs and breadth, and because errors in locational conclusions can have some of the largest and most harmful unintended consequences for fair housing choice, no locational compliance pathway is included.

Feedback was received requesting the Community Assets & Harms Mapping tool and its inputs and methodology be made available for comment. The [draft tool](#) and [an accompanying memo regarding its inputs](#) (hyperlinked in this sentence) have been available since the July 16th Housing Actions Work Group meeting materials were sent out, though under an old project name of "Opportunity Mapping" tool. Staff continue to welcome and request feedback.

Technical note: Reference is made to HB 2698 (2025) in the rules as a placeholder for the appropriate Oregon Laws citation. DLCD expects to see the Oregon Laws citation issued prior to rule adoption and plans to update this reference accordingly.

(4) The contextualized housing need must be informed by the additional information listed in this section as it is available and recent within the last five years. One way that additional information may be deemed to be available under this section is if it is listed in the department-hosted repository as provided in section (3).

(a) The State of Oregon Analysis of Impediments to Fair Housing Choice;

(b) An estimate of quantified housing need by the state, regional, local, or tribal government for individuals experiencing homelessness, protected classes, named communities in needed housing as provided in ORS 197A.018, and tribal communities;

(c) The HUD Annual Homelessness Assessment Report;



- (d) The applicable HUD Point-in-Time count conducted by the Continuum of Care that the city is located within in;
- (e) The applicable McKinney-Vento Homeless Student Data for all school districts that overlap with the city boundary;
- (f) Fair housing complaint data from federal, state, or local agencies;
- (g) Rental and homeowner vacancy rates;
- (h) Change in gross or net property values or rent over time;
- (i) Data collected by local coordinated care organizations;
- (j) Data collected by the Community Action Partnership of Oregon and its community action agencies;
- (k) Data collected by the Continuum of Care that the city is located within in addition to subsection (4)(d):
- (l) Trends that may negatively impact preservation of affordable naturally occurring market-rate units, such as redevelopment rates and changes in market conditions;
- (m) A comprehensive inventory of existing housing units by housing types, characteristics, and locations; and
- (n) Data from organizations that advocate on behalf of protected classes, named communities in needed housing as provided in ORS 197A.018, low-income communities, and tribal communities; and.
- (o) The department's Community Assets & Harms Mapping Tool;
- (5) The contextualized housing need must be informed by equitable engagement feedback that prioritizes and actively seeks to center communities of color, low-income communities, individuals with disabilities, and tribal communities, to ensure these perspectives are meaningfully incorporated.
- (a) In compiling existing engagement feedback for use in this section, to the extent it exists a city must utilize feedback from other housing-related engagement within the city conducted within the last five years including, but not limited to, consolidated plans for any of HUD's Community Planning and Development formula grant programs including Community Development Block Grant Entitlement Communities, transportation system plan updates under OAR 660-012-0120 through 660-012-0135, and public engagement for severely rent burdened households as defined in OAR 813-112-0010. Except for the requirement to center tribal communities by coordinating and consulting with tribal governments, if the city has comprehensive housing-related engagement feedback completed within the last five years that sufficiently informs the contextualized housing need requirements and the city finds that additional equitable engagement would not align with best practices in the Equitable Engagement Toolkit, the city may rely entirely on existing engagement feedback and must include an explanation for this determination in the equitable engagement summary.
- (b) If the city does not have comprehensive housing-related engagement feedback completed within the last five years that sufficiently informs the contextualized housing need requirements provided in section (1), a city must solicit direct feedback regarding all required analysis as provided in section (1) for which it does not have recent feedback. A city may refer to the department's Equitable Engagement Toolkit or OAR 660-012-0130 to employ best practices regarding equitable engagement.
- (c) A city must provide an equitable engagement summary as part of its contextualized housing need. The equitable engagement summary must include:



(A) A list and description of the types of interested parties and communities who comprise community members of needed housing including protected classes and named communities in needed housing as provided in ORS 197A.018, especially with regard to communities of color, low-income communities, individuals with disabilities, and tribal communities;

(B) As of the initiation of the contextualized housing need or later, the most recent list of tribal governmentstribes with ancestral connection to land within the city's jurisdiction or approved expansion areas from the Oregon Legislative Commission on Indian Services, and engagement with tribal communities is required through direct communication with all such identified tribal governmentstribes. A city satisfies the engagement requirement to center tribal communities in this rule when:

(i) Notice has been made to all tribal governmentstribes as identified in paragraph (B) by inviting government-to-government consultation and staff coordination in the development of the city's contextualized housing need, and

(ii) Follow up communication, consultation, and coordination as requested by the tribal governmentstribes regarding the contextualized housing need is complete.

(C) A summary of how the city engaged interested parties, communities, and tribal governmentstribes identified in paragraphs (A) and (B), including why they were engaged, engagement methods used, a list of each engagement effort or event being used to develop the contextualized housing need, and the interested parties, communities, or tribal governmentstribes identified in paragraph (A) or (B) who the city believes may still be underrepresented in this process;

(D) A summary of feedback received from each engagement effort or event, as well as a description of the major feedback themes attributed to the interested parties, communities, and tribal governmentstribes identified in paragraphs (A) and (B). A city must determine whether each major feedback theme either influenced the identification of fair housing issues and determination of the needed housing types, characteristics, and locations in the city in alignment with program principles or not. If a major feedback theme influenced these determinations, the specific fair housing issues or needed housing types, characteristics, and locations identified as a result of the feedback must be documented. If a major feedback theme did not influence the identification of specific fair housing issues or determination of needed housing types, characteristics, or locations; the city must provide a rationale explaining why.

(E) An evaluation of how to improve equitable engagement practices for future housing engagement efforts conducted by the city, including but not limited to affirmatively furthering fair housing and tribal coordination and consultation.

660-008-0075(6)

Section summary: This section outlines the rebuttable presumptions for conclusions of some needed housing types and characteristics in the contextualized housing need. Unless cities demonstrate that an alternative assessment method more accurately identifies housing need and affirmatively furthers fair housing for specific categories, cities must use the state-provided assumptions. A city may assume as follows:

- 40% of the production target and allocate housing need will be needed multi-unit housing
- 20% of the production target and allocated housing need will be needed middle housing
- Regional or local percentage of households with ambulatory difficulty, whichever is higher



Commentary: Given the rulemaking scope of the Housing Actions Work Group and all inputs into that scope, state staff have drafted a partial compliance pathway through the requirements of the Contextualized Housing Need. This compliance pathway offers certainty in the methods and conclusions of certain key housing needs. This section of rule offers identification of some key needs as rebuttable presumptions. Other housing needs not included in the list of key housing needs which are provided compliance pathways must be identified through the existing process outlined in OAR 660-008-0075(2-4).

Needed middle housing and multi-unit housing (housing types)

Relevant context:

Housing type mix is both a critical element to our current land use planning paradigm and one of the most challenging to identify true need for. Housing types have historically been correlated with affordability, making it difficult to assess true housing type need outside of that context. As a result, there is both significant pressure to identify an “ideal” housing type mix and limited need-based data, suggesting that a strong statewide stance is suitable.

Additionally, the purpose of the Contextualized Housing Need is to identify actual need as accurately as possible, with a specific focus on the principles of affirmatively furthering fair housing and fair housing choice. This proposal steers away from an incremental increase of middle and multi-unit housing from existing housing. An incremental approach does reach toward the policy objectives, however it simultaneously entrenches discrepancies in fair housing choice for housing types across Oregon, an effect that runs counter to the premise of the OHNA policy. It distributes need unequally across regions and perpetuates the status quo. It fails to support the OHNA’s promise to Oregonians, which is to begin to redress discrepancies in access to fair housing choice. As such, DLCD staff does not find an incremental approach meets legislative, program, enterprise, nor agency policy objectives and mandates.

Rather than identifying incrementally increased need based on current production, the state’s proposed rebuttable presumption attempts to identify an aggregate need across the state.

Compliance tool: Rebuttable presumption

The rebuttable presumption approach ensures a heavy level of program design incentive and obligation while also allowing local governments to deviate where they can demonstrate alternate need and are willing to risk the legal certainty that is frequently sought for this particular housing planning element.

Compliance content:

This housing type mix is informed by the 2022 ACS PUMS data of existing housing type mixes by region and affordability. Both for simplicity’s sake and to reduce the disparities in access to housing type diversity across the state, the proposed minimum percentages of multi-unit and middle housing are the respective averages of the data in the Metro region at the 0-30%, 30-60%, and 60-80% AMI income brackets rounded up to the nearest 5%. In part, this approach intends to acknowledge that, without enormous amounts of subsidy, new construction of housing will not meet the same affordability levels of existing stock. Given that, trending planning toward the housing types that currently meet deeper affordability will increase affordability of the newly constructed stock.

Additionally, disaggregation of the multiunit and middle housing minimum percentages is critical to ensuring the outcomes of housing type diversity meet the intent of the compliance pathway. With EConorthwest’s proposal of merging the two housing types into one compliance pathway, a local government could name their total multi-unit and middle housing need with any distribution of



middle and multi-unit housing therein, even if that distribution is severely weighted toward one of those housing types or another.

DLCD has received feedback that the percentages indicated in the type mix, which establish an ambitious goal, are not appropriate for all city sizes – both that they are too high for smaller jurisdictions and too low for larger ones. At the same time and as mentioned above, DLCD has heard interested parties promote the goal of simplicity and clarity in the rule and a reduction in the disparity of fair housing choice between city sizes.

For smaller jurisdictions, the design addresses the affordability crisis across Oregon. Statewide, housing options that are available at lower price points are in critically short supply. Single-unit detached developments have been the default housing type for decades, while other housing types have either been illegal or infeasible, leading to a homogenous housing stock. The premise of the OHNA is to break the cycle of projecting past harms into future planning. For larger jurisdictions, the percentages still represent an ambitious goal, though they are closer to current production numbers for the City of Portland.

It is important to remember that by constructing this compliance pathway as a rebuttable presumption, cities are allowed to conduct their own analyses, and use those numbers if they more accurately identify local need than the state-provided assumption and they affirmatively further fair housing.

Additionally, feedback was received that suggests housing type need should be adjusted in part based on the statewide homeownership needs, suggesting that multiunit housing is in conflict with substantial homeownership needs. There are multiple forms of ownership tenure that can be applied to multiunit housing including but not limited to condominiumization and cooperative housing ownership models, and this past legislative session worked to improve the environment for new condominium associations. The department does not intend to treat homeownership and other needs as mutually exclusive with any housing type needs. Instead, the OHNA program seeks to ensure that varying tenure types are available in all housing types.

Lastly, feedback was received that the housing type compliance pathway may risk underrepresenting larger, denser housing needs, especially given the rule's definition of multi-unit housing as simply five or more units (if not categorized as middle housing by local code), however no alternative approach was suggested. Staff recognize the challenges. In 2024 the Needs and Production Technical Advisory Committee (NAPTAC) discussed the potential to define multiunit housing as 20 units or more and the middle housing type planning bracket to be combined with multiunit housing of 5-19 units for the purposes of OHNA planning. When the committee explored this, significant concerns were raised by lenders and developers about disparate definitions for housing types across the housing production ecosystem and even confusion in implementation for local governments.

Needed accessible housing

Relevant context:

Accessible housing need spans various household compositions, abilities and disabilities, and current and future community members. Because accessible housing need is so diverse, there is no singular data point that can simply and accurately identify accessible housing need in jurisdictions statewide. Given the chronic deprioritization of accessible housing need – paired with the fact that the market will not produce sufficient accessible housing without support, it is likely a net positive to set a compliance pathway for accessible housing need even if it is not as comprehensive as would be ideal.



Identifying actions that might increase the production of accessible housing is the work of the HPS, while the CHN's job is to identify an accessible housing need. As such, data regarding past production of larger developments which may have some Type A or Type B units cannot provide a basis by which to project an accurate need assumption as much as demographic and population information about ability and disability does.

Compliance tool: Rebuttable presumption

Because of the severity of underproduction of accessible housing and the scale of the current and future need, if a local government is going to identify accessible need as less than that described in the rule, demonstration of why that identification equally or better represents the need when compared to the compliance pathway is warranted.

Compliance content:

In support of crafting as consolidated and streamlined a program as possible, this compliance pathway uses data that is already a required input of the contextualized housing need: the housing equity indicators published by Oregon Housing and Community Services. The proposed rule also supports the premise of the Oregon Housing Needs Analysis that local governments should not only consider their existing housing needs but also the regional needs that may not be reflected in the current housing stock. Lastly, staff discussions with accessible housing need experts confirmed that census data still captures an undercount of disability prevalence, suggesting a factor for this be applied to this compliance pathway for identifying accessible housing need. As such, staff have refined these draft rules to account for approximately a 20% undercount as has been revealed by comparative analyses of various disability reporting surveys and data sources. A local government must identify its accessible housing need as at least the percentage of households with members with ambulatory difficulties locally or in the region, both upsized by 20%, whichever is greater.

Some feedback received suggested also comparing different data sources to the current housing equity indicator American Community Survey (ACS) data and developing the compliance pathway to default to whichever data source, including the abovementioned sizing up, suggested a greater need. DLCD is working with OHCS to consider alternative data sources as well as how those data sources could be managed on the dashboards and illustrated for local government use. More consideration will be made of this suggestion though no amendments are drafted in this second set of draft rules.

(6) Unless a city demonstrates that an alternative method more accurately identifies these local housing needs and affirmatively furthers fair housing and the department finds this alternative method to be sufficient and accurate, a city must use the following methods to identify the following key housing needs. The requirement to identify all housing needs including those which are not included here as key needs remains regardless of use of the following methods to identify the following key needs.

(a) Needed multi-unit housing identified as at least 40 percent of the city's housing production target and allocated housing need.

(b) Needed middle housing identified as at least 20 percent of the city's housing production target and allocated housing need.

(c) Needed accessible housing identified based on the housing equity indicators as at least whichever is higher:

(A) the percentage of households in the city with ambulatory difficulty multiplied by 1.2, or

(B) the percentage of households in region with ambulatory difficulty multiplied by 1.2.

**660-008-0075(7)**

Section summary: This section outlines the safe harbors for conclusions of some needed housing characteristics in the contextualized housing need. Local governments may adopt the provisions in section (7) to reduce analytical burden and be assured compliance in the conclusions of the following housing needs:

- Regional or local percentage of households calculated by the elderly dependency ratio, whichever is higher.
- Regional or local housing equity indicator output for larger household housing, whichever is higher.

Commentary: Given the rulemaking scope of the Housing Actions Work Group and all inputs into that scope, state staff have drafted a partial compliance pathway through the requirements of the Contextualized Housing Need. This safe harbor approach offers certainty in the methods and conclusions of certain key housing needs. This section offers compliance pathways for some key needs as optional safe harbors. Other housing needs not included in the list of key housing needs which are provided compliance pathways must be identified through the process outlined in OAR 660-008-0075(2-4).

Needed adaptable housing**Relevant context:**

State staff propose using the elderly dependency ratio in the aging equity indicator as the safe harbor for *adaptable* housing need. While the elderly dependency ratio is currently embedded in the housing equity indicators, as a datum itself it is not currently displayed on the dashboard and a revision to the dashboard display to do so would be required. For reference and a basic understanding of scale and functionality, according to the World Bank, the elderly dependency ratio in the United States in 2024 was 28. This number provides a reasonable assumption of the number of homes that are likely to need to be retrofitted with accessible features.

Compliance tool:

This safe harbor also keys off the housing equity indicators to streamline the program and use data that is currently a required input per the existing rules. Similar to the above provisions, this rule aligns with the policy premise of the OHNA to take a regional perspective on needed housing and to disrupt planning cycles that perpetuate harms. As such, a local government must identify its adaptable housing need as at least its elderly dependency ratio applied as a percentage of housing need or at least the equivalent percentage for the region, whichever is greater.

Compliance content:

Given the approximate nature of elderly dependency ratio and its indirect identification of adaptable housing need, a safe harbor is recommended in the event that a local government has an alternative way to identify the scale of adaptable housing need without the burden to demonstrate that that alternative is equivalent or superior to applying the elderly dependency ratio as a percentage of need. DLCD received public comment which suggested retaining use of the elderly dependency ratio reflected as a percentage of the population need and adding the percentage of working age individuals in the city with ambulatory difficulty. Because the percentage of the population with ambulatory difficulty is being used as a compliance pathway to identify accessible housing need, staff do not currently see a way to reuse the data point to identify a distinct, albeit



related, housing need – adaptable housing need. DLCD remains open to reviewing alternative estimate approaches for the adaptable housing need compliance pathway and, with those, reconsidering the compliance tool (safe harbor, rebuttable presumption, minimum standard) for this compliance pathway.

Needed larger household housing

Relevant context:

Current planning approaches and development feasibility incentivize smaller unit sizes, especially for affordable unit. This results in a mismatch of needed housing, with a gap in affordable family sized units. As a city-wide action plan that includes both land use efficiency measures and non-land use actions, the HPS can delineate some minor adjustments to code structures that can be oriented to hold structural space for larger, affordable homes to be built where currently only small units are incentivized. Changes in the OHCS funding criteria have also oriented to support the development of larger, affordable units where previous funding structures oriented to unit counts above all else.

In alignment with this approach, a compliance pathway for an action in the HPS that responds specifically to larger household need is also proposed.

Compliance tool:

Given the potential for a more nuanced understanding of household size than the housing equity indicators currently offer, a safe harbor is recommended in the event that a local government has an alternative way to identify the scale or even tiers of larger household housing need without the burden to demonstrate that that alternative is equivalent or superior to applying the housing equity indicator for the percentage of “family households.”

Compliance content:

This safe harbor also relies on data that can be found in the equity indicators, and which is currently a required input to the CHN per existing rules. Like other proposed compliance pathways, this aligns with the premise of the OHNA policy as outlined in above sections. As such, a local government must identify its larger household housing need as at least its percentage of “family households,” as termed by the data source itself the American Community Survey Table B11001, or at least the equivalent percentage for the region, whichever is greater.

(7) A city may use the methods described below to determine the following key housing needs. Using these methods satisfies the requirements of subsection (1)(e) to determine these key housing needs. A city is required to identify all housing needs including those not identified as key needs in this section pursuant to section (1).

(a) Needed adaptable housing identified based on the housing equity indicators as whichever is higher:

(A) The elderly dependency ratio in the city applied as a percentage of housing need, or

(B) The elderly dependency ratio in the region applied as a percentage of housing need.

(b) Needed larger household housing identified based on the housing equity indicators as whichever is higher:

(A) The percentage of households in the city which are family households, or

(B) The percentage of households in the region which are family households.



Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 184.451, ORS 197.475 - 197.493 & ORS 197A.015-197A.470

History:

LCDD 15-2024, adopt filed 12/20/2024, effective 01/01/2025

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660-008-0100 Housing Capacity Analysis

Rule summary: This newly proposed rule specifies what must be included in the Housing Capacity Analysis (HCA). This analysis designates land on the comprehensive plan map to satisfy the 20-year housing needs by density range and type.

Commentary: A new section is proposed to provide clarification for what is included in the Housing Capacity Analysis (formerly referred to as the Housing Needs Analysis), for both cities subject to OHNA requirements and for cities below 10,000 people that have elected to do an HCA. The proposed language aims to clarify that the HCA must rely on information in the contextualized housing need. For cities below 10,000, a contextualized housing need is not required.

This rule is also proposed to be merged with -0110 Allocation of Buildable Land to clarity and readability of the rules so all HCA-related requirements are under the same rule. The rule structure also better aligns with the HPS rules (-0200).

Proposed amendments to existing rule text:

- Update language to align with updates to Goal 10 through adoption of House Bill 2001 (2023) which includes reference to the allocated housing need and contextualized housing need.
- Consistent with the proposed changes to the definition of "Buildable Land," a requirement is added in (3 for local governments to coordinate with public entities regarding how to inventory publicly owned land in the BLI. Based on CAUTAC feedback, additional clarification was added to specify who is included in "public entities." Guidance is anticipated to include how to document the coordination. For example, a copy of the notice and any comments or summary of who was engaged and the feedback received in a public engagement summary.
- Rules related to inventorying partially vacant land and utilizing a land market supply factor are also added under (4)-(6). In a previous draft, these rules appeared in Division 24 but were moved to Division 8 so that all BLI-related rules are in one place.
- A proposed change is made in (10) to correct a reference to the Climate-Friendly and Equitable Communities (CFEC) program from OAR 660-012-0310(2) to 0315(1). The CFEC rules were adopted in 2022 with additional amendments that were adopted in 2023. These rules were moved from 0110 Allocation of Buildable Land to this new rule for clarity and organizational purposes. While there was some feedback on the CFEC-related rule sections, no substantive changes are proposed because it is outside the scope of this rulemaking.
- For coordination with public entities, previous versions included, "Coordination includes timely notice to public entities and consideration of any feedback." Staff received comments from CAUTAC members that this is an unnecessary level of detail for rule, and staff agree this may be better suited for guidance since a formal notice is not necessary and other correspondence could achieve a similar outcome. It has been removed with intent to develop guidance on implementation of this rule.
- Newly proposed sections (7)-(9) describe requirements and options for determining and



discounting capacity of sites in the BLI in instances where those sites have not developed over the course of two or three HCA cycles.

Additionally, state staff are considering the impact and possibility of drafting rules that would require cities to plan to accommodate a level of housing need greater than their allocated housing need (for example, 125% of allocated housing need) as part of the BLI, HCA, and a local government's response in the event of a land deficiency. Rule amendments to this effect are not reflected in the materials provided and would be reflected in a future iteration.

660-008-0100 Housing Capacity Analysis

Cities shall adopt a housing capacity analysis as provided in OAR 660-008-0045. As provided in ORS 197A.280(2)(d), a city with a population of less than 10,000 may also elect to adopt a housing capacity analysis.

(1) At a minimum, the housing capacity analysis must include the following components:

(a) An inventory of buildable land and determination of housing capacity;

(b) An analysis of residential land needs based on the needed housing types; and

(c) A comparison of residential land need and housing capacity.

(d) For cities described in ORS 197A.015(3), the housing capacity analysis must also include a comparison of housing capacity and the needed housing locations determined in the contextualized housing need for the purposes of selecting actions under ORS 197A.100. This comparison may not be used to determine sufficiency of land for the purpose of amending an urban growth boundary.

(2) Local governments must determine the needed housing types and densities in the contextualized housing need, for cities subject to ORS 184.455, and the housing capacity analysis. Sufficient buildable land shall be zoned to allow needed housing by type and density range. The local buildable lands inventory must document the amount of buildable land in each residential plan designation in accordance with section (4) of this rule.

(3) When preparing the buildable lands inventory, the local government must coordinate with public entities on any publicly owned land they own to determine if the land may be suitable and available for the development of needed housing. Public entities include school districts, colleges, universities, and transit districts.

660-008-0100(4)-(9)

Section summary: This newly proposed section specifies how residential land is inventoried in the BLI as part of the Housing Capacity Analysis (HCA). Specifically, sections (4)-(6) provide direction and safe harbors for inventorying Partially Vacant Land in the BLI and estimating capacity on this land. Newly proposed sections (7)-(9) describe requirements and options for determining and discounting capacity.

Commentary: Consistent with feedback from the CAUTAC and legislative direction to increase clarity and certainty for local governments, a land market supply factor and safe harbors are introduced as additional options for inventorying partially vacant land. These optional methods aim to reduce analytical burden for estimating partially vacant land because they don't require local governments to conduct a parcel-by-parcel analysis. This section also proposes to include section OARS 660-024-0050(2) and expands on the existing safe harbor in section (5) by providing a new



safe harbor for cities with a population over 25,000 in section (6). This rule structure better aligns with the HCA rules in -0100.

(4) When inventorying partially vacant land to accommodate housing needs, a local government may utilize a reasonable land market supply factor to account for land that will not develop over the 20-year planning period with quantifiable validation and documentation of methodology used consistent with Goal 2 requirements.

(a) As a safe harbor when utilizing the land market supply factor, a local government may use a discount of 10% of total estimated residential capacity for partially vacant land.

(5) As safe harbors, a local government, except a city with a population over 25,000 or a metropolitan service district described in ORS 197.015(13), may use the following assumptions to inventory the capacity of buildable land to accommodate housing needs:

(a) The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;

(b) Existing lots of less than one-half acre that are currently occupied by a residence may be assumed to be fully developed.

(6) As a safe harbor, a local government with a population over 25,000 may use the following assumptions to inventory the capacity of buildable land to accommodate housing needs:

(a) The infill potential of developed residential lots smaller than one-half acre in the lowest-density residential comprehensive plan designation may be determined by subtracting one-quarter acre (10,890 square feet) from the unconstrained acreage for the existing dwelling;

(b) Existing lots of less than one-quarter acre, in the lowest-density comprehensive plan designation, with an existing dwelling may be assumed to be fully developed;

(c) Except for lots in 6(b), if the infill potential value determined in part (a) is equal to or greater than two times the minimum lot size, it is inventoried as buildable land.

(7) When determining capacity for each residential comprehensive plan designation, a local government must use the data described in 197A.270(4) and cannot estimate the forecasted capacity for any residential designation to be greater than the average achieved density since the last review without quantifiable validation for such departures.

(8) As a safe harbor, when inventorying vacant and partially vacant land to accommodate housing needs, a local government subject to ORS 184.455 may progressively discount the estimated residential capacity by one-third each HCA cycle for individual lots or parcels that have been inventoried as Development Ready and not yet developed or experienced infill.

(9) If not using the safe harbor in section (8) of this rule for estimating capacity on vacant and partially vacant land, a local government must discount the estimated capacity by fifty percent for individual lots or parcels that have been inventoried as Development Ready and not yet developed or experienced infill after two HCA cycles, and by one hundred percent after three HCA cycles.

(10) For purposes of preparing housing capacity analyses as provided in OAR 660-008-0045, the following provisions apply to local governments that are subject to OAR 660-012-0315(1):

(a) Following the initial designation of climate-friendly areas as required in OAR 660-012-0315, local governments shall maintain climate-friendly area zones with sufficient zoned residential building



capacity to contain at least 30 percent of current and projected housing needs. However, the local government shall determine housing capacity within the climate-friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.270(4) or ORS 197A.280, as applicable.

(b) The local government shall calculate the zoned residential building capacity within climate-friendly areas consistent with the provisions of OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10). The local government shall include demonstration of compliance with this requirement in each subsequent housing capacity analysis.

(c) The local government shall establish land use requirements in climate-friendly areas as provided in OAR 660-012-0320 for any newly designated climate-friendly area concurrent with or prior to the adoption of a housing capacity analysis.

(11) Beginning June 30, 2027:

(a) A local government subject to OAR 660-012-0315(1) that has identified a need to expand its urban growth boundary to accommodate an identified residential land need shall designate and zone additional climate-friendly area as provided in OAR 660-012-0315 concurrent with expansion of the urban growth boundary.

(b) A local government shall designate and zone climate-friendly area of sufficient size to accommodate the number of housing units equivalent to one-half of the number of additional housing units that cannot reasonably be accommodated within the current urban growth boundary.

(c) The local government shall calculate the climate-friendly area needed based on zoned residential building capacity as provided in OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10), while the local government shall determine housing capacity within the climate-friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.270(4) or ORS 197A.280, as applicable³⁵⁰⁽⁵⁾. Identified housing needs that would otherwise necessitate an urban growth boundary expansion shall only be accommodated in climate-friendly areas to the extent that the production of needed housing types within the climate-friendly areas may be anticipated consistent with ORS 197A.270(4) or ORS 197A.280, as applicable.

(d) The local government may choose to designate a portion of the newly expanded urban growth boundary area as climate-friendly area if the area qualifies for designation as provided in OAR 660-012-0310(2), or may choose to designate additional climate-friendly area in other locations within the urban growth boundary that qualify for designation.

(e) The local government may accommodate additional climate-friendly areas within one or more locations within the urban growth boundary. The designation and zoning of additional climate friendly area shall comply with all applicable requirements for climate-friendly areas as provided in OAR 660-012-0310 through OAR 660-012-0325.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.012 & ORS 197A.015-197A.470

660-008-0110 Allocation of Buildable Land

Rule Summary: This rule describes requirements of the Housing Capacity Analysis, which includes the Buildable Land Inventory. This analysis designates land on the comprehensive plan map to satisfy the 20-year housing needs by density range and type as determined in the

**Contextualized Housing Need.**

Commentary: This rule is proposed to be deleted with existing text to be moved to a newly created rule, 0100 Housing Capacity Analysis. This aims to add clarity and readability of the rules so all HCA-related requirements are under the same rule. The rule structure in -0100 also better aligns with the HPS rules which specifies all components that must be included (-0200). The title of "Allocation of Buildable Land" is not descriptive enough to reflect all rule content that is included.

660-008-0110 Allocation of Buildable Land

~~(1) The housing mix and density of needed housing is determined in the housing needs projection. Sufficient buildable land shall be designated on the comprehensive plan map to satisfy housing needs by type and density range as determined in the housing needs projection. The local buildable lands inventory must document the amount of buildable land in each residential plan designation.~~

~~(2) For purposes of preparing housing capacity analyses as provided in OAR 660-008-0045, the following provisions apply to local governments that are subject to OAR 660-012-0310(2):~~

~~(a) Following the initial designation of climate friendly areas as required in OAR 660-012-0315, local governments shall maintain climate friendly area zones with sufficient zoned residential building capacity to contain at least 30 percent of current and projected housing needs. However, the local government shall determine housing capacity within the climate friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.350(5).~~

~~(b) The local government shall calculate the zoned residential building capacity within climate friendly areas consistent with the provisions of OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10). The local government shall include demonstration of compliance with this requirement in each subsequent housing capacity analysis.~~

~~(c) The local government shall establish land use requirements in climate friendly areas as provided in OAR 660-012-0320 for any newly designated climate friendly area concurrent with or prior to the adoption of a housing capacity analysis.~~

~~(3) Beginning June 30, 2027:~~

~~(a) A local government subject to OAR 660-012-0310(2) that has identified a need to expand its urban growth boundary to accommodate an identified residential land need shall designate and zone additional climate friendly area as provided in OAR 660-012-0315 concurrent with expansion of the urban growth boundary.~~

~~(b) A local government shall designate and zone climate friendly area of sufficient size to accommodate the number of housing units equivalent to one half of the number of additional housing units that cannot reasonably be accommodated within the current urban growth boundary.~~

~~(c) The local government shall calculate the climate friendly area needed based on zoned residential building capacity as provided in OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10), while the local government shall determine housing capacity within the climate friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.350(5). Identified housing needs that would otherwise necessitate an urban growth boundary expansion shall only be accommodated in climate friendly areas to the extent that the production of needed housing types within the climate friendly areas may be anticipated consistent with ORS 197A.350(5).~~



~~(d) The local government may choose to designate a portion of the newly expanded urban growth boundary area as climate friendly area if the area qualifies for designation as provided in OAR 660-012-0310(2), or may choose to designate additional climate friendly area in other locations within the urban growth boundary that qualify for designation.~~

~~(e) The local government may accommodate additional climate friendly areas within one or more locations within the urban growth boundary. The designation and zoning of additional climate friendly area shall comply with all applicable requirements for climate friendly areas as provided in OAR 660-012-0310 through OAR 660-012-0325.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ~~ORS 197.012, ORS 197.475 – 197.490 & ORS 197A.015 – 197A.470~~

660-008-0120 Specific Plan Designations Required

Rule summary: This rule includes requirements for how land should be designated to serve a specific land use or need. Plan designations that allow or require residential uses shall be assigned to all buildable land. The plan designations assigned to buildable land shall be specific so as to accommodate the varying densities and type as determined in the needed housing type mix as part of a city's Contextualized Housing Need.

Commentary: Proposed changes include specifying that land designated for residential uses may also be used for neighborhood-serving commercial uses and open space to support the nearby residential areas and create a complete neighborhood where residents can be within close proximity to community assets. The purpose is to create walkable neighborhoods where residents can get their daily needs met, thus increasing fair housing choice.

660-008-0120 Specific Plan Designations Required

(1) Plan designations that allow or require residential uses shall be assigned to all buildable land. Such designations may allow ~~non~~residential uses as well as ~~non~~residential uses including but not limited to neighborhood-serving commercial as defined in OAR 660-024-0010(6) and open space to increase proximity to community assets and increase fair housing choice. Such designations may be considered to be “residential plan designations” for the purposes of this division. The plan designations assigned to buildable land shall be specific so as to accommodate the varying housing types and densities ~~identified in~~based on the local housing needs projection~~needed housing types~~.

(2) A local government may defer the assignment of specific residential plan designations only when the following conditions have been met:

(a) Uncertainties concerning the funding, location and timing of public facilities have been identified in the local comprehensive plan;

(b) The decision not to assign specific residential plan designations is specifically related to identified public facilities constraints and is so justified in the plan; and

(c) The plan includes a time-specific strategy for resolution of identified public facilities uncertainties and a policy commitment to assign specific residential plan designations when identified public facilities uncertainties are resolved.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.475 - 197.490 & ORS 197A.015 - 197A.470

**History:**

LCDD 15-2024, adopt filed 12/20/2024, effective 01/01/2025

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660-008-0150 Land Use Efficiency Measures

Rule summary: The housing production strategy requires local governments to take actions that ensure and promote the development of needed housing, these include actions that are land use efficiency measures and those that are not. LUEMs must be adopted prior to or concurrent with a UGB decision.

Commentary: The proposed rule provides local governments with additional clarity and certainty on the requirement to adopt LUEMs as well as a safe harbor for sufficiency of measures when taken in support of a UGB amendment decision. This rule also provides local governments subject to ORS 197A.270 with additional options for when LUEMs shall be adopted.

660-008-0150 Land Use Efficiency Measures

As provided in ORS 197A.100, a city must develop and adopt a housing production strategy (HPS) with a list of specific actions that ensure the opportunity for and promote the provision of needed housing. The totality of actions must include both land use efficiency measures (LUEM) and actions that are not LUEMs. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. This includes an analysis of measures to increase the development capacity of land already inside the UGB to accommodate needed housing.

(1) Local governments must adopt land use efficiency measures prior to or concurrent with a UGB expansion decision. In the context of a UGB expansion, local governments may consider the land need impacts of land use efficiency measures adopted after acknowledgement of the prior housing capacity analysis.

(a) For cities described in 197A.015, land use efficiency measures may be adopted by the local government:

(A) Concurrently with the adoption of a housing capacity analysis according to the schedule in Attachment A; or

(B) Concurrently with the adoption of the housing production strategy according to the schedule in Attachment A; or

(C) Within the first half of the housing production cycle, by the midpoint report due date as specified under OAR 660-008-0230.

(b) For local governments with a population below 10,000, land use efficiency measures in support of a UGB decision must be adopted concurrently with the adoption of the housing capacity analysis or concurrently with the UGB decision.

(c) If not necessary to support a UGB amendment decision, land use efficiency measures may be adopted by a local government at any time.

(2) As a safe harbor for residential land use efficiency, a local government must demonstrate that proposed land use efficiency measures, once adopted, are estimated to result in at least a 20 percent increase in the densities that are expected to be achieved over the next 20 years. The analysis



should start with the analysis of achieved average density of residential development that has occurred since the last adopted Housing Capacity Analysis.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.015-197A.470

660-008-0180 Development-Ready Land Inventory

Rule summary: This section provides considerations required of jurisdictions that must perform a Development-Ready Land Inventory.

Commentary: Categories described in readiness characteristics include stratification of readiness by meeting all definition requirements at the time of inventory, those parcels that meet requirements pending a public investment, and those parcels that meet definition requirements but fall short of achieved density (i.e. are underserved) for that zone.

660-008-0180 Development-Ready Land Inventory

(1) Cities subject to ORS 197A.100 shall perform a Development-Ready Land Inventory as a sub-set of land identified in a jurisdiction's Buildable Land Inventory.

(a) A Development-Ready Land Inventory shall identify those parcels zoned to allow residential use that are readily-served through adjacent public facilities, or financially committed to being served, by all public facilities necessary for the occupancy of a housing unit within the near-term. As used in this section, "adjacent" means facilities exist within 300 feet from the nearest property line of the site.

(b) Parcels identified as development-ready may not be:

(A) Unable to support to the minimum density of residential units of its assigned zoning designation due to physical constraints (OAR 660-008-0005(6)).

(B) Limited by public facility capacity in supporting a parcel's minimum density;-or

(C) Encumbered by Goal 5 resources or associated facilities that require discretionary permitting such that residential development capacity assumed in the jurisdiction's Buildable Land Inventory is rendered unviable in the planning period.

(2) A city shall enumerate development-ready parcels geospatially and in gross acreage, by readiness characteristic, as follows:

(a) Buildable land zoned to allow residential urban development and readily-served shall be one category;

(b) Buildable land zoned to allow residential urban development and serviced in the near-term shall be a separately identified category.

(c) Buildable land zoned to allow residential urban development but only able to achieve minimum density shall be a separately identified category.

(3) A city shall not consider any parcel that is not categorized as provided in subsections 2(a), (b), or (c) as development-ready.

(4) The ineligibility of parcels to be qualified as development-ready under section (3) does not change their characterization in the jurisdiction's Buildable Land Inventory.



Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.210, ORS 197A.015, ORS 197A.100

660-008-0185 Sufficiency of Development-Ready Land

Rule summary: This rule provides criteria for the amount of development-ready land a jurisdiction must have, connecting this inventory back to a jurisdiction's Housing Target.

Commentary: This section draws on Buildable Land Inventory rules to determine capacity of land in the calculation of land that is development-ready. To abrogate concerns that a jurisdiction may over-estimate redevelopment potential of land available for development in the near-term, a limit is provided as to how much redevelopment may be considered in meeting a jurisdiction's housing target.

660-008-0185 Sufficiency of Development-Ready Land

(1) A city shall satisfy identified housing production targets (ORS 184.455) consistent with OAR 660-008-0075 (Contextualized Housing Need) through the provision of sufficient development-ready land. A city must:

(a) Calculate capacity of development-ready land consistent with capacity assigned in a jurisdiction's Buildable Land Inventory.

(b) Quantify sufficiency of development-ready land in acres and in translation of acres to needed units. The amount of capacity assumed to be contributed by redevelopment shall be noted.

(c) Map locations of Development-Ready Land, except for redevelopment, to overlay or otherwise compare Buildable Land to Development-Ready Land.

(d) Cities wishing to assume more than 20 percent of housing production target be satisfied by redevelopment must provide quantifiable validation.

(2) If a city's Development-Ready Land Inventory enumerates a deficiency of development-ready land quantity, or development-ready capacity, a jurisdiction shall commit to housing production actions (ORS 197A.100(3)) that remedy the deficiency. A city:

(a) Shall select actions that materially incorporate results from the Contextualized Housing Need in showing how an action will alleviate an identified development-ready land or capacity deficiency; and

(b) Shall explain how the cumulative impact of development-ready land actions taken together will result in sufficient development-ready land.

(c) May choose actions that increase development-ready land quantity or capacity to serve other community objectives.

(3) A city may adopt a Development-Ready Land Inventory with the Buildable Land Inventory, or the Development-Ready Land Inventory may be included in submittals for a jurisdiction's Housing Production Strategy.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.210, ORS 197A.015, ORS 197A.100

**660-008-0200 Housing Production Strategy Structure**

Rule summary: The Housing Production Strategy is a plan of action to address needed housing as identified in the Contextualized Housing Need. This rule describes the required elements and structure of the Housing Production Strategy, including a summary of community engagement and commitments to specific actions.

Commentary: In the first paragraph, “public works” is proposed to be added to the list of departments that cities must work with in developing and implementing the HPS. Public works and related departments will likely play an important role in implementing actions related to development-readiness.

660-008-0200 Housing Production Strategy Structure

As provided in ORS 197A.100, a city must develop and adopt a housing production strategy. The housing production strategy is a comprehensive city-wide action plan encompassing all domains in a city’s control to promote housing production, affordability, and choice. A city must work interdepartmentally to the extent possible in developing and implementing the housing production strategy and the associated engagement work, including but not limited to collaboration across the planning, permitting, public works, and community development departments. At a minimum, the housing production strategy must include the contextualized housing need as directed by OAR 660-008-0075 and the following components:

(1) Equitable Engagement – In addition to, or as part of, the equitable engagement undertaken for the contextualized housing need under OAR 660-008-0075(5), a housing production strategy must include equitable engagement specific to developing the housing production strategy and in particular the selection of the actions as provided in section (2) and the assessment of benefits and burdens as provided in subsection (2)(b)(K).

(a) A city must solicit feedback from producers of needed housing, and particularly those who represent or serve communities of color, low-income communities, individuals with disabilities, and tribal communities, including tribal governments to ensure these perspectives are meaningfully incorporated. A city may refer to the department’s Equitable Engagement Toolkit to employ best practices regarding equitable engagement.

(b) A city must utilize any relevant engagement feedback from the contextualized housing need under OAR 660-008-0075(5).

(c) A city must provide an equitable engagement summary as part of the housing production strategy. The equitable engagement summary must include:

(A) A list and description of the types of interested parties and communities who comprise producers of needed housing who represent or serve protected classes and named communities in needed housing as provided in ORS 197A.018, especially with regard to those to represent and serve communities of color, low-income communities, individuals with disabilities, and tribal communities.

(B) The list of tribal governments~~tribes~~ as provided in OAR 660-008-0075(5)(c)(B). A city satisfies the engagement requirement to center tribal communities in this rule when:

(i) Notice has been made to all tribal governments~~tribes~~ as identified in paragraph (B) by inviting government-to-government consultation and staff coordination in the development of the city’s housing production strategy, and

(ii) Follow up communication, consultation, and coordination as requested by the tribal



governmentstribes regarding the housing production strategy is complete.

(C) A summary of how the city engaged interested parties, communities, and tribal governmentstribes identified in paragraphs (A) and (B), including why they were engaged, engagement methods used, a list of each engagement effort or event being used to select the actions in the housing production strategy and assess the benefits and burdens analysis as provided in subsection (2)(b)(K), and the interested parties, communities, or tribal governmentstribes identified in paragraphs (A) and (B) who the city believes may still be underrepresented in this process;

(D) A summary of feedback received from each engagement effort or event, as well as a description of the major feedback themes attributed to the likely impacted interested parties, communities, and tribal governmentstribes identified in paragraphs (A) and (B). A city must determine whether each major feedback theme influenced the selection of actions in the housing production strategy in alignment with program principles or not. If a feedback theme influenced the selection of action or actions, it must be documented. If a theme did not influence the selection of action or actions, the city must provide a rationale explaining why.

(E) An evaluation of how to improve equitable engagement practices for future housing engagement efforts conducted by the city, including but not limited to improvements in affirmatively furthering fair housing and tribal coordination and consultation.

660-008-0200(2)

Section summary: This section includes a list of elements that must be included in a HPS specific to the actions a local government selects to meet current and future housing need.

Commentary: Proposed amendments add a provision that a local government must specify whether the action is intended to address a buildable land and/or development-ready land deficiency if identified. Additionally, as noted in the box attached to the definition of “Action”, staff redirected the language in subsection b to this section of rule and is now reflected in this section, specifically -0200(2)(b)(B).

Staff propose to merge the concepts of “land use efficiency measures” (related to CAUTAC scope) and “land use actions” (related to HAWG scope) by deferring to the land use efficiency measure definition. Staff determined that there was little material difference in the meaning of the terms and that the value of a unified concept and term far outweighed the minor distinction that was being made. The amendment intends to reduce redundancy and confusion for local governments doing both land use efficiency measures in response to a land deficiency and a housing production strategy.

Rulewriting practice directs the definitions rules to be as purely definitional as possible rather than regulatory. To conform with this practice, rules related to “alternate actions” have been moved from the definitions rule and adapted for inclusion in this rule and section, drafted as subsection (c).

Feedback from HAWG members indicate consistent interest in seeing actions that redress historical harms to communities of color and analyses to track their outcomes. While the compliance pathway rules focus narrowly on land use efficiency measures, the base rules of the HPS program are designed to support those goals. Commenters specifically call out analysis and mitigation of displacement risk and development of a range of tenure opportunities – both key goals of the HPS program and addressed in OAR 660-008-0200.



Furthermore, interest was indicated in seeing accountability that is tied to local racial equity outcomes as reported in the equity indicators. As designed, the equity indicators provide key data points in both selecting cities for comprehensive audits in the housing acceleration program and in the audit for local housing barriers. Analysts who developed the equity indicators expressed that many of them should be used as a starting point for more thorough inquiry and understanding of local conditions given the margins of error on some indicators and in smaller data sets (like for smaller cities). As the state invests in a more robust data collection initiative, the equity indicators will be continuously updated.

(2) Actions to Meet Current and Future Housing Need – A housing production strategy must include a list of specific actions that ensure the opportunity for and promote the provision of needed housing to at least meet the housing production target, by affordability bracket, with net new units for the city's six- or eight-year housing production strategy cycle. The totality of actions must include both land use efficiency measures and actions that are not land use efficiency measures. The provision of needed housing includes its development, preservation, rehabilitation, adaptation, and maintenance while also affirmatively furthering fair housing by maximizing benefits and minimizing burdens for protected classes and named communities in needed housing as provided in ORS 197A.018, with particular focus on communities of color, low-income communities, individuals with disabilities, and tribal communities. The housing production strategy must demonstrate that the identified actions collectively support the city's needed housing types, characteristics, and locations as identified through the contextualized housing need as provided in OAR 660-008-0075. A housing production strategy may identify actions including, but not limited to, those described in ORS 197A.100(3), actions listed in the Housing Production Strategy Guidance for Cities adopted by the commission and published by the commission-department under Attachment B. The housing production strategy must include:

(a) A review of actions already implemented that includes:

(A) The city's most recently completed survey to meet the requirements of ORS 197A.115; and

(B) A reflection on each action in the survey in paragraph (A) and its efficacy in producing net new needed housing types, characteristics, and locations and in remedying or mitigating the fair housing issue or issues the action was intended to respond to. This reflection must include a review of:

(i) The housing production dashboard,

(ii) The housing equity indicators, and

(iii) For cities subject to OAR 660-012-0315(1) or cities within Metro Region 2040 Centers as defined in OAR 660-012-0005(24), housing developed in compact, mixed-use areas as provided in OAR 660-012-0905 or included in an approved land use and transportation scenario plan as provided in OAR 660-044-0050 or OAR 660-044-0120.

(b) A report outlining each action in the housing production strategy. For each action, this report must include:

(A) A title and description of the action chosen;

~~(B) A title and description of the alternate action chosen, if any~~

~~(B)~~ (C) The identification number from the Housing Production Strategy Guidance for Cities and, if the department has developed corresponding adoption-ready action resources, whether the city intends to implement those resources either in part or in full. For any action not listed in the Housing



Production Strategy Guidance for Cities under Attachment B, the city must provide an explanation as to how the action will address the identified housing needs and fair housing issues as effectively as or more effectively than relevant actions from the Housing Production Strategy Guidance for Cities under Attachment B;

(C) Identification of whether the action is a land use efficiency measure, and if so, whether it is intended to satisfy a buildable land deficiency in whole or in part as identified in the housing capacity analysis, if applicable;

(D) Identification of whether the action is taken in response to a development-ready land deficiency as identified in the development-ready land inventory, if applicable;

~~(ED)~~ An adoption year for the action, if applicable;

~~(EE)~~ A year for when the action will be implemented;

(i) Cities must consider the sequencing of actions when establishing implementation timelines. Actions shall be scheduled to maximize benefits and minimize burdens, ensuring that their timing aligns with and complements other actions for the most beneficial overall impact.

(ii) Sequencing decisions shall consider in particular the benefits and burdens of communities of color, low-income communities, individuals with disabilities, and tribal communities.

~~(GF)~~ A time frame over which the action is expected to begin meeting housing need;

~~(HG)~~ The action's expected magnitude of impact on the development of needed housing over the six- or eight-year housing production target horizon;

~~(IH)~~ A description of critical steps that all relevant staff and departments of the city and other interested parties and partners must take to implement the action;

~~(J)~~ A description of how the city will assess and track the results of the action;

~~(KJ)~~ The housing need met in terms of:

(i) Any fair housing issues the action is expected to mitigate or resolve;

(ii) The needed housing types the city expects the action to produce,

(iii) The needed housing characteristics the city expects the action to produce, including at a minimum tenure and affordability per the income brackets provided in ORS 184.453(4),

(iv) The needed housing locations the city expects the action to produce, and

(v) The major feedback theme the action is responsive to;

~~(LK)~~ An analysis of the income and demographic populations that the city anticipates to receive benefit or burden from the action, including but not limited to:

(i) Low-income communities,

(ii) Communities of color;

(iii) Individuals with disabilities; and

(iv) Tribal communities; and

~~(ML)~~ The names of any complementary actions in the housing production strategy or other



implementation details specifically intended to pair with this action in order to strengthen needed benefits or mitigate burdens.

(c) Alternate actions, if selected.

(A) Alternate actions must:

(i) Be associated directly with only one of the primary actions;

(ii) Include a title and description;

(iii) Include the identification number from the Housing Production Strategy Guidance for Cities. For any action not listed in the Housing Production Strategy Guidance for Cities under Attachment B, the city must provide an explanation as to how the action will address the identified housing needs and fair housing issues as effectively as or more effectively than relevant actions from the Housing Production Strategy Guidance for Cities under Attachment B;

(iv) Include a description of critical steps that all relevant staff and departments of the city and other interested parties and partners must take to implement the action;

(v) Include a description of how the city will assess and track the results of the action; and

(iv) Be commensurate in benefits and logistics as the associated primary action including being comparable or more effective than the primary action under subsections (2)(b): (C-H) and (K-M).

(B) A city may pursue an alternate action in lieu of the primary action if a determination is made as a result of exploratory work or other circumstances that the primary action is not feasible.

(C) Compliance with the action adoption year of the primary action as provided in subsection (2)(b)(E) and implementation year as provided in subsection (2)(b)(F) may be met by implementation of either the primary or the alternate action.

(c) Delinquent Actions – The city must include any actions from the most recently adopted or amended housing production strategy which were not completed during the previous housing production strategy cycle in the current housing production strategy along with an implementation year prior to the city's midpoint report due date. Delinquent actions from the previous housing production strategy cycle are ineligible for requests for timeline extensions and replacement actions in the midpoint report and review.

660-008-0200 (3-5) Housing Production Strategy Structure – All Compliance Pathways

Rule summary: This rule describes the compliance pathways for meeting the land use efficiency measure requirement of this rule. It applies compliance pathways to four specific land use efficiency measures:

- Housing type: Middle housing (minimum requirement)
- Housing type: Multi-unit (safe harbor)
- Accessible housing (rebuttable presumption)
- Adaptable housing (rebuttable presumption)
- Affordable housing (rebuttable presumption)
- Unit size (minimum requirement)

Commentary:



Sections (3-5) are proposed as new sections within this rule to outline how a local government may or must select and implement specific land use efficiency measure action(s) in its HPS. The proposed actions target key land use efficiency measures that are likely to impact production in most communities throughout Oregon. In addition to the standardized actions below meant to provide compliance for the obligation to take some land use efficiency measures actions in the HPS, jurisdictions remain obligated to select and implement other kinds of actions that respond to the entirety of housing needs identified in the contextualized housing need. This is critical to all below recommendations: The draft rules bifurcate the program in such a way that the obligation to take certain land use efficiency measures may be satisfied through use of the state-provided compliance pathway, but the obligation to take other kinds of actions to meet housing needs remains subject to the existing rules.

These rules are developed in alignment with the model code as directed by SB 1564 (2024) which segments the model code by city size. Draft rules have been developed for the bulk of the jurisdictions that are subject to the full Goal 10 obligations of the HPS and Acceleration programs which fall into either the medium or large and metro city categories, or those subject to ORS 197A.015(3). This safe harbor approach retains flexibility for cities to pursue alternate standards as long as they are no more restrictive. The model code itself is designed to:

- Establish a reasonable baseline for development with standards that are substantially less restrictive than most modern development codes, and
- Integrate additional bonuses and flexibilities to encourage the delivery of policy objectives

The land use actions below are encouraged or required at different levels of prescription. The language indicates whether a city may take an action to be assured compliance (safe harbor), whether it must take an action but can rebut with another that has commensurate magnitude of impact (rebuttable presumption), or must take a specific action at a minimum (minimum requirement). The graphic below indicates where each action falls on that spectrum.

DLCD received feedback that, while use of compliance pathways in responding to local need reduces local government analytical burden, it risks losing nuanced local analysis--especially where it comes to responding to racial equity concerns and affirmatively furthering fair housing. State staff acknowledge this trade-off for the land use efficiency measures in the compliance pathway. In light of these concerns from a locational perspective, where locational choices are made these version 2 draft rules charge local governments to implement these compliance pathways for local development and zoning codes in a locationally distributed way that affirmatively furthers fair housing. For actions outside of the compliance pathway, application of the program's base rules continues to require and emphasize local specificity in the ways that jurisdictions to respond to their need.

Relatedly, commenters request that the department include non-land-use efficiency measures in the compliance pathways as well. At this time state staff have narrowed the scope of the current rulemaking effort to focus on high-impact land use efficiency measures for compliance pathway development.

Compliance Tools	Guidance	Safe Harbor	Rebuttable Presumption	Minimum Requirement
Description	Optional; no legal protections to local government	Optional; legal protections to local government	Sets baseline that constitutes compliance; cities can	Sets universal requirement; no deviation on that



			go above	allowed
Needed Housing	All other needed housing	Multi-unit housing	Accessible housing Adaptable housing Affordable housing	Middle housing Unit size

660-008-0200(3) Housing Production Strategy Structure – Minimum Standards

Rule summary: This rule section describes the land use efficiency measures that every jurisdiction subject to OHNA must take via the state-provided compliance pathway.

Commentary:**Land Use Efficiency Measures to Meet Middle Housing Need****Relevant Context:**

Allowing and promoting middle housing is a demonstrably high-impact policy intervention to produce more and a greater diversity of housing units at different price points. ECONorthwest's analysis revealed that, despite statewide legalization via House Bill 2001 (2019), significant barriers remain to the production of middle housing. This proposal orients to the model code, applying a minimum requirement compliance tool to decrease barriers in specific areas in zones that are subject to middle housing requirements.

One important consideration is that the model code minimizes design requirements such as open space and landscaping requirements. Livability across income brackets remains a central focus, and a critical element of fair housing choice, a fact that we have heard consistently from interested parties. If we apply the model code broadly across Oregon, design consequences may have an outsized impact on lower income families and individuals. Key mitigation strategies that emphasize livability, such as reducing heat islands, ensuring outside play space, and improving tree canopy and ensuring livability burdens are not disproportionately shouldered across demographics should remain an implementation focus. These rules are being developed simultaneously with the model code and any such considerations could be operationalized either by refinements to the model code or to refinements of the application of the model code in these administrative rules for the Housing Production Strategy program.

Compliance Pathway: Minimum Requirement**Medium Cities:**

Proposed rule would implement the new medium city model code for middle housing on all residentially designated land zoned for middle housing.

Large Cities:

Proposed rules implement middle housing model code on large percentages of development ready residential land zoned for middle housing, including, at a minimum:

- 50% of buildable residential land with residential zones subject to middle housing requirements;
- 100% of development-ready land with residential zones subject to middle housing requirements;

**Larger household housing****Relevant Context:**

The limited requirement associated with this need is based largely on the findings in the CHN section related to need for and potential unintended consequences related to encouraging family-sized units. The proposed minimum requirement aims to allow greater flexibility in how minimum density is calculated by local governments in order to support affordable developments with larger household-sized units. By allowing affordable housing developments to be calculated by bedroom rather than by unit, a developer may meet a local government's minimum density requirement, if there is one, while also supporting the production of larger, affordable units. The restriction to affordable housing mitigates against unintentionally incentivizing large, market rate single-unit dwellings.

Feedback indicated broad support for the inclusion of this requirement.

Compliance Pathway: Minimum Requirement

All cities over 10,000 in population: Allow affordable housing to calculate minimum density requirements by bedroom rather than by unit.

(3) A city must satisfy the requirement to respond to the following needed housing types and characteristics with land use efficiency measures in its housing production strategy under section (2) in compliance with the following subsections. As used in this section "medium city" means a city that has a population of 10,000 to 24,999 or is a jurisdiction named in ORS 197A.015(3) and "large city" means a city that has a population of 25,000 or greater.

(a) To plan for a diversity of unit sizes or family sized units with land use efficiency measures a city must allow affordable housing developments to calculate minimum density requirements by bedroom rather than by unit for any minimum density requirement.

(b) To plan for middle housing with land use efficiency measures:

(A) A medium city must adopt the model ordinances for medium cities for middle housing development types, or zoning or development standards that are demonstrably comparable or no more restrictive than the model ordinance standards, on all buildable residential land in zones subject to middle housing requirements under OAR 660-046-0205.

(B) A large city must adopt the model ordinances for large cities for middle housing development types, or zoning or development standards that are demonstrably comparable or no more restrictive than the model ordinance standards, on:

(i) At least 50 percent of buildable residential land in zones subject to middle housing requirements under OAR 660-046-0205, and

(ii) 100 percent of development-ready land in zones subject to middle housing requirements under OAR 660-046-0205.

(C) In meeting the requirement in subsection (b)(B)(i), a city must use the following analyses to



determine lands to include or exclude and must clearly describe how the locational choices in applying this rule affirmatively further fair housing and do not exacerbate or create new fair housing issues:

(i) The Fair Housing Issue Area Analysis under OAR 660-008-0075(1)(c), and

(ii) The locational need conclusions under OAR 660-008-0075(1)(e)(B).

660-008-0200(4) Housing Production Strategy Structure – Rebuttable Presumptions

Rule summary: This rule section describes the land use efficiency measures that every jurisdiction subject to OHNA must take via the state-provided compliance pathway, unless the jurisdiction can demonstrate that other actions more effectively address the specific need.

Commentary:

Accessible and Adaptable Housing:

Relevant Context:

We know that production of accessible and adaptable housing faces significant barriers, and the result is a dire shortage of accessible and adaptable units in most, if not all, jurisdictions in the state. Establishing a compliance pathway using the incentive structure developed for the model code could empower most cities with tools to support accessible and adaptable housing development.

ECONorthwest outlined a concern about an accessible housing compliance pathway approach. “This concept includes a safe harbor related to zoning to increase accessible units through encouraging development of multi-unit housing that is more likely to include Type A and/or B units, despite the fact that the CHN analysis in the previous section suggests that this may not be the most effective way to address the most pressing gaps in accessible housing because many of the other actions that could more substantively benefit accessibility (e.g., offering funding for home retrofits or for affordable housing with higher levels of accessibility features) may not be viable for many jurisdictions that do not have dedicated local funding for housing programs. The state will need to choose between encouraging cities to take land use actions that may offer some benefits for accessibility and encouraging a broader range of actions that may include targeted funding to address the most pressing accessibility needs.”

While all the compliance pathways established in rule will be “partial,” it is worth noting that this policy objective will need significant targeted support via non-land use actions in addition to the safe harbor. Importantly, the partial design of the compliance pathway mitigates the need for “the state to choose between” the two approaches. Rather, it will support both. Given this context, it is clear that the need will require other actions targeted to support accessible housing that support the incentive structure described in the model code. The existing rules establish a minimum requirement that jurisdictions respond to an identified need for accessible housing by selecting one or more actions that meet that need. The broader HPS menu of actions will allow cities to easily find and select actions to support that need. If we establish a safe harbor, that rule will remain critical – but the focus will narrow to non-land-use actions that support accessible housing need. Still, HAWG members are concerned that without specific focus and direction, non-land-use elements of the program will get short shrift, specifically with regard to actions that can maximize the impact of land use efficiency measures – such as affirmative marketing requirements for accessible housing.



Feedback was received that, even paired with other actions, this may not be the most effective land use intervention the state can provide. One HAWG member suggested that DLCD develop an adoption-ready action to create a standardized overlay zone that supports accessibility. Staff are eager to work with our partners to develop more adoption-ready actions, and will continue to work with our partners to add to that library. If it becomes clear that another standardized action addresses the same need and carries more impact, the commission may consider directing staff to update the compliance pathways.

Finally, some commenters suggested that the state should take a stronger stance on accessibility by creating a rebuttable presumption pathway for adopting the incentives rather than a safe harbor.

Compliance Pathways: Rebuttable Presumption

Sample language:

Incentivize adaptable and accessible housing for the relevant city size consistent with new state model code standards (including bonuses) for all housing types available.

Affordable housing:

Relevant Context:

A critical policy objective, HAWG members and other interested parties have consistently urged staff to consider what levers we may have to support significantly greater affordable housing development. As with all other areas of this proposal, local governments must also adopt actions that are not land-use efficiency measures to respond to the identified need. The model code outlines an incentive structure that describes a sufficiently ambitious action toward affordable production when paired with non-land-use actions that support and optimize the opportunity that the land use intervention provides. In alignment with other actions in this section, this proposal points to the model code.

Version 1 of the rules did not include a compliance pathway for affordable housing. HAWG members and commenters broadly identified this as a critical gap. Version 2 includes a pathway that mirrors those developed for accessible and adaptable housing, referring to the incentives developed in the model code.

Feedback was received that achieving significant production of affordable units is difficult. This pathway intends to provide an at-the-ready tool that cities may apply to help stimulate production of affordable housing. Still, staff understand that a single intervention will likely not be enough to realize affordable housing targets. This tool is one of many that will be required to build the housing cities need.

Compliance Pathway: Rebuttable Presumption

For medium cities:

Incentivize affordable middle housing and multi-unit housing consistent with new state medium cities middle housing and multi-unit model code standards (including bonuses).

For large cities:

Incentivize affordable middle housing and multi-unit housing consistent with new state large cities middle housing and multi-unit model code standards (including bonuses).



(4) A city must satisfy the requirement to respond to the following needed housing characteristics with land use efficiency measures in its housing production strategy under section (2) in compliance with the following subsections or rebut this requirement. Rebuttal of this requirement must demonstrate through analysis that alternative zoning or development standards are comparable or no more restrictive than the model ordinance standards. This section of rule does not apply if the city already taken or exceeded the equivalence of these actions.

(a) To plan for affordable housing need with land use efficiency measures a city must adopt the model ordinances appropriate for the city size to incentivize affordable middle and multi-unit housing under OAR 660-008-0425.

(b) To plan for accessible housing need with land use efficiency measures a city must adopt the model ordinances appropriate for the city size to incentivize accessible housing for all housing types available under OAR 660-008-0425.

(c) To plan for adaptable housing need with land use efficiency measures a city must adopt the model ordinances appropriate for the city size to incentivize adaptable housing for all housing types available under OAR 660-008-0425.

660-008-0200(5) Housing Production Strategy Structure – Safe Harbors

Rule summary: This rule section describes the land use efficiency measures that jurisdiction subject to OHNA may take via the state-provided pathway to achieve certainty in compliance

Land Use Efficiency Measures to Meet Multi-unit Housing Need

Compliance Pathway: Safe harbor

For medium cities:

Medium cities must adopt multi-unit code no more restrictive than model code, unless rebutted, including at a minimum:

- 50% of buildable residential land; and,
- 50% of development-ready land

For large cities:

Large and Metro cities must adopt multi-unit code no more restrictive than model code, unless rebutted, including at a minimum:

- 50% of buildable residential land; and,
- 50% of development-ready land

Commentary:

Relevant Context:



Multi-unit housing is critical to meet Oregon's significant housing need. Not only does it allow efficient development and relative natural affordability – it also unlocks key funding mechanisms which are necessary to meet housing need at the lower end of AMI (housing the market will never produce). Draft rules propose two options that large cities may choose between to meet this requirement. This proposal delineates a rebuttable presumption that allows cities to propose alternative approaches to meeting multi-unit housing need that are sensitive to local context as long as they do not impose standards that are more restrictive than those in rule. If a local government chooses to rebut it must provide analysis that applying the model code is objectively infeasible or provide a development feasibility analysis that shows that the local code they are proposing has the same or more comparative development feasibility for multi-unit housing. Like the other actions in this program, this proposal orients to the model code.

Many interested parties and members of the HAWG have discussed the limited land area in which multi-unit development is currently allowed in most cities. Interested parties have suggested that, in planning for needed housing, there is an imperative to allow multi-unit development in many more places, not just liberalize standards in places where they are already allowed. The proposed path in this version 2 of the draft rules is to include a provision to expand the percentage of lands on which multi-unit housing is allowed but decrease the prescriptiveness of the compliance pathway from a rebuttable presumption to a safe harbor. The previous path which was proposed in version 1 was to focus only on liberalizing the standards for multi-unit development in lands already zoned to allow it, not to increase the lands zoned to allow it, and to use the rebuttable presumption compliance tool.

Separately, version 1 of the rules included two options for presumptions in this compliance pathway. In concept, the options are to partially apply the development intensity suited for the city size or wholly apply a development intensity suited for a smaller city size.

One of the drawbacks of this approach is regulatorily introducing adoption of the model code for a city size smaller than intended – while there is some creativity here, programmatically and in terms of implementation this introduces risk of confusion and negotiation regarding which model code is appropriate for a given city size rather than sticking exclusively to a regulatory approach that applies the model code of the appropriate city size. It also introduces more analytical burden and negotiation between the two options at a local level rather than providing a truly clear and straightforward compliance pathway. Version 2 offers this by removing the smaller city model code application option in this compliance pathway and focusing the compliance pathway only on application of the model code that corresponds to the actual city size.

(5) As a safe harbor, a city may plan for multi-unit housing need with land use efficiency measures in its housing production strategy under section (2) by adopting the model ordinance appropriate for the city size for multi-unit housing development types on at least 50 percent of buildable residential land with residential zones that allow multi-unit housing; and 100 percent of development-ready land with residential zones that allow multi-unit housing. In determining which lands shall be selected and which shall be omitted to meet the 50 percent of buildable residential land element of this safe harbor, a city must utilize the fair housing issue area analysis and locational need conclusions from the Contextualized Housing Need under OAR 660-008-0075 and clearly illustrate how the locational choices in applying this rule affirmatively further fair housing and do not create or exacerbate fair housing issues.

Statutory/Other Authority: ORS 197.040

**Statutes/Other Implemented:** ORS 197.012 & ORS 197A.015 - 197A.470**660-008-0210 Adoption-Ready Actions**

Rule summary: This rule is proposed for repeal.

Commentary: Existing rule does not represent programmatic or otherwise regulatory substance. A definition for adoption-ready actions has been added to rule 0005; adoption-ready actions have been drafted, are open for comment, and will be adopted and published as part of the Housing Production Strategy Guidance for Cities via Attachment B; and adoption-ready actions are referenced through Division 8 in rules both regarding the Housing Production Strategy and the Housing Acceleration Agreement. The programmatic role of adoption-ready actions is illustrated by the rules which invoke them and no distinct rule section appears necessary.

660-008-0210 Adoption Ready Actions

~~The department must adopt adoption ready actions in 2025 for use in guidance, safe harbors, or minimum standards.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.025

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660-008-0230 Midpoint Reporting on Housing Production Strategy Implementation

Rule summary: The purpose of the midpoint report and review is for both the City and the Department to assess the progress and implementation of the actions in the Housing Production Strategy according to the adoption and implementation timeline of each action. This rule describes the midpoint reporting requirements and Department review regarding the Housing Production Strategy's implementation.

Commentary: Only clarifying language changes are proposed.

660-008-0230 Midpoint Reporting on Housing Production Strategy Implementation

(1) Cities required to adopt a housing production strategy under ORS 197A.100(1), must submit a midpoint report to the department for review and comment based on the following schedule:

- (a) For cities that are within Metro, no later than December 31st three years after the city adopted a housing production strategy; or
- (b) For cities that are not within Metro, no later than December 31st four years after the city adopted a housing production strategy.

(2) The midpoint report a city submits under section (1) must include the following:

- (a) A summary of the actions already taken by the city to implement the actions to meet current and future housing need adopted in the city's most recently adopted or amended housing production strategy and actions which were scheduled for implementation after the last midpoint report from the previous housing production strategy cycle, and
- (b) A report illustrating the ongoing monitoring of any fair housing issue areas where no fair housing



issues were identified in the most recent contextualized housing need as provided in OAR 660-008-0075(1)(d).

(3) Within ten days of receipt of the submission under section (1), the department must provide notice to persons as provided in ORS 197.615(3).

(4) If the city has not implemented any of the actions to meet current and future housing need per the adopted schedule in the city's most recently adopted or amended housing production strategy or on the schedule most recently adopted or amended for the current housing production strategy cycle or ~~for~~ actions which were scheduled for implementation after the last midpoint report from the previous housing production strategy cycle, the midpoint report may include an explanation of the circumstances or factors that posed a barrier to implementation. The city may also and a requested ~~an~~ implementation timeline extension for good cause for any late action that includes:

(a) A revised implementation date which does not extend beyond the city's subsequent housing production strategy deadline under OAR 660-008-0045(6); or

(b) A requested replacement action or actions that includes:

(A) A revised implementation date which does not extend beyond the city's subsequent housing production strategy deadline under OAR 660-008-0045(6);

(B) A demonstration that the replacement action addresses the same identified housing need as the replaced action,

(C) A demonstration that the anticipated magnitude of impact of the replacement action or actions is equivalent or greater than the anticipated magnitude of the replaced action,

(D) A resolution of support for this replacement from the governing body, and

(E) Notice to persons who participated in the proceedings that led to the adoption of the housing production strategy and requested notice in writing.

(5) Upon submittal of the midpoint report developed under section (1), the department will review the report for consistency with the housing production strategy approved under criteria provided in OAR 660-008-0215(6). The department will also evaluate requests for implementation timeline extensions and replacement actions as applicable.

(6) The department will issue midpoint review letters by May 1 of the year following the midpoint report deadline. Should the department find the midpoint report submitted under section (1) does not substantially comply with the criteria in OAR 660-008-0215(6) or should the department reject a request under section (4), the department may take action identified in OAR 660-008-0315.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.012, ORS 197.615 & ORS 197A.015-197A.470

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660-008-0310 Referral for Non-Compliance in Adoption of Housing Capacity Analysis and Housing Production Strategy

Rule summary: DLCD must refer cities to the Housing Acceleration program that fail to adopt an HPS by the statutory deadline and associated logistical requirements like work plan deadlines. Rule includes actions the Department may take to remediate delinquency prior to referral, and process by which a city may be referred.



Commentary: Implementation of the program has revealed a gap in provisions covering the logistical steps to support functionality of a voluntary work plan. The proposed amendments include additional grounds for referral into the Housing Acceleration Program based generally on non-participation in the voluntary work plan pathway. While staff did consider development of an expedited audit process, statute largely directs audit requirements that limit the potential for an expedited audit.

660-008-0310 Referral for Non-Compliance in Adoption of Housing Capacity Analysis and Housing Production Strategy

A city is required to adopt a housing capacity analysis and housing production strategy under OAR 660-008-0045. The department is required to annually refer to the housing acceleration program each city that has failed to adopt a housing production strategy under ORS 197A.130(3)(b). To minimize and remedy delinquency in completing these requirements by the prescribed deadlines, the department must refer a city for non-compliance in the adoption of a housing capacity analysis or housing production strategy via the following provisions:

(1) A city that determines it will be unable to adopt a housing capacity analysis, housing production strategy report, or midpoint report by the prescribed deadline may request that the department provide a time extension for good cause. The city must notify the department of the expected delinquency at least 60 days before the applicable deadline for a housing capacity analysis or housing production strategy. In response, the department may take any of the following actions:

- (a) For a housing capacity analysis, provide written authorization for the city to adopt concurrently with a housing production strategy by the deadline provided in ORS 197A.100(1);
- (b) Recommend an amended deadline to the commission for a housing capacity analysis or housing production strategy under OAR 660-008-0045;
- (c) Review components of a housing capacity analysis, response to an identified deficiency, or housing production strategy under OAR 660-025-0185; or
- (d) Within 90 days, enter into a voluntary agreement to remedy the delinquency outlining specific actions, timelines, and resources necessary to adopt a housing capacity analysis or housing production strategy.

(2) The department must refer a city that has:

(a) ~~Not~~ adopted a housing capacity analysis or housing production strategy by the prescribed deadline ~~and not~~ received a time extension for good cause under section (1),

(b) ~~Not~~ fulfilled the actions and deadlines of a work plan or agreement under section (1) to the housing acceleration program,

(c) ~~Failed to enter into or fulfill the terms of a time extension or voluntary agreement under section (1);~~

(d) ~~Missed deadlines, submitted incomplete or non-responsive materials, or has otherwise not made a good faith effort to adopt a housing capacity analysis or housing production strategy;~~

(3) For cities referred to the housing acceleration program under ~~sub~~section (2), the department must conduct an audit under OAR 660-008-0325 and enter into a housing acceleration agreement under OAR 660-008-0330 focused only on the local barriers to the adoption of a housing production strategy and all supporting documents.



Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.100 & ORS 197A.130

660-008-0315 Referral for Non-Compliance in Undertaking Actions in a Housing Production Strategy

Rule summary: DLCD must refer cities to the Housing Acceleration program that fail to undertake an HPS Action by the adopted deadline. Rule includes actions the Department may take to remediate delinquency prior to referral, and process by which a city may be referred.

Commentary: Only clarifying language proposed.

660-008-0315 Referral for Non-Compliance in Undertaking Actions in a Housing Production Strategy

A city is required to undertake actions in a housing production strategy by the deadline under ORS 197A.100(4). The department is required to annually refer each city to the housing acceleration program at its midpoint that has not taken actions adopted in its housing production strategy under ORS 197A.130(3)(c).

(1) The department will not refer a city to the housing acceleration program under this provision if the city has received either or both:

(a) An extension for good cause under OAR 660-008-0230(4)(a)(A);

(b) Department approval to undertake a replacement action or actions in the housing production strategy under OAR 660-008-0230(4)(b)(B).

(2) The department must refer a city that has not undertaken the action by the revised deadline under OAR 660-008-0230(4) and is not exempt from referral under section (1) to the housing acceleration program pursuant to ORS 197A.130(3)(c).

(a) Referral under this section may only occur after the submittal and department evaluation of a midpoint report.

(b) The department will evaluate implementation of and progress on all actions included in an adopted housing production strategy since the previous midpoint report.

(3) For cities referred under section (2), the department must conduct an audit under OAR 660-008-0325 focused only on:

(a) The action or actions that the city has failed to undertake;

(b) The housing needs addressed by the action or actions;

(c) Other actions taken by the city to address the needs; and

(d) Any additional proportionate actions that may be necessary to address the needs, in lieu of the action or actions in subsection (a).

(4) A housing acceleration agreement developed under OAR 660-008-0330 to address failure of a city to undertake an action ~~may~~shall only include needed proportionate actions necessary to address an outstanding housing need resulting from the failure to undertake an action or actions under this rule. _



(5) A city submitting materials to the department under OAR 660-008-0325(2), may provide the department the following materials for consideration in the audit:

(a) Any specific actions the city has taken to address the need in lieu of the action or actions proposed in the housing production strategy; and

(b) Any alternative actions the city could take to proportionately address the need.

(6) If a city is also referred to the housing acceleration program under OAR 660-008-0320, the department must consolidate the audit under section (3) and agreement under section (4) into a single process, consistent with the deadlines under ORS 197A.130.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130

660-008-0320 Referral based on Performance at the Housing Production Strategy Midpoint Report

Rule summary: DLCD will refer cities that are underperforming on their housing production targets, relative to the region and market peers. This rule sets out a framework by which DLCD determines the eligibility of cities for referral based on their progress towards housing production targets on OHCS' housing production dashboard, then prioritizes referral of cities up to DLCD's capacity.

Commentary: Addressed numbering error

660-008-0320 Referral based on Performance at the Housing Production Strategy Midpoint Report

The department is required to determine the lowest performing cities, if any, on an annual basis. To provide a consistent and predictable framework by which the department dedicates staff time and resources to implementing this rule, the department must refer any lowest performing city to the housing acceleration program via the following process:

(1) The department must annually determine the maximum number of both standard and comprehensive audits completed under this rule within a calendar year, in consideration of the following factors:

(a) The capacity of department staff to conduct audits under OAR 660-008-0325, develop housing acceleration agreements under OAR 660-008-0330, and support local implementation of housing acceleration agreements as specified in ORS 197A.130(7);

(b) The number of housing capacity analyses due under OAR 660-008-0045;

(c) The number of housing production strategies due under OAR 660-008-0045;

(d) The number of midpoint reports due under OAR 660-008-0230;

(e) The number of referrals to the housing acceleration program related to the implementation of housing production strategies made under OAR 660-008-0310 to OAR 660-008-0315, including its impact on subsection (a) of this section;

(f) The availability of funding to support the implementation of actions identified in a housing acceleration agreement developed in response to an audit;



- (g) Whether the department or cities with a population of 10,000 or greater are subject to separate housing-related legislation, administrative rule, or orders that obligate capacity and funding for implementation, including but not limited to rulemaking or local comprehensive plan or development code amendments; and
- (h) For audits requesting concurrent review under ORS 197A.205, the capacity of the Housing and Community Services Department to concurrently participate in and support audits. The department must consult with the Housing and Community Services Department in determining capacity under this section.
- (2) The department must annually determine which cities, if any, are eligible for referral to the housing acceleration program. Eligible cities must meet the following criteria:
- (a) The city was required to submit a midpoint report within the same year under OAR 660-008-0230; and
- (b) The city is underperforming on its total housing production target or its housing production target for household incomes at or below 80 percent area median income, which includes:
- (A) The city is not meeting its total housing production target and is performing below the 50th percentile in comparison to the region or market peers, as determined by the housing production dashboard; or
- (B) The city is not meeting its housing production target for incomes at or below 80 percent area median income and is performing below the 50th percentile in comparison to the region or market peers, as determined by the housing production dashboard.
- (C) For the purposes of determining comparative progress for referral under this section, the department will utilize a city's adopted housing production target and market peers determined for the adoption year of the housing production strategy under OAR 660-008-0045. Where a city does not have an adopted housing production target, the department will use the most recently published housing production target under ORS 184.455.
- (3) Where a city does not have market peers for comparison as provided under ORS 456.601, the department will consider progress relative to the region only.
- (4) Among eligible cities, the department must remove from consideration a city that had been referred to the housing acceleration program under this section at the previous midpoint report.
- (5) The department must prioritize the referral to the housing acceleration program of cities determined eligible under section (2) and (3), up to the maximum number of audits determined under section (1), based on each of the following priority considerations:
- (a) Severity of underproduction of total housing units, in comparison to the region and market peers as determined by the housing production dashboard;
- (b) Severity of underproduction of housing affordable to households earning at or below 80 percent area median income, in comparison to the region and market peers as determined by the housing production dashboard. In determining prioritization for referral to the hHousing aAcceleration program, the department will consider the severity of underproduction at each of the following income levels:
- (A) Housing affordable to households making less than 30 percent of area median income;
- (B;) Housing affordable to households making 30 percent or more and less than 60 percent of area median income;



(Ciii) Housing affordable to households making 60 percent or more and less than 80 percent of area median income; and

(Div) Housing affordable to households making 80 percent or more and less than 120 percent of area median income.

(c) Housing equity indicators as they relate to fair housing issues identified under OAR 660-008-0075.

(6) The department shall prioritize comprehensive audits under OAR 660-008-0325(4) where the priority considerations in section (5) indicate a need for a contextual audit under OAR 660-008-0325 or coordinated action from multiple public bodies. Priority actions include one or more of the following:

(a) Removing barriers to the development of housing affordable to households earning at or below 80 percent area median income;

(A) For referrals of cities to the housing acceleration program under this subsection, the department must request concurrent review by the Housing and Community Services Department.

(B) Nothing in this subsection prohibits the department from coordinating with the Housing and Community Services Department for any referral to the housing acceleration program.

(b) Addressing or improving fair and equitable housing outcomes or addressing barriers to fair housing choice.

(7) The department may refer to the housing acceleration program less than the maximum number of audits determined under section (1) when the number of eligible cities determined under sections (2) and (3) is less than the maximum determined under section (1).

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130

660-008-0325 Department Audit for Cities Referred into the Housing Acceleration Program

Rule summary: This rule sets out the process, inputs, and outputs of an audit conducted by DLCD for a city referred into the Housing Acceleration program.

Commentary: The amendment in this section provides an update to language that directs the department to review specific barriers related to the actions described in OAR 660-008-200(3) (the compliance pathways for the Housing production strategy). This amendment is intended to ensure that cities are provided clarity on certain key expectations and incentivized to take specific actions. Those that are falling behind on production will know that, under the Acceleration program, they will be evaluated for any barriers to meeting the specific standards identified in the Housing Production Strategy. Associated actions to reach those standards can be expected.

660-008-0325 Department Audit for Cities Referred into the Housing Acceleration Program

For cities referred to the housing acceleration program under ORS 197A.130(3), within six months of issuance of public notice of referral under section (1), the department must, in cooperation with the city, complete an audit of specific housing barriers.

(1) The department must provide public notice of referral for each city referred to the housing acceleration program under OAR 660-008-0310 to OAR 660-008-0320, to notice recipients under



OAR 660-008-0215, to all tribal governments as identified under OAR 660-008-0075(5)(c)(B), and to affected public bodies by July 1 of each calendar year. The notice must include:

(a) Findings documenting the basis of referral for each city referred to the housing acceleration program, including one or more of the following:

(A) Failure to adopt a housing capacity analysis, housing production strategy, or midpoint report as provided under OAR 660-008-0310;

(B) Failure to undertake an action or actions in an adopted housing production strategy as provided under OAR 660-008-0315;

(C) Referral to the housing acceleration program by the commission under ORS 197A.130(3)(d); or

(D) Referral to the housing acceleration program based on city performance as provided under OAR 660-008-0320.

(b) A description of the housing acceleration program and procedures provided in this rule;

(c) Any required actions or materials that a referred city must complete or submit to the department under section (2) and how and where these materials may be freely obtained by the public;

(d) That the public may submit comment to the department within 45 days of notice provided under section (3); and

(e) That actions taken by the city or the department under the housing acceleration program are not land use decisions and are not subject to appeal or review.

(f) For notice to tribal governments, specific and direct outreach to each of the tribal governments as identified under OAR 660-008-0200(1)(c)(B) by inviting government-to-government consultation from tribal leadership and coordination from tribal staff regarding the identification of barriers to housing production in the audit.

(2) For all audits, within 45 days of public notice of referral to the housing acceleration program, a referred city must provide the notice of referral to the governing body of the city and submit to the department the following information, if available and relevant to the basis for referral:

(a) The adopted housing capacity analysis, housing production strategy, adoption record including all public testimony, and midpoint report, if not already submitted to the department. A city referred to the housing acceleration program under OAR 660-008-0310 may submit any available draft materials related to an impending housing production strategy;

(b) Information related to actions and inactions that impact local fair and equitable housing outcomes, environmental justice, climate resilience and location choice that is not otherwise captured in the housing production strategy;

(c) Any summary materials related to engagement conducted by the city that is not otherwise captured in the housing production strategy;

(d) Information related to current funding and staff capacity of the city, including publicly-available departmental budget and staffing information;

(e) Any localized information or studies related to housing market dynamics such as localized market pricing and rents, local housing development dynamics, or other market-related factors that are not otherwise captured by state data sources, if available;

(f) Information related to the local development of housing development at or below 80 percent of



average median income, including local development contacts, local funding programs/investments, or recent development projects, if available;

(g) Information related to the local development of housing, including:

(A) Land use planning regulations, including zoning and development code;

(B) Permitting and approval processes relating to development of housing and infrastructure supporting housing;

(C) Required fees, exactions, and improvements; and

(D) Any public facilities plans, capital improvement plans, or actions or investments to prepare land for residential development;

(h) Any potential barriers or issues that the city requests consideration by the department in the audit, including but not limited to:

(A) Local resource deficiencies, including staffing, public facilities, capital improvements to infrastructure, availability of buildable lands, and actions or investments to prepare land for development;

(B) Specific additional state resources that could support housing production;

(C) Any state laws or rules or the regulations, policies, actions or inactions of any public body that could impact housing production; and

(D) Other factors limiting housing that are not within the city's control.

(i) Where a city does not have access to or fails to provide suitable information under this section, the department may utilize best available information to support the findings of an audit;

(j) Nothing in this section prohibits the department from utilizing other sources of relevant data or information, including but not limited to information collected under sections (3) and (4).

(3) For all audits, within ten days of receipt of the submission under section (2), the department must compile submitted information and notify recipients under section (1) that public comment may be submitted to the department within 45 days of the notice date. The department must:

(a) Provide in a publicly available format any relevant audit materials, including the notice provided under section (1) and materials submitted under section (2)

(b) Instructions for delivering public comment to the department; and

(c) Append any comments submitted within 45 days to the audit published under section (6).

(4) For comprehensive audits, in addition to public comment under section (3), the department must solicit and consider additional contextual information to support audit findings, which may include:

(a) In consideration of engagement summaries submitted under subsection (2)(c), supplemental equitable engagement and invited feedback from interested parties, including but not limited to:

(A) City staff and public officials;

(B) Local or regional market-rate housing developers;

(C) Local or regional subsidized affordable housing developers;



- (D) Local or regional community-based and non-governmental organizations;
 - (E) Community members, including those described under OAR 660-008-0200(1) and (2)(b)(K);
 - (F) Other relevant public bodies that affect housing production within the city;
 - (G) Tribal governments within the region, if any; and
 - (H) Other relevant market or affordable housing-related actors that affect housing production within the city, including lenders, laborers, and occupants.
- (b) Engagement and coordination with affected public bodies on barriers or issues that extend beyond a city's control, including:
- (A) County or regional coordination as it relates to urbanization and regional programs and resources, including Metro for cities within Metro;
 - (B) Special district and utility coordination as it relates to the provision of public facilities to support housing production; and
 - (C) State agency coordination as it relates to policies and programs that affect housing production within a city.
- (c) For audits focused on affordable housing production, concurrent review with the Housing and Community Services Department. In addition to the materials submitted under section (2), the department may require the following additional information from a city, if available:
- (A) Any contextual information related to affordability not reflected in statewide housing data, including but not limited to naturally occurring affordable housing, tenant assistance or vouchers, or homeownership programs; or
 - (B) Information related to subsidized affordable housing development proposals and inquiries, including any contact information, permitting information, and public record information relating to development application approvals or denials:
- (i) For cities within Metro, the previous six calendar years.
 - (ii) For cities outside of Metro, the previous eight calendar years.
- (d) Nothing in this section prohibits the department from soliciting or considering additional contextual information or invited stakeholder feedback for audits that are not comprehensive audits.
- (5) In conducting the audit, the department must evaluate and prioritize the following, including the provision of resources and intergovernmental coordination to support local actions related to:
- (a) Existing and expected barriers to fair housing choice, including barriers contributing to fair housing issues identified under OAR 660-008-0075 in the most recently adopted or amended housing production strategy;
- (b) Barriers to adoption or implementation of actions described in OAR 660-008-0200(3);
- (c) Barriers to adoption or implementation of relevant adoption-ready actions under OAR 660-008-0210 to address identified barriers to housing production, affordability, and choice
- (c) Barriers to housing production in climate-friendly areas under OAR 660-012-0310;
- (d) Acceleration of total production and production of housing affordable to households earning at or below 80 percent area median income, compared to the city's previous housing production strategy



cycle and relative to the region and market peers as determined by the housing production dashboard. Pursuant to data availability, the department will consider acceleration of production at each of the following income levels:

- (i) Housing affordable to households making less than 30 percent of area median income;
- (ii) Housing affordable to households making 30 percent or more and less than 60 percent of area median income;
- (iii) Housing affordable to households making 60 percent or more and less than 80 percent of area median income;
- (iv) Housing affordable to households making 80 percent or more and less than 120 percent of area median income.

660-008-0325(6)

Section summary: This section outlines the required elements of the department-led audit of barriers. It delineates required review of barriers, identification resources, and whether the city can address the barrier.

Commentary: Given the rulemaking scope of the Housing Actions Work Group and all inputs into that scope, state staff drafted a set of compliance pathways through the requirements for cities to adopt specific land use efficiency measure actions in the Housing Production Strategy.

DLCD has received feedback that the rules should establish a clear set of expectations for jurisdictions in the Housing Acceleration program. Changes in this section address that suggestion by clarifying specific actions related to the compliance pathways will be reviewed under the audit. When a local government is referred into the Housing Acceleration program, the department will flag the development code as a key barrier if it is in any way more restrictive than the land use efficiency measure compliance pathways under OAR 660-008-0200(3) in the Housing Production Strategy regulations. This ensures that cities are aware of specific standards that the department will require while preserving an opportunity for the department and the city to identify a small range of actions that allow the city to meet those standards while retaining sensitivity to local context, reason for referral, and nature of the barriers.

Should a local government be referred into the Housing Acceleration program, the drafted approach spotlights any lingering development and zoning codes that do not meet the standards developed for the HPS program, so long as they are related to the basis for referral, as key barriers that will require responsive actions to remove those barriers that are within the city's control. Language in the Acceleration Agreement section (OAR 660-008-0330(3) links responses to meeting those standards back to the compliance pathways in OAR 660-008-0325 (6)(a)(B).

(6) Within six months of public notice issued under section (1), the department must publish an audit of specific housing barriers, including those identified in the contextualized housing need under OAR 660-008-0075. The audit must include an analysis of the factors provided in ORS 197A.130(4). For each identified barrier, the audit must contain:

(a) A description of the identified barrier, ~~including a description of how the barrier relates to the city's basis for referral to the housing acceleration program~~. The department must consider existing and expected local barriers as ~~they~~^{it} relates to identified fair housing issues in the contextualized housing need analysis under OAR 660-008-0075. This description must include:



(A) Explanation of how the barrier relates to the city's basis for referral to the housing acceleration program, and

(B) Identification of the barrier as one of the following key barriers, if applicable:

(i) Development or zoning code that does not meet the applicable standards represented in OAR 660-008-0200(3) per OAR 660-008-0425(5); and

(ii) Non-adoption of applicable incentives in OAR 660-008-0200(3) or incentives that are of commensurate in impact.

(b) An evaluation of factors that may affect or relate to an identified barrier, including:

(A) Market conditions and factors related to or affecting the barrier;

(B) City context, including existing actions, investments, policies, or programs related to the barrier and an evaluation of city funding and staff capacity to undertake additional action;

(C) Regional context, including actions, investments, policies, or programs of relevant local or regional public bodies that affect the barrier, if applicable; and

(D) Statewide context, including actions, investments, policies, or programs of relevant statewide public bodies that affect the barrier, if applicable;

(c) Identified regional, state, and federal orders, agreements, actions, programs, or investments that could support or hinder local action to addressing the identified barriers, if any;

(d) An identification of relevant actions proposed in the existing housing production strategy and evaluation of the efficacy of the action or actions to address identified barrier;

(e) If the barrier can be partially or wholly addressed via city action, one or more alternative actions provided by the department that can address the identified barrier. Any action provided under this section must include:

(A) A description of the action, including any relevant case studies, resources, or adoption-ready policies furnished by the department;

(B) An evaluation of the approximate funding and staff capacity necessary to undertake the action;

(C) An evaluation of the city's proportionate financial resources and staff capacity to undertake an action;

(D) If the action requires multiple public bodies for implementation, a description of the public bodies and concurrent actions necessary for local implementation; and

(E) An evaluation of the approximate magnitude of impact that the action will likely have on the identified barrier.

(7) For each barrier identified in the audit, the department must determine whether the factors affecting housing production, affordability, and choice are a consequence of policies and practices that are directly within the city's control under ORS 197A.130(8)(a). Actions identified under subsection (6)(e) are directly within a city's control if the action:

(a) Is within the jurisdictional control of the city;

(b) Can reasonably be implemented with available city resources and staff capacity identified under paragraph (6)(e)(C), supported by technical and financial assistance provided by the department; and



- (c) The department can sufficiently provide technical and financial assistance necessary to support city implementation.
- (8) Where the department concludes under section (7) that a city lacks reasonable existing resources and staff capacity to implement actions to address an identified barrier, the audit must also include and prioritize actions that build city capacity, including consideration of:
- (a) Any identified state or federal programs or investments that can increase local capacity; and
 - (b) Existing and projected city revenue that can increase local capacity, including actions that increase or stabilize local revenue or dedicate funds for increased local capacity.
- (9) After the department publishes an audit under section (6) it shall notify all parties described in section (1) through (4) and provide access to the published audit in a publicly available format. The city must provide the published audit to the governing body of the city.
- (10) Any local government may voluntarily request the department conduct an audit of local, regional, or state barriers.
- (a) A request by a local government or city may be submitted to the department at any time. The request must specify:
 - (A) The scope of issues or barriers the audit is intended to address;
 - (B) The preferred timeframe for an audit to occur;
 - (C) Any relevant local or regional governments or state agencies that relate to the identified issue or issues; and
 - (D) How the request relates to current or future work the local government or city will complete, including an adopted or future housing production strategy.
 - (b) If the department accepts the request, the requirements of ORS 197A.130 and OAR 660-008-0325 to OAR 660-008-0335 do not apply, and the findings of the audit are non-binding on the department and the local government or city.
 - (c) In considering whether to approve a request made under this section, the department must prioritize:
 - (A) Mandatory referrals to the housing acceleration program made under OAR 660-008-0310 to 660-008-0320,
 - (B) Supporting the implementation of an existing or future housing production strategy under ORS 197A.100,
 - (C) Addressing substantial issues that inhibit housing production, affordability, and choice or best advances the purpose described in OAR 660-008-0000, and
 - (D) Issues or barriers that are most readily addressed by an audit or intervention by the department.
 - (d) In lieu of an audit, the department may provide alternative options to a local government or city to address an identified issue or issues in an audit request, including the provision of technical or financial support, as available.
 - (e) Nothing in this section prohibits the department from making mandatory referrals to the housing acceleration program under ORS 197A.130(3).



(11) As part of the summary of housing production strategies under OAR 660-008-0215(9), the department will incorporate a summary of any state policies or programs identified in audits conducted under OAR 660-008-0325.

(12) The department may grant limited extensions to any of the deadlines of this rule for emergencies, good cause, or other factors outside of the city's control. Upon a request for a timeline extension, the department must provide a written decision within 30 days of the request, including the rationale for the extension and a revised timeline.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130

660-008-0330 Housing Acceleration Agreement

Rule summary: This rule sets out the framework, structure, and commitments outlined in a Housing Acceleration Agreement.

Commentary: The Housing Acceleration Agreement is the contractual document which specifies actions a city must take in response to barriers identified in the audit. Staff added language to indicate that, in selecting actions to address barriers in OAR 660-008-0235 (6)(a)(B), the department may specify all relevant land use efficiency measures in OAR 660-008-0200 (3).

DLCD received feedback that the acceleration agreement rules should include a provision describing a set of specific actions that the department will include in the Housing Acceleration Agreement. Staff have added a provision indicating that the department will always expect responsive actions to address barriers to adoption of the land use efficiency measures described in the compliance pathways. The Housing Acceleration program is a toolbox to address the persistent barriers to production in a localized community, whether those barriers and their needed solutions be common and familiar or nuanced and unique. The rules are designed with this local sensitivity and opportunity for customized intervention as a core principle. As such, and in accordance with ORS 197A.130, the program will always preserve the ability to customize the actions in a Housing Acceleration Agreement to ensure they are best suited to remove or mitigate barriers to housing production, affordability, and choice. Still staff agree with commenters that predictability is valuable. As such, the provisions in this rule section indicate that the Housing Acceleration Agreement will include responsive actions to those barriers and may include actions that are directly pulled from the compliance pathways in the Housing Production Strategy, adoption-ready actions from the Housing production Strategy Guidance for Cities, or other department resources.

660-008-0330 Housing Acceleration Agreement

Within six months following an audit completed under OAR 660-008-0325, the city and the department must enter into a housing acceleration agreement that is based on and proportionate to the city's basis for referral to the housing acceleration program under OAR 660-008-0310 to OAR 660-008-0320.

(1) The director and the city must sign a housing acceleration agreement within six calendar months of the publication of the audit under OAR 660-008-0325.

(a) The governing body of a city may designate an authorized representative to sign the agreement.

(b) The department must:



(A) Provide for at least a 90-day period for city review of a draft agreement before the deadline under this section.

~~(B) The department must grant~~ Grant a time extension to provide a 90-day period for city review if the department does not provide a draft agreement as provided in this subsection.

(c) The city must adopt a housing acceleration agreement as an appendix to the consequent or subsequent housing production strategy adopted as provided in section (3) and (4). Nothing in this section prohibits a city from entering a housing acceleration agreement and amending a housing production strategy concurrently.

(2) The housing acceleration agreement must specify actions, parameters, and timelines by which the department and the city respond to barriers identified in the audit published under OAR 660-008-0325.

(a) The department must agree to provide the following as necessary to support the city in the implementation of an action or actions specified in an agreement:

(A) Technical assistance, regulatory support, and other assistance;

(B) Financial or funding support available to the department in consideration of city funding needs identified under OAR 660-008-0325(6); and

(C) Assistance in pursuing other state or public funds in consideration of city funding needs identified under OAR 660-008-0325(6).

(b) The city must agree to take actions specified in sections (3) and (4) that proportionally address each barrier within the city's control as identified in OAR 660-008-0325(6), which may include:

(A) One or more of the actions proposed in the existing housing production strategy as identified in OAR 660-008-0325(6)(d).

(B) One or more of the alternate actions identified in OAR 660-008-0325(6)(e) to address a barrier identified in an audit; or

(C) An alternate action or actions to those identified in OAR 660-008-0325(6)(e). The city must demonstrate that the alternate actions address the identified barrier or barriers on an equivalent and proportionate basis to actions identified in OAR 660-008-0325(6)(e).

(c) The department or the city may coordinate, mediate, or enter into agreements with other public bodies to fulfill actions included in a housing acceleration agreement.

(3) If the published audit conducted under OAR 660-008-0325(7) determines that the factors affecting housing production, affordability, and choice for an identified barrier are a consequence of policies and practices that are directly within the city's control, the city must adopt an amended housing production strategy within six months of the execution date of the housing acceleration agreement that includes:

(a) A timeline for performance under ORS 197A.100(4) of no less than one year;

(b) Specific city actions, which may include, but are not limited to:

(A) Actions under ORS 197A.100(3);

(B) Dedicating funds for increased local capacity to facilitate housing production, affordability and



choice;

(C) Dedicating funds for public facilities and infrastructure necessary to support housing production;

(D) Taking measures that increase the availability of development-ready land;

(E) Amending the development code, approval criteria or procedures to reduce cost or delay to housing production; ~~and~~

(F) Taking emergency temporary measures to support housing production;

(G) All actions that have not been completed on schedule or replacement actions that meet the same need and have commensurate or greater magnitude of impact; and-

(H) Actions elevated by the program and department including actions under OAR 660-008-0200(4-5), relevant adoption-ready actions and other actions on the Housing Production Strategy Guidance for Cities, and other department resources.

(c) For actions that require coordination with other public bodies, participation in any department-initiated mediation or coordination to identify policies and resources that would support housing production in the city.

(4) For actions other than those described in section (3), the city must include findings in its subsequent housing production strategy that the actions included address the barriers identified in the audit. For actions that require coordination with other public bodies, the city may request department coordination and mediation to support city implementation of a housing production strategy.

(5) A housing acceleration agreement must include timelines with clear deadlines for the amendment of a housing production strategy under section (3), actions undertaken in the agreement, and subsequent adoption of a housing production strategy.

(a) The subsequent deadline for a housing production strategy is the latter of:

(A) Three years following the amendment of a housing production strategy under section (3); or

(B) One year after the city's deadline for completing a housing capacity analysis under OAR 660-008-0045.

(b) The department may provide extensions to a city's subsequent housing production strategy deadline under OAR 660-008-0310(1).

(6) The department will review an adopted or amended housing production strategy under OAR 660-008-0215 for consistency with the actions, timelines, and parameters in an executed housing acceleration agreement.

(7) A city must implement actions identified in a housing acceleration agreement within the timeline and parameters specified in the executed agreement. The department will address non-compliance in abiding the terms of a housing acceleration agreement as specified in OAR 660-008-0335.

(8) The department may grant limited extensions to any of the deadlines of this rule for emergencies, good cause, or other factors outside of the city's control. The department must provide a written decision within 30 days of the city's request for a timeline extension, specifying the rationale for the extension and any revised timeline.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130



660-008-0335 Non-Compliance in Entering or Abiding the Terms of a Housing Acceleration Agreement

Rule summary: In the case of non-compliance in entering or abiding the terms of a Housing Acceleration Agreement, this rule establishes tools and a process by which DLCD enforces the above rules. The vehicle for enforcement is an enforcement order issued by the Land Conservation and Development Commission which, among other actions, may implement a model code.

Commentary: No changes proposed

660-008-0335 Non-Compliance in Entering or Abiding the Terms of a Housing Acceleration Agreement

A city referred to the housing acceleration program under OAR 660-008-0310 to OAR 660-008-0320 and the department must enter into a housing acceleration agreement under ORS 197A.130(6) within six months of the publication of an audit by the department. Under an adopted housing acceleration agreement, the city must take actions by deadlines specified in the housing acceleration agreement as described in OAR 660-008-0330. The department will take the following actions in response to non-compliance with a housing acceleration agreement in furtherance of timely and effective implementation of a housing acceleration agreement:

- (1) If the city fails to enter or abide the terms of a housing acceleration agreement under OAR 660-008-0330 by the prescribed deadline, the department must issue written notice to the city within 30 days.
 - (a) If the department does not provide a housing acceleration agreement to the city at least 90 days before the deadline under OAR 660-008-0330(1), the city has not materially breached a term of the housing acceleration agreement.
 - (b) If the department does not fulfill an action specified in an adopted housing acceleration agreement necessary for the local fulfillment of the agreement, including the provision of technical assistance or funding under OAR 660-008-0330(2)(a)(A), the city has not materially breached a term of the housing acceleration agreement.
- (2) In any notice under section (1), the department must include:
 - (a) The date of the notice;
 - (b) The specific delinquent actions and deadlines that the city is required to fulfill;
 - (c) A description of the action or actions the city can take to remedy the delinquency, including timelines by which the action or actions must be taken;
 - (d) An offer to enter formal mediation between the department and the city under section (3);
 - (e) A description of the enforcement actions that the department will take against the city if action is not taken within 90 days, including the initiation of an enforcement order under ORS 197.320(13); and
 - (f) A description of the potential enforcement tools provided in ORS 197.335(6) that could be applied in an enforcement order.
- (3) Within 30 days of the notice date, a city may request formal mediation with the department to remedy the identified delinquency.



(a) If requested, the department will enter formal mediation with the city to identify specific actions and resources needed to remedy the delinquency.

(b) The department may grant a limited extension to a city's prescribed deadline in a housing acceleration agreement under OAR 660-008-0330 to accommodate the implementation of actions and resources identified in mediation.

(4) Within 90 days of notice under section (1), if a local government has not taken action to remedy the delinquency described in subsection (2)(c) and has not entered formal mediation with the department, the department will initiate an enforcement order under ORS 197.320(13). In initiating an enforcement order, the department will recommend an order to the commission as authorized under 197.335(6), including:

(a) The specific action or actions necessary to remedy the identified delinquency;

(b) Required application of model ordinances and procedures developed by the department to all residential development within the city until the specific action or actions identified in the order are undertaken; and

(c) Other enforcement provisions under ORS 197.335(6) that are relevant and necessary to remedy the identified delinquency.

(5) The department may grant limited extensions to any of the deadlines of this rule for emergencies, good cause, or other factors outside of the city's control. The department must provide a written decision within 30 days of the city's request for a timeline extension, specifying the rationale for the extension and any revised timeline.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130, ORS 197.320 & ORS 197.335

660-008-0400 Purpose of Model Ordinances

Rule summary: This rule establishes model ordinances for housing with distinct statutory functions. This rule will contain an attachment including a model ordinance divided into distinct components or modules that facilitate adoption or application both "in whole or in part".

Commentary:

This rule contains model ordinances that LCDC is directed to adopt under both Senate Bill 1564 (2024 Session) and as part of its enforcement authority under ORS 197.335. These model ordinances also partially fulfill HAPO's direction under Section 1 of Senate Bill 1537 (2024 Session) to "establish best practices related to model codes... procedures and practices by which local governments may comply with housing laws."

These codes will be updated and maintained over time and will incorporate new provisions designed to implement housing laws adopted by the Legislature and to support local housing planning by providing promising practice and implementation options designed to ease local capacity demands, especially for smaller cities.

At times, the model ordinances in this rule may serve compliance or regulatory functions to ensure compliance with housing laws or an LCDC enforcement order.



660-008-0400 Purpose of Model Ordinances

For the purpose of assisting cities in complying with housing laws and facilitating housing production, affordability, and choice, consistent with the principles of ORS 197A.025, model ordinances adopted in this section may be applied to residential development as provided in this rule.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.335

660-008-0405 Definitions for Model Ordinances

Rule summary: This rule contains definitions specific to Model Ordinances.

Commentary: These definitions are only applicable to the rules for Model Ordinances. These are kept separate from the definitions in 0005 for readability and organizational purposes. Since the previous rule draft, this draft has incorporated clarification of terms as they have been amended by the 2025 Legislative Session, which require reconciliation with definitions in rule.

- Precise definitions for “Adoption” and “Application” that relate to statutory authority provided by SB 1564.
- Incorporation of a definition for “Model Ordinance” that is interchangeable with “Model Code”
- Inclusion of a definition for “Violation of a Housing Law” to precisely articulate the scenarios in which the model code can be applied directly.
- Substantial alignment of the definition with “zoned for residential use” in HB 2138 (2025 Session). However, the rule definition deviates by omitting the requirement that “zoned for residential use” only includes zones that allow detached single-unit dwellings, which would inadvertently omit residential lands that don’t allow detached single-unit dwellings, such as multi-unit only zones.

660-008-0405 Definitions for Model Ordinances

As used in OAR 660-008-0400 to 0430, the definitions in ORS chapters 197 and 197A, and OAR 660-008-0005 apply. In addition, the following definitions apply:

(1) “Adopt” or “Adoption” means the approval of an ordinance described in ORS 197A.400(1)(b)(C) by the governing body of a local government.

(2) “Application” means utilization of a model ordinance or module as the basis for approval or denial of a development application as provided in ORS 197A.400(1)(b)(C)

(3) “Design Standard” has the meaning provided in OAR chapter 660, division 046.

(4) “Housing Law” has the meaning provided in Section 1, Senate Bill 1537 (2024 Session).

(5) “Model Ordinance” means a complete set of standards or procedures applied to development as provided in ORS 197A.400 (1)(b)(C) and this rule. “Model Ordinance” and “Model Code” are interchangeable.

(6) “Module” means a component proportion of a model ordinance that is fully implementable with a complete set of standards or procedures applied to development. A module includes all applicable standards contained within the module as well as references and citations to other modules or applicable local land use regulations. A model ordinance may contain one or more modules.



(7) “Recommended Standard” means standard contained within a model ordinance that represents promising practice but allows for optional deviation where applied by a city. Recommended standards are demarcated or otherwise explicitly identified as recommended within a model ordinance.

(8) “Siting Standard” has the meaning provided in OAR chapter 660, division 046. “Siting Standard” and “Development Standard” are interchangeable.

(9) “Violate a Housing Law” means local government nonconformance with a housing law, including via locally-adopted land use regulations or as applied to a residential development application.

(10) “Zoned for residential use” means land that:

(a) Is within an urban growth boundary;

(b) Has base zoning for, or is designated to allow, residential uses;

(c) Is not zoned primarily for commercial, industrial, agricultural or public uses; and

(d) Is incorporated or urban unincorporated land.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.335

660-008-0410 Model Ordinances

Rule summary: This rule is where the model ordinances are adopted as an attachment to the rule. Additionally, the rule clarifies important technical considerations governing the application of model ordinances at the local level.

Commentary:

This rule contains the model ordinances that LCDC is directed to adopt as described in the purpose statement. Additionally, the rule contains broadly applicable “meta” provisions governing how code modules interrelate with each other, local land use regulations, and state law. This includes:

Section (4) clarifies important statutory and applicability considerations to ensure the code can be applied at the local level, without allowing residential development where it is unintended.

Section (5) clarifies how the adoption and application of a model code interrelate with local development regulations, goal protections, and planning responsibilities. These clarifications are important to ensure the code can be applied as intended without creating additional planning burdens that can frustrate the use of the code.

Section (6) describes how individual “modules” in the code interrelate with other modules, local land use regulations, and future updates.

The updates in this section are minor clarifications and grammatical updates that do not substantially impact the intended function of the rule. Additionally, model procedures have been consolidated with model ordinance by city size for organizational purposes.

660-008-0410 Model Ordinances

The Commission adopts the following model ordinances:

(1) A model ordinance targeted for cities with a population of less than 2,500;



- (2) A model ordinance targeted for cities with a population of 2,500 or greater and less than 25,000;
- (3) A model ordinance targeted for cities with a population of 25,000 or greater; and
- (4) A model ordinance under this rule:
 - (a) Does not amend nor affect locally-adopted and acknowledged land use regulations;
 - (b) Is presumed to be clear and objective as provided in ORS 197A.400;
 - (c) May apply on lands zoned for residential use, including mixed-use residential; and
 - (d) May not apply on lands that are not zoned for residential use, except where otherwise required by a housing law;
- (5) The adoption or application of a model ordinance:
 - (a) Does not require a local government to amend or repeal locally-applicable land use regulations;
 - (b) Does not prohibit a local government from amending locally-applicable land use regulations;
 - (c) Does not affect the applicability of protective measures adopted and applied pursuant to a statewide planning goal;
 - (d) Does not trigger a requirement that a local government consider or update an analysis under a statewide planning goal relating to economic development, transportation, or public facilities; and
 - (e) Does not trigger a requirement to adopt or update a housing capacity analysis or housing production strategy as provided in OAR 660-008-0045.
- (6) Where one or more modules cite the following provisions, those provisions are applicable:
 - (a) Provisions contained within a separate module, including but not limited to measurements and definitions; and
 - (b) Locally-applicable land use regulations.
- (7) Where a model ordinance, module, or modules are amended by subsequent rulemaking, those amended provisions are applicable as provided in ORS 227.178 and ORS 215.427

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: SB 1564 (2024 Session); ORS 197.335

660-008-0415 Optional Adoption and Application by Reference

Rule summary: Senate Bill 1564 (2024 Session) allows cities to optionally adopt and apply a model ordinance “in whole or in part” by reference. This rule clarifies how cities may do so on specified residentially-designated land within an Urban Growth Boundary.

Commentary:

The rule language below clarifies more precisely how a city adopts and applies a model ordinance by reference, including parameters on where the code may be applied, what development standards within a given module apply, and what flexibility the city has to identify alternative standards or evaluate amendments to a module over time.

Edits to this section focus on clarity and implementation consistency for cities opting in. Highlights



include:

- Establishing requirements for the adopting ordinance, including specifying which date specific version of a model code or module a city is adopting (to mitigate the likelihood of a city applying outdated versions of the model code).
- Clarify the requirement to specify alternative standards that apply in lieu of recommended standards (which otherwise apply by default)
- Clarify the allowance for cities to apply the code in a manner that always allows a greater density/intensity of development but disallows allowing low intensity uses in high intensity zones.
- Readability and grammar edits.

660-008-0415 Optional Adoption and Application by Reference

A city may adopt, in whole or in part, a model ordinance by reference targeted towards the city population size or targeted toward a larger city on land zoned or designated for residential use within an urban growth boundary.

(1) The adopting ordinance must:

(a) Specify which model ordinance, module, or modules are proposed for adoption, including the Commission adoption date;

(A) Where a module contains more than one housing type, a city may elect to apply the standards for one or multiple housing types.

(B) Nothing in this subsection requires a city to allow a housing type contained within a module containing more than one housing type, except as otherwise required by a housing law.

(b) Specify the precise area, zones, or comprehensive plan designations in which the module or modules apply; and

(c) Specify any standards that apply in lieu of one or more recommended standards, if any.

(2) In adopting a model ordinance, module, or modules, a city:

(a) May adopt a module or modules to allow one or more housing types that meet or exceed the allowed density or intensity of lands zoned or designated to allow residential uses; and

(b) May not adopt a model ordinance to allow a housing type on lands that either:

(A) Are not zoned for residential use; or

(B) Are zoned to require a greater minimum density or intensity than the maximum density or intensity permitted in the proposed model ordinance, module, or modules.

(3) Recommended standards are applicable unless a city specifies in the adoption ordinance the alternative standard or standards that apply in lieu of the recommended standard.

(4) Where a model ordinance, module, or modules are amended as provided in OAR 660-008-0410(7):

(a) The city is not required to readopt the module; and

(b) Nothing in this subsection prohibits a city from periodically evaluating, readopting, repealing, or



establishing an expiration date for a model ordinance, module, or modules.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: SB 1564 (2024 Session)

660-008-0420 Compliance with a Housing Law

Rule summary:

Where a local government has not adopted conforming amendments to comply with a housing law, the local government is required under ORS 197.646 to apply statute directly to local land use decisions. To aid local implementation of housing laws, this rule provides local governments the option to apply a model code where adherence to locally-adopted land use regulations would violate a housing law.

Commentary:

This rule provides an option for local governments to apply a statute directly to avoid a violation of a state housing law. The intent is to provide readily applicable models that reduce the legal expertise necessary to apply a statute directly, and ease capacity constraints on local governments that lack the resources to readily adopt conforming amendments to new housing laws.

This rule does not prevent local governments from either applying statute directly without a model ordinance, nor amending local land use regulations to comply with a housing law. Instead, the goal is to provide an alternative to local governments that either have not yet adopted conforming ordinances or lack adequate staff capacity to complete conforming amendments.

Edits to this rule focused on clarifying and reorganizing the rule for consistency and readability. Highlights include:

- Clarifying that a module fully applies where it is applied to comply with a housing law. For example, if a city's middle housing land division did not conform to changes in HB 2138, the city would simply apply the middle housing land division module in full, rather than picking specific standards from both the local code and the model code. The intent is to minimize interpretive confusion and provide a clear and consistent set of rules for development.
- Minor re-organization of subsections to help readability.

660-008-0420 Application of a Model Ordinance to Comply with a Housing Law

Where one or more land use regulations applied by a local government violates or would violate a housing law, the local government may apply one or more modules directly to development to comply with an applicable housing law as provided under ORS 197.646. Where applying one or more modules directly to residential development to comply with an applicable housing law, the local government:

- (1) Must apply the applicable module or modules in full to residential development where the housing law applies, except that recommended standards do not apply;
- (2) Is not required to adopt the module or modules by reference as provided in OAR 660-008-0415;
- (3) Is not prohibited from amending local land use regulations to comply with a housing law; and
- (4) Is not otherwise prohibited from applying a housing law directly to land use decisions as provided



in ORS 197.646 (3).

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.646

660-008-0425 Comparison to Local Actions and Land Use Regulations

Rule summary: Certain rule requirements for local action in housing production strategy or housing acceleration agreement may reference a model ordinance as a comparative benchmark. Where this occurs, this rule clarifies that a city does not need to simply apply the same standards as provided in the model code. Instead, the city may demonstrate that the local approach facilitates substantially similar development outcomes in terms of allowable scale/intensity as well as imposed cost or delay.

Commentary:

The intent of this rule is in acknowledgement that local land use regulations contain a variety of methods and approaches to facilitate housing production, affordability, and choice. Rather than establishing an inflexible requirement to simply conform to the standards provided in the model code, this rule enables local flexibility to adopt different land use regulations, provided those regulations facilitate similar development outcomes to the model ordinance.

A trade-off of this flexibility is this rule creates a burden of demonstration and introduces discretion as to whether local land use regulations achieve substantially similar outcomes. However, because this rule simply provides an option, it does not create a new or unavoidable burden of analysis or demonstration for a local government.

Edits to this rule include:

1. Clarifying that minimum densities in the model code are not a requirement or consideration when utilizing the code as a benchmark for local action. Instead, minimum density requirements will be established and administered locally.
2. A new provision outlining considerations for local bonus or incentive programs for accessible or affordable housing that enable local flexibility, provided the local program provide comparable or greater economic benefit than the model code in consideration of specific factors.

660-008-0425 Comparison to Local Actions and Land Use Regulations

Where a model ordinance is applied comparatively to local land use regulations for the purpose of demonstrating sufficiency of a local action as part of a housing production strategy or housing acceleration agreement, a city may demonstrate that locally-applied land use regulations facilitate comparable development outcomes to the model ordinance. The city must demonstrate that:

(1) Siting standards allow for the same or greater maximum scale, intensity, and density as permitted in the model ordinance. Minimum density requirements in the model ordinance are not a requirement nor a consideration under this section.

(2) Design standards impose a comparable proportional cost to development as provided in OAR 660-046-0235;

(3) Zoning, use, and procedural regulations allow the development under comparable procedural requirements and development review timelines;



(4) Other applicable land use regulations do not create unreasonable cost or delay to the development of housing as provided in ORS 197A.400; and

(5) Incentives or bonuses to encourage accessible, adaptable, or affordable housing provide comparable or improved economic and feasibility benefits to residential development through clear and objective standards, conditions, and procedures considering:

(a) The total additional floor area, density, height, and building envelope allowed under applicable land use regulations; and

(b) Provisions or flexibilities to local land use regulations that reduce cost and delay to or increase projected revenue from development.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.100

660-008-0430 Mandatory Application of a Model Ordinance

Rule summary: The Land Conservation and Development Commission is required to issue an enforcement order for local governments that fail to fulfill certain housing-related statutory obligations. Where that occurs, the Commission is authorized to apply specified remedies under ORS 197.335, including the application of model ordinances or procedures directly to the development of housing. This rule clarifies how the model code applies to local development where that occurs.

Commentary:

Where applied by LCDC as part of an enforcement order, the model code supersedes locally-applicable development regulations. An applicant may choose to apply the local code or the model code wherever it applies, and local governments are required to notify applicants of their eligibility to use a model ordinance where applicable.

660-008-0430 Mandatory Application of a Model Ordinance

Where a model ordinance is applied by an order issued under ORS 197.335(6), the applicable model ordinance supersedes locally-applicable land use regulations on lands specified by the Commission.

(1) Applicants may submit an application for the development of housing under either a model ordinance applied under this rule or under locally-applicable land use regulations.

(2) Where a model ordinance contains a recommended standard, that standard is applicable to development.

(3) The local government shall notify existing and prospective applicants for the development of housing of their eligibility to utilize a model ordinance applied under this subsection.

(4) The model ordinance is effective until the terms of the order issued under ORS 197.335 are addressed or satisfied.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.335



Draft Amendments: Oregon Administrative Rules Chapter 660, Division 021 – Urban Reserves

Updated September 24, 2025

About this Document

This document includes draft amendments to OAR 660-021 proposed as part of the 2025 Oregon Housing Needs Analysis Rulemaking. Please note that this document does not include the entirety of Division 21; only the rules and sections where amendments are proposed. For reference, all rules under Division 21 can be found on the [Secretary of State website](#).

Callout boxes are included directly above all rules, sections, and relevant subsections where specific changes are proposed, and are for information purposes only. These boxes contain the applicable rule, section or subsection numbers, a plain language rule summary, and commentary to provide additional context or explanation behind the proposed changes or retention of the rules. ~~Strikethrough~~ text is proposed to be deleted. Underlined text is proposed to be added. “...” denotes skipped text.

The deadline for rule adoption is January 1, 2026. In addition, staff will develop guidance to assist cities in implementation after rules are adopted.

Table of Contents

660-021-0000 Purpose	2
660-021-0010 Definitions	2
660-021-0030 Determination of Urban Reserve	3
660-021-0060 Urban Growth Boundary Expansion	6



Draft Amendments

Oregon Administrative Rules Chapter 660, Division 021 – Urban Reserves

660-024-0000 Purpose

Rule summary: This rule describes the purpose of the division lists the Oregon Revised Statutes interpreted under Division 21 of Chapter 660.

Commentary: Amendments add the use of the acronym URA for urban reserve areas.

660-021-0000 Purpose

This division interprets and implements ORS 197A.230 through 197A.250 and statewide planning goals pertaining to Urbanization. Rules in this division authorize planning for urban reserve areas (URAs) outside urban growth boundaries to be reserved for eventual inclusion in an urban growth boundary and to be protected from patterns of development that would impede urbanization.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.230-197A.250

History:

[LCDD 4-2024, minor correction filed 07/15/2024, effective 07/15/2024](#)

LCDD 7-2011, f & cert. ef. 10-20-11

LCDD 4-2000, f. & cert. ef. 3-22-00

LCDC 2-1992, f. & cert. ef. 4-29-92

660-024-0010 Definitions

Rule summary: This rule lists the definitions that apply to Division 21.

Commentary: Amendments add "Urban Reserve Area" to the definition of "Urban Reserve."

660-021-0010 Definitions

For purposes of this division, the definitions contained in ORS 197.015 and the statewide planning goals (OAR chapter 660, division 15) apply. In addition, the following definitions apply:

(1) "Urban Reserve" or "Urban Reserve Area" means lands outside of an urban growth boundary that will provide for:

(a) Future expansion over a long-term period; and

(b) The cost-effective provision of public facilities and services within the area when the lands are included within the urban growth boundary.

(2) "Resource Land" means land subject to the statewide planning goals listed in OAR 660-004-0010(1)(a) through (g), except subsections (c) and (d).

(3) "Nonresource Land" means land not subject to one or more of the statewide planning goals listed in OAR 660-004-0010(1)(a) through (g) except subsections (c) and (d). Nothing in this definition is meant to imply that other goals do not apply to nonresource land.



(4) "Exception Areas" means rural lands for which an exception to statewide planning goals 3 or 4, or both, as defined in ORS 197.732 and OAR 660-004-0005(1), has been acknowledged.

(5) "Developable Land" refers to both residential and nonresidential land and means land that is not severely constrained by natural hazards or designated or zoned to protect natural resources as provided in OAR 660-024-0065(4) and that is either entirely vacant or has a portion of its area unoccupied by structures or roads.

(6) "Adjacent Land" means abutting land.

(7) "Nearby Land" means land that lies wholly or partially within a quarter mile of an urban growth boundary.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.245

History:

LCDD 5-2024, minor correction filed 07/15/2024, effective 07/15/2024

LCDD 7-2011, f & cert. ef. 10-20-11

LCDD 1-2008, f. & cert. ef. 2-13-08

LCDD 4-2000, f. & cert. ef. 3-22-00

LCDC 2-1992, f. & cert. ef. 4-29-92

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660-024-0030 Determination of Urban Reserve

Rule summary: This rule includes the process and requirements for including land within urban reserves, including how local governments should prioritize land for inclusion.

Commentary: Amendments are proposed to sections (1), (3), (4), (5) and (6). Commentary for these changes is included below.

660-021-0030 Determination of Urban Reserve

660-024-0030(1)

Section summary: This section specifies the number of years urban reserves shall include beyond the 20-year time frame of the UGB.

Commentary: This is a conforming amendment to align rules with ORS 197A.245(4) which require a 20-year minimum land supply within urban reserves. Other amendments are minor in nature.

(1) A city considering adopting or amending a URA ~~Urban reserves~~ shall include an amount of land estimated to be at least a ~~420~~-year supply and no more than a 30-year supply of developable land beyond the 20-year time frame used to establish the urban growth boundary (UGB). Local governments designating ~~urban reserves~~ a URA shall adopt findings specifying the particular number of years over which designated urban reserves are intended to provide a supply of land.

(2) Inclusion of land within an urban reserve shall be based upon the locational factors of Goal 14 and a demonstration that there are no reasonable alternatives that will require less, or have less effect upon, resource land. Cities and counties cooperatively, and the Metropolitan Service District for the Portland Metropolitan Area Urban Growth Boundary, shall first study lands adjacent to, or nearby, the



urban growth boundary for suitability for inclusion within urban reserves, as measured by the factors and criteria set forth in this section. Local governments shall then designate, for inclusion within urban reserves, that suitable land which satisfies the priorities in section (3) of this rule.

660-021-0030 (3)

Section summary: This proposed new section specifies the various consideration factors from ORS 197A.245(6) for land considered to be added to an urban reserve.

Commentary: The proposed rule amendments incorporate consideration factors provided under ORS 197A.245(6).

(3) Land found suitable for an urban reserve ~~must~~ stay consider factors including, but not limited to, whether land proposed for designation as urban reserves, alone or in conjunction with land inside the UGB be included within an urban reserve only according to the following priorities:

(a) Can be developed at urban densities in a way that makes efficient use of existing and future public infrastructure investments;

(b) Includes sufficient development capacity to support a healthy urban economy;

(c) Can be served by public schools and other urban-level public facilities and services efficiently and cost-effectively by appropriate and financially capable service providers;

(d) Can be designed to be walkable and served by a well-connected system of streets by appropriate service providers;

(e) Can be designed to preserve and enhance natural ecological systems; and

(f) Includes sufficient land suitable for a range of housing types.

660-021-0030 (4)

Section summary: This section specifies the priority of land considered for inclusion in an urban reserve area.

Commentary: The proposed rule amendments expand on the existing three priorities, adding three additional priority categories specifying high-value farmland as defined in ORS 195.300(10) as fourth priority and high-value farmland as defined in ORS 215.710(1) as fifth priority. In addition, under (4)(a) proposed rule amendments give lower priority to exception areas and nonresource lands, compared to other nonresource lands and exception areas, where planned developments or subdivisions are present with a subdivision plat, in accordance with direction from SB 1129 (2025).

(4) Priority of land for inclusion in a URA. If land of higher priority is inadequate to accommodate the amount of land need estimate in section (1) of this rule, the next priority for inclusion shall be according to the following order of priority:

(a) First ~~P~~ priority ~~goes to~~ land adjacent to, or nearby, an urban growth boundary and ~~subject to identified in an acknowledged comprehensive plan as an exception~~ under ORS 197.732 area or land that is nonresource land as defined in OAR 660-021-0010(3).

(A) First priority may include resource land that is completely surrounded by exception areas unless these are high value crop areas as defined in Goal 8 or prime or unique agricultural lands as defined



by the United States Department of Agriculture;

B) First priority land may be given lower priority compared to other nonresource land or land within an exception area if the land contains planned developments or subdivisions with a subdivision plat, as defined in ORS 92.010(18) and the lots are smaller than five acres.

(b) If land of higher priority is inadequate to accommodate the amount of land estimated in section (1) of this rule, ~~s~~Second Ppriority goes is to land designated as marginal land pursuant to former under ORS 197.247 (1991 edition) in an acknowledged comprehensive plan;

(c) If land of higher priority is inadequate to accommodate the amount of land estimated in section (1) of this rule, ~~t~~Third pPriority goes is to land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Lands considered under this subsection may not include high-value farmland as defined in ORS 195.300(10) or high value forestland as defined in ORS 195.300(11). Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use.

(d) Fourth Priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Lands considered under this subsection may include those lands under ORS 195.300(10) and (11) if not predominantly comprised of prime and unique soils listed in ORS 215.710(2) to (4) or predominantly comprised of Class I and II soils, as defined by the United States Department of Agriculture Natural Resources Conservation Services (USDA NRCS).

(e) Fifth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both, allowing for those lands excluded in (d), if the city provides findings that no other lands are available to fill the need.

(f) In selecting agricultural lands within the same priority level, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.

660-021-0030 (5)

Section summary: This section specifies reasons that would allow land of lower priority to be included if priority one land was found to be inadequate to accommodate the estimated land need.

Commentary: The proposed rule amendments allow cities to give lower priority to the inclusion of otherwise higher priority lands where providing urban services due to physical constraints or existing or planned public infrastructure, in accordance with direction from SB 1129 (2025).

(45) Notwithstanding section (4) (d) through (f) of this rule, land that would otherwise be excluded from a URA may be included if: ~~Land of lower priority under section (3) of this rule may be included if land of higher priority is found to be inadequate to accommodate the amount of land estimated in section (1) of this rule for one or more of the following reasons:~~

(a) ~~Provision of f~~Future urban services, as defined in ORS 195.065, ~~could is~~ not reasonably or cost effective ~~be provided to the higher priority area~~ due to:

(A) ~~t~~ Topographical or other physical constraints; or

(B) Existing or planned future public infrastructure investments.

(b) Maximum efficiency of land uses within a proposed urban reserve requires inclusion of lower



priority lands in order to include or to provide services to higher priority lands.

(56) Findings and conclusions concerning the results of the consideration required by this rule shall be adopted by the affected jurisdictions.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.245

History:

[LCDD 7-2024, minor correction filed 07/15/2024, effective 07/15/2024](#)

LCDD 7-2011, f. & cert. ef. 10-20-11

LCDD 1-2008, f. & cert. ef. 2-13-08

LCDD 4-2000, f. & cert. ef. 3-22-00

LCDC 7-1996, f. & cert. ef. 12-31-96

LCDC 2-1992, f. & cert. ef. 4-29-92

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660-021-0060 Urban Growth Boundary Expansion

Rule summary: This rule describes how lands within urban reserves shall be considered for inclusion within an urban growth boundary.

Commentary: Proposed rule amendments add a new section (2) that requires cities to include at least eighty percent of land from the original acknowledged urban reserve area, or previous expansion areas of an urban reserve, before the inclusion of subsequent urban reserve areas from more recent amendments.

660-021-0060 Urban Growth Boundary Expansion

(1) All lands within urban reserves established pursuant to this division shall be included within an urban growth boundary before inclusion of other lands, except where an identified need for a particular type of land cannot be met by lands within an established urban reserve-; and

(2) At least eighty percent of land from the original acknowledged urban reserve area or previous expansion areas of an urban reserve must be included in the urban growth boundary before the inclusion of subsequent urban reserve areas from more recent amendments to the urban reserve.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.245

History:

[LCDD 10-2024, minor correction filed 07/15/2024, effective 07/15/2024](#)

LCDD 1-2008, f. & cert. ef. 2-13-08

LCDD 4-2000, f. & cert. ef. 3-22-00

LCDC 2-1992, f. & cert. ef. 4-29-92

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Draft Amendments: Oregon Administrative Rules Chapter 660, Division 024 – Urban Growth Boundaries

Updated September 24, 2025

About this Document

This document includes draft amendments to OAR 660-024 proposed as part of the 2025 Oregon Housing Needs Analysis Rulemaking. Please note that this document does not include the entirety of Division 24; only the rules and sections where amendments are proposed. For reference, all rules under Division 24 can be found on the [Secretary of State website](#).

Callout boxes are included directly above all sections, as well as relevant subsections where specific changes are proposed, and are for information purposes only. These boxes contain the applicable section or subsection numbers, a plain language rule summary, and commentary to provide additional context or explanation behind the proposed changes or retention of the rules. ~~Strikethrough~~ text is proposed to be deleted. Underlined text is proposed to be added. “...” denotes skipped text.

The deadline for rule adoption is January 1, 2026. In addition, staff will develop guidance to assist cities in implementation after rules are adopted.

Table of Contents

660-024-0000 Purpose and Applicability	2
660-024-0010 Definitions.....	3
660-024-0020 Adoption or Amendment of a UGB	6
660-024-0040 Land Need.....	7
660-024-0045 Regional Large Lot Industrial Land	12
660-024-0050 Land Inventory and Response to Deficiency.....	15
660-024-0060 Metro Boundary Location Alternatives Analysis	17
660-024-0065 Establishment of Study Area to Evaluate Land for Inclusion in the UGB.....	19
660-024-0067 Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities	25
660-024-0070 UGB Adjustments	31



Draft Amendments

Oregon Administrative Rules Chapter 660, Division 024 – Urban Growth Boundaries

660-024-0000 Purpose

Rule summary: This rule describes the intent and purpose of OAR 660-024. The purpose of this division is to clarify the process and requirements for amending an urban growth boundary (UGB).

Commentary: No changes are proposed to this rule at this time. Changes are made under "Statutes/Other Implemented" to reflect updates to statute.

660-024-0000 Purpose and Applicability

- (1) The rules in this division clarify procedures and requirements of Goal 14 regarding a local government adoption or amendment of an urban growth boundary (UGB). The rules in this division do not apply to the simplified UGB process under OAR chapter 660, division 38.
- (2) The rules in this division interpret Goal 14 as amended by the Land Conservation and Development Commission (LCDC or commission) on or after April 28, 2005, and are not applicable to plan amendments or land use decisions governed by previous versions of Goal 14 still in effect.
- (3) The rules in this division adopted on October 5, 2006, are effective April 5, 2007. The rules in this division amended on March 20, 2008, are effective April 18, 2008. The rules in this division adopted March 13, 2009, and amendments to rules in this division adopted on that date, are effective April 16, 2009, except as follows:
 - (a) A local government may choose to not apply this division to a plan amendment concerning the evaluation or amendment of a UGB, regardless of the date of that amendment, if the local government initiated the evaluation or amendment of the UGB prior to April 5, 2007;
 - (b) For purposes of this rule, "initiated" means that the local government either:
 - (A) Issued the public notice specified in OAR 660-018-0020 for the proposed plan amendment concerning the evaluation or amendment of the UGB; or
 - (B) Received LCDC approval of a periodic review work program that includes a work task to evaluate the UGB land supply or amend the UGB;
 - (c) A local government choice whether to apply this division must include the entire division and may not differ with respect to individual rules in the division.
- (4) The rules in this division adopted on December 4, 2015, are effective January 1, 2016, except that a local government may choose to not apply the amendments to rules in this division adopted December 4, 2015 to a plan amendment concerning the amendment of a UGB, regardless of the date of that amendment, if the local government initiated the amendment of the UGB prior to January 1, 2016.

Statutory/Other Authority: ORS 197.040 & Statewide Planning Goal 14

Statutes/Other Implemented: ORS 195.036, 197.015, 197.478, 197.610 - 197.650, 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.348-197A.355, 197A.362, 197A.370 - 197A.400, 197A.425, 197A.445, 197A.465, & 197A.470~~ORS 195.036, 197.015, 197.295 - 197.314, 197.610 - 197.650 & 197.764~~

**History:**

LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

LCDD 2-2009, f. 4-8-09, cert. ef. 4-16-09

LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07

660-024-0010 Definitions

Rule summary: This rule provides clear and precise meanings for key terms used throughout Division 24. The rule includes terms and phrases that may a) have a special meaning in rule, b) have a statutory definition, or c) reflect an implementation requirement.

Commentary: Added and amended definitions and explanation for changes are included below.

660-024-0010 Definitions

In this division, the definitions in the statewide goals and the following definitions apply:

660-024-0010(1) “Allocated housing need”

Section summary: This section provides a definition for “allocated housing need” which refers to the 20-year housing need allocated to a city and segmented by income level.

Commentary: Through OHNA, cities are now required to use the allocated housing need from the Department of Administrative Services (DAS) as the basis of their 20-year housing planning. Adding this definition in Division 24 is consistent with amendments made last year to Division 8 (which implements Goal 10 Housing).

- (1) “Allocated housing need” has the meaning provided in ORS 197A.015(1).

660-024-0010(2) “Buildable Land”

Section summary: This section provides a definition for “Buildable Land” as used in this division and refers to the definition in Division 8 related to land that is suitable and available for needed housing.

Commentary: The changes more directly refer to the definition in Division 8, which already specifies that it applies to land for needed housing. The reference to the subsection number is also updated to reflect changes in Division 8.

- (~~24~~) “Buildable Land” ~~is a term applying to residential land only, and~~ has the same meaning as provided in OAR 660-008-0005(~~72~~).



660-024-0010(3) "Density"

Section summary: This section provides a definition for "density" as used in this division which refers to the number of housing units per acre of land.

Commentary: This is an existing definition that was moved from 024-0040(8) to this section. In the previous section where this definition appeared, it only referred to Tables 1, 2, and 3, which are proposed to be deleted. Because "density" appears elsewhere in the division, this definition now applies to the division as a whole.

(3) "Density" means the number of dwelling units per net buildable acre.

(2) "EOA" means an economic opportunities analysis carried out under OAR 660-009-0015.

660-024-0010(4) "Needed housing"

Section summary: This section provides a definition for "needed housing" as used in this division which refers to housing by affordability level, type, characteristics and location that is necessary to accommodate the housing need over the 20-year planning period in effect when the city's housing capacity is determined.

Commentary: This definition is proposed to be amended to reflect statutory language regarding "needed housing" as defined in ORS 197A. "Housing need analysis" also does not appear in Division 24 and therefore does not need to be defined.

~~(43) "Needed Housing-need" has the meaning provided in ORS 197A as follows: or "housing need-analysis" refers to a local determination as to the needed amount, types and densities of housing that will be:~~

~~(a) For local governments outside Metro, "needed housing" has the meaning provided in ORS 197A.018. Commensurate with the financial capabilities of present and future area residents of all-income levels during the 20-year planning period;~~

~~(b) For Metro and local governments within Metro, "needed housing" has the meaning provided in ORS 197A.348. Consistent with any adopted regional housing standards, state statutes regarding housing need and with Goal 10 and rules interpreting that goal; and~~

~~(c) Consistent with Goal 14 requirements.~~

(54) "Local government" means a city or county, or a metropolitan service district described in ORS 197.015(13).

(56) "Metro boundary" means the boundary of a metropolitan service district ~~defined~~described in ORS 197.015(13).

**660-024-0010(7) “Neighborhood-serving commercial”**

Section summary: This section provides a definition for “neighborhood-serving commercial” as used in this division which refers to commercial development intended to serve adjacent neighborhoods. This differs from large-scale commercial development intended to serve a regional need.

Commentary: This term is used in OAR 660-024-0040 as part of a newly proposed safe harbor for cities adding a portion of land for commercial use to serve an adjacent residential area as part of a UGB expansion. This aims to increase fair housing choice by creating opportunities for future residents to live near community assets, creating a complete neighborhood.

A previous iteration of draft rules shared with the CAUTAC included “mixed use” in the definition; however, based on feedback, this was removed from this version because mixed use is a separate land use type that doesn’t always include commercial.

(7) “Neighborhood-serving Commercial” refers to pedestrian-oriented, small-scale commercial development intended to serve surrounding residential areas.

(86) “Net Buildable Acre” consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads.

(97) “Safe harbor” means an optional course of action that a local government may use to satisfy a requirement of Goal 14. Use of a safe harbor prescribed in this division will satisfy the requirement for which it is prescribed. A safe harbor is not the only way or necessarily the preferred way to comply with a requirement and it is not intended to interpret the requirement for any purpose other than applying a safe harbor within this division.

(108) “Suitable vacant and developed land” describes land for employment opportunities, and has the same meaning as provided in OAR 660-009-0005 section (1) for “developed land,” section (12) for “suitable,” and section (14) for “vacant land.”

(911) “UGB” means “urban growth boundary.”

(129) “Urban area” means the land within a UGB.

Statutory/Other Authority: ORS 197.040 & Statewide Planning Goal 14

Statutes/Other Implemented: ORS 195.036, 197.015, 197.478, 197.610 - 197.650, 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.348-197A.355, 197A.362, 197A.370 – 197A.400, 197A.425, 197A.445, 197A.465, & 197A.470 ~~ORS 195.036, 197.015, 197.295 - 197.314, 197.610 - 197.650 & 197.764~~

History:

LCDD 2-2009, f. 4-8-09, cert. ef. 4-16-09

LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07

660-024-0020 Adoption or Amendment of a UGB

Rule summary: This rule describes how all the statewide goals and related administrative rules are applicable when establishing a UGB with only a few exceptions. This rule further describes these exceptions.

Commentary: No changes are proposed to this rule at this time. Changes are made under



"Statutes/Other Implemented" to reflect updates to statute.

660-024-0020 Adoption or Amendment of a UGB

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

(a) The exceptions process in Goal 2 and OAR chapter 660, division 4, is not applicable unless a local government chooses to take an exception to a particular goal requirement, for example, as provided in OAR 660-004-0010(1);

(b) Goals 3 and 4 are not applicable;

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

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

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

(f) Goals 16 to 18 are not applicable to land added to the UGB unless the land is within a coastal shorelands boundary;

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

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

Statutory/Other Authority: ORS 197.040 & Statewide Planning Goal 14

Statutes/Other Implemented: ORS 195.036, 197.015, 197.478, 197.610 - 197.650, 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.348-197A.355, 197A.362, 197A.370 – 197A.400, 197A.425, 197A.445, 197A.465, & 197A.470~~ORS 195.036, 197.015, 197.295 – 197.314, 197.610 – 197.650 & 197.764~~

History:

LCDD 2-2009, f. 4-8-09, cert. ef. 4-16-09

LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07

**660-024-0040 Land Need**

Rule summary: This rule includes requirements for determining land need in the urban growth boundary, which must provide for needed housing, employment, and other uses over a 20-year planning period.

Commentary: Some clarifying and conforming amendments are proposed to incorporate changes to Goal 10 housing policy through the OHNA. Additional rules related to housing needs are instead added to Division 8. The definition for "Zone to Allow" was moved to Division 8 where the term appears. Additionally, the definition for "Density" that appeared under this rule were moved to OAR 660-024-0010 Definitions so it may apply to the entire division.

References to Division 7 (Metropolitan Housing) were also deleted because Division 7 is proposed to be repealed due to the rules either being obsolete or redundant to Division 8.

660-024-0040 Land Need

(1) The UGB must be based on the appropriate 20-year population forecast for the urban area as determined under rules in OAR chapter 660, division 32, and must provide for needed housing, employment and other urban uses such as public facilities, streets and roads, schools, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision. Local governments in Crook, Deschutes or Jefferson Counties may determine the need for Regional Large-Lot Industrial Land by following the provisions of OAR 660-024-0045 for areas subject to that rule.

(2) If the UGB analysis or amendment is conducted as part of a periodic review work program, the 20-year planning period must commence on the date initially scheduled for completion of the appropriate work task. If the UGB analysis or amendment is conducted as part of a sequential UGB approval, the 20-year planning period will be established in the work program issued pursuant to OAR 660-025-0185. If the UGB analysis or amendment is conducted as a post-acknowledgement plan amendment under ORS 197.610 to 197.625, the 20-year planning period must commence either:

(a) On the date initially scheduled for final adoption of the amendment specified by the local government in the initial notice of the amendment required by OAR 660-018-0020; or

(b) If more recent than the date determined in subsection (a), at the beginning of the 20-year period specified in the appropriate coordinated population forecast for the urban area as determined under rules in OAR chapter 660, division 32, unless ORS 197A.270, 197A.280, or 197A.350~~296~~ requires a different date for local governments subject to those ~~atose~~ statutes.

(3) A local government may review and amend the UGB in consideration of one category of land need (for example, needed housing ~~need~~) without a simultaneous review and amendment in consideration of other categories of land need (for example, employment need).

(4) The determination of 20-year residential land needs for an urban area must be consistent with:

(a) The appropriate allocated housing need in ORS 184.453~~20-year coordinated population forecast for the urban area determined under rules in OAR chapter 660, division 32~~, and with the requirements for determining needed housing in Goals 10 and 14, OAR chapter 660, division ~~7 or 8~~, and applicable provisions of ORS ~~197.295 to 197.314~~ 197A.270 to 197A.325 and 197.475 to 197.4903.



(b) For Metro, the appropriate 20-year coordinated population forecast for the urban area determined under rules in OAR chapter 660, division 32, and with the requirements for determining needed housing in Goals 10 and 14, OAR chapter 660, division 8, and applicable provisions of ORS 197A.335 to 197A.372.

(5) Except for a metropolitan service district described in ORS 197.015(13), the determination of 20-year employment land need for an urban area must comply with applicable requirements of Goal 9 and OAR chapter 660, division 9, and must include a determination of the need for a short-term supply of land for employment uses consistent with OAR 660-009-0025. Employment land need may be based on an estimate of job growth over the planning period; local government must provide a reasonable justification for the job growth estimate but Goal 14 does not require that job growth estimates necessarily be proportional to population growth. Local governments in Crook, Deschutes or Jefferson Counties may determine the need for Regional Large-Lot Industrial Land by following the provisions of OAR 660-024-0045 for areas subject to that rule.

(6) Cities and counties may jointly conduct a coordinated regional EOA for more than one city in the county or for a defined region within one or more counties, in conformance with Goal 9, OAR chapter 660, division 9, and applicable provisions of ORS 195.025. A defined region may include incorporated and unincorporated areas of one or more counties.

(7) The determination of 20-year land needs for transportation and public facilities for an urban area must comply with applicable requirements of Goals 11 and 12, rules in OAR chapter 660, divisions 11 and 12, and public facilities requirements in ORS 197.712 and 197.768. The determination of school facility needs must also comply with 195.110 and 197.296 for local governments specified in those statutes.

~~(8) The following safe harbors may be applied by a local government to determine housing need under this division:~~

~~(a) A local government may estimate persons per household for the 20-year planning period using the persons per household for the urban area indicated in the most current data for the urban area published by the U.S. Census Bureau.~~

~~(b) If a local government does not regulate government-assisted housing differently than other housing types, it is not required to estimate the need for government-assisted housing as a separate housing type.~~

~~(c) If a local government allows manufactured homes on individual lots as a permitted use in all residential zones that allow 10 or fewer dwelling units per net buildable acre, it is not necessary to provide an estimate of the need for manufactured dwellings on individual lots.~~

~~(d) If a local government allows manufactured dwelling parks required by ORS 197.475 to 197.490 in all areas planned and zoned for a residential density of six to 12 units per acre, a separate estimate of the need for manufactured dwelling parks is not required.~~

~~(e) A local government outside of the Metro boundary may estimate its housing vacancy rate for the 20-year planning period using the vacancy rate in the most current data published by the U.S. Census Bureau for that urban area that includes the local government.~~

~~(f) A local government outside of the Metro boundary may determine housing needs for purposes of a UGB amendment using the combined Housing Density and Housing Mix safe harbors described in this subsection and in Table 1, or in combination with the Alternative Density safe harbor described under subsection (g) of this section and in Table 2. To meet the Housing Density safe harbor in this subsection, the local government may Assume For UGB Analysis that all buildable land in the urban~~



~~area, including land added to the UGB, will develop at the applicable average overall density specified in column B of Table 1. Buildable land in the UGB, including land added to the UGB, must also be Zoned to Allow at least the average overall maximum density specified as Zone To Allow in column B of Table 1. Finally, the local government must adopt zoning that ensures buildable land in the urban area, including land added to the UGB, cannot develop at an average overall density less than the applicable Required Overall Minimum density specified in column B of Table 1. To meet the Housing Mix safe harbor in this subsection, the local government must Zone to Allow the applicable percentages of low, medium and high density residential specified in column C of Table 1.~~

~~(g) When using the safe harbor in subsection (f), a local government may choose to also use the applicable Alternative Density safe harbors for Small Exception Parcels and High Value Farm Land specified in Table 2. If a local government chooses to use the Alternative Density safe harbors described in Table 2, it must:~~

~~(A) Apply the applicable Small Exception Parcel density assumption and the High Value Farm Land density assumption measures specified in the table to all buildable land that is within these categories, and~~

~~(B) Apply the Housing Density and Mix safe harbors specified in subsection (f) of this section and specified in Table 1 to all buildable land in the urban area that does not consist of Small Exception Parcels or High Value Farm Land.~~

~~(h) As an alternative to the density safe harbors in subsection (f) and, if applicable, subsection (g), of this section, a local government outside of the Metro boundary may assume that the average overall density of buildable residential land in the urban area for the 20-year planning period will increase by 25 percent over the average overall density of developed residential land in the urban area at the time the local government initiated the evaluation or amendment of the UGB. If a local government uses this Incremental Housing Density safe harbor, it must also meet the applicable Zoned to Allow density and Required Overall Minimum density requirements in Column B of Table 1 and, if applicable, Table 2, and must use the Housing Mix safe harbor in Column C of Table 1.~~

~~(i) As an alternative to the Housing Mix safe harbor required in subsection (f) of this section and in Column C of Table 1, a local government outside the Metro boundary that uses the housing density safe harbor in subsection (f), (g) or (h) of this section may estimate housing mix using the Incremental Housing Mix safe harbor described in paragraphs (A) to (C) of this subsection, as illustrated in Table 3:~~

~~(A) Determine the existing percentages of low density, medium density, and high density housing on developed land (not "buildable land") in the urban area at the time the local government initiated the evaluation or amendment of the UGB;~~

~~(B) Increase the percentage of medium density housing estimated in paragraph (A) of this subsection by 10 percent, increase the percentage of high density housing estimated in paragraph (A) of this subsection by five percent, as illustrated in Table 3, and decrease the percentage of low density single-family housing by a proportionate amount so that the overall mix total is 100 percent, and~~

~~(C) Zone to Allow the resultant housing mix determined under subparagraphs (A) and (B) of this subsection.~~

~~(j) Tables 1, 2 and 3 are adopted as part of this rule, and the following definitions apply to terms used in the tables:~~

~~(A) "Assume For UGB Analysis" means the local government may assume that the UGB will develop over the 20-year planning period at the applicable overall density specified in Column B of Tables 1–~~



and 2.

~~(B) "Attached housing" means housing where each unit shares a common wall, ceiling or floor with at least one other unit. "Attached housing" includes, but is not limited to, apartments, condominiums, and common wall dwellings or row houses where each dwelling unit occupies a separate lot.~~

~~(C) "Average Overall Density" means the average density of all buildable land in the UGB, including buildable land already inside the UGB and buildable land added to the UGB, including land zoned for residential use that is presumed to be needed for schools, parks and other institutional uses.~~

~~(D) "Coordinated 20-year Population Forecast" and "20-year Population Forecast" under Column A of the Tables refers to the appropriate population forecast for the urban area determined under rules in OAR chapter 660, division 32.~~

~~(E) "Density" means the number of dwelling units per net buildable acre.~~

~~(F) "High Value Farm Land" has the same meaning as the term defined in ORS 195.300(10).~~

~~(G) "Required Overall Minimum" means a minimum allowed overall average density, or a "density floor," that must be ensured in the applicable residential zones with respect to the overall supply of buildable land for that zone in the urban area for the 20-year planning period.~~

~~(H) "Single Family Detached Housing" means a housing unit that is free standing and separate from other housing units, including mobile homes and manufactured dwellings under ORS 197.475 to 197.492.~~

~~(I) "Small Exception Parcel" means a residentially zoned parcel five acres or less with a house on it, located on land that is outside a UGB prior to a proposed UGB expansion, subject to an acknowledged exception to Goal 3 or 4 or both.~~

~~(J) "Zone To Allow" or "Zoned to Allow" means that the comprehensive plan and implementing zoning shall allow the specified housing types and densities under clear and objective standards and other requirements specified in ORS 197.307(4) and (6).~~

**660-024-0040(8)**

Section summary: This section includes safe harbors, or optional pathways, for local governments estimating employment or commercial land needs for a UGB amendment.

Commentary: The proposed changes add a safe harbor for large cities (there is an existing safe harbor for small cities) for the purpose of estimating land needs for neighborhood-serving commercial uses, as defined in OAR 660-024-0010, without needing an updated Economic Opportunities Analysis. This approach intends to increase fair housing choice by providing a clear, optional, pathway for neighborhood-serving commercial uses (defined in 024-0010) to serve nearby residents. Proposed rule amendments do not specify allowed uses, commercial location, or specific design standards to allow for flexibility and compatibility with existing local development rules. A 5 percent acreage limit is proposed to provide some sideboards to avoid over-zoning for commercial, resulting in oversized UGB expansions. Note: Local governments may continue to require discretionary reviews of commercial or employment development within a residential context to assure compatibility.

A previous iteration of draft rules revised the existing safe harbor for small cities in (b) to include larger cities and made the safe harbor specific to neighborhood-serving commercial. In response to concerns raised by the CAUTAC, this version of draft rules retains the current safe harbor for small cities and creates a new, separate safe harbor for larger cities to avoid any current allowances from being taken away from smaller cities. Language is also simplified for clarity.

Additional feedback suggested adding specificity that an updated Economic Opportunities Analysis is not needed to use the safe harbor. Staff are still considering the potential impacts of adding this addition in rule and whether this would be better suited for guidance. Consequently, staff have not included amendments with this addition in this iteration but may add additional refinement in a future version of the rules.

There was also feedback that local governments are not held to exactly a 5 percent limitation. Staff agree that local governments should not be held to an unreasonable level of precision and have softened the language to reflect this.

(89) A local government may apply ~~The following safe harbors may be applied by a local government~~ to determine its employment needs for purposes of a UGB amendment under this rule, Goal 9, OAR chapter 660, division 9, Goal 14 and, if applicable, ORS ~~197.296~~197A.350.

(a) A local government may estimate that the current number of jobs in the urban area will grow during the 20-year planning period at a rate equal to either:

(A) The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department; or

(B) The population growth rate for the urban area in the appropriate 20-year coordinated population forecast determined under rules in OAR chapter 660, division 32.

(b) A local government with a population of 10,000 or less may assume that retail and service commercial land needs will grow in direct proportion to the forecasted urban area population growth over the 20-year planning period. This safe harbor may not be used to determine employment land needs for sectors other than retail and service commercial.

(c) A local government with a population greater than 10,000 may estimate that the 20-year land needs for neighborhood-serving commercial will require an additional amount of land no more than five percent of the net buildable acres determined for residential land needs under section (4) of this



rule. This safe harbor may not be used to determine employment land needs for uses other than neighborhood-serving commercial.

(940) As a safe harbor during periodic review or other legislative review of the UGB, a local government may estimate that the 20-year land needs for streets and roads, parks and school facilities will together require an additional amount of land equal to 25 percent of the net buildable acres determined for residential land needs under section (4) of this rule, and in conformance with the definition of “Net Buildable Acre” as defined in OAR 660-024-0010(6).

Statutory/Other Authority: ORS 197.040, Statewide Planning Goal 14 & ORS 195.033(10)

Statutes/Other Implemented: ORS 195.033, ORS 195.036, ORS 197.015, ORS 197.478, ORS 197.610 - 197.650, 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.348-197A.355, 197A.362, 197A.370 – 197A.400, 197A.425, 197A.445, 197A.465, 197A.470, & OL 2013 Ch. 574 Sec. 3
~~ORS 195.036, ORS 197.015, ORS 197.295 – 197.314, ORS 197.610 – 197.650, ORS 197.764, ORS 195.033, ORS 195.036 & OL 2013 Ch. 574 Sec. 3~~

History:

LCDD 2-2019, amend filed 01/28/2019, effective 02/01/2019

LCDD 1-2015, f. & cert. ef. 3-25-15

LCDD 9-2012, f. 11-26-12, cert. ef. 12-10-12

LCDD 2-2009, f. 4-8-09, cert. ef. 4-16-09

LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07

660-024-0045 Regional Large Lot Industrial Land

Rule summary: This rule includes provisions for determining large lot industrial land needs for participating local governments.

Commentary: No changes are proposed to this rule at this time. Changes are made under “Statutes/Other Implemented” to reflect updates to statute.

660-024-0045 Regional Large Lot Industrial Land

(1) Local governments in Crook, Deschutes or Jefferson Counties may determine a need for large lot industrial land in the region and provide sites to meet that need in accordance with this rule.

(2) In addition to the definitions in OAR 660-024-0010, the following definitions apply to this rule:

(a) “Analysis” means the document that determines the regional large lot industrial land need within Crook, Deschutes, or Jefferson County that is not met by the participating local governments’ comprehensive plans at the time the analysis is adopted. The analysis shall also identify necessary site characteristics of needed land.

(b) “COIC” means the Central Oregon Intergovernmental Council.

(c) “Intergovernmental Agreement (IGA)” means the document adopted by the three counties and any participating city to implement the provisions of the analysis.

(d) “Participating city” means a city within Crook, Deschutes, or Jefferson County that has adopted the analysis and entered into the intergovernmental agreement to implement the provisions of the analysis.

(e) “Participating local government” means Crook, Deschutes, and Jefferson Counties, and participating cities.



(f) "Regional large lot industrial land need" means the need for a specific type of 20-year employment land need, as described in OAR 660-024-0040(1) and (5), that is determined based upon the analysis.

(g) "Site" means land in the region that:

(A) Provides the site characteristics necessary for traded sector uses as set forth in the analysis;

(B) Is 50 acres or larger as provided in section (3) of this rule; and

(C) Is determined to be "available," as that term is defined in OAR 660-009-0025(7), for regional large-lot industrial users and for purposes identified by the analysis.

(h) "Site characteristics" has the meaning given that term in OAR 660-009-0005(1).

(i) "Traded Sector use" has the meaning given that term in ORS 285B.280.

(3) For purposes of subsection (2)(g) of this rule, a large lot is at least 50 acres if it is:

(a) A single lot, parcel that is at least 50 acres,

(b) An aggregation of existing lots or parcels under the same ownership that comprises at least 50 acres, or

(c) An aggregation of existing lots or parcels not in the same ownership created and maintained as a unit of land comprising at least 50 acres through a binding agreement among the owners.

(4) Participating local governments may adopt the analysis and implement its provisions. The analysis may demonstrate a need for six vacant, suitable and available sites in the region, and up to three additional sites that may be designated in order to replace one of the original six sites that is developed or committed to development as provided in section (12) of this rule. The original six sites must include two sites of at least 100 acres and not more than 200 acres, and one site more than 200 acres.

(5) If a participating city adopts the analysis, it is deemed to provide an adequate factual basis for the determination of regional large lot industrial land need for that city provided:

(a) The city and other participating local governments have entered into an intergovernmental agreement with the COIC, and

(b) The analysis is adopted by Crook, Deschutes and Jefferson Counties.

(6) Participating cities may adopt the analysis and enter into the intergovernmental agreement without amending the Economic Opportunities Analysis adopted by the city prior to the adoption of the analysis.

(7) The intergovernmental agreement shall describe the process by which the COIC shall coordinate with participating local governments in:

(a) The determination of a qualifying site that a participating city may designate in order to satisfy the regional large lot industrial land need; and

(b) The allocation of the qualifying sites among the participating cities in accordance with section (4) of this rule.

(8) A participating city may amend its comprehensive plan and land use regulations, including urban growth boundaries (UGB), in order to designate a site in accordance with the requirements of this



rule, other applicable laws and the intergovernmental agreement, as follows:

(a) A participating city must show whether a suitable and available site is located within its existing UGB. If a participating city determines that a suitable site already exists within the city's urban growth boundary, that site must be designated to meet the regional industrial land need. Cities shall not be required to evaluate lands within their UGB designated to meet local industrial land needs.

(b) If a site is not designated per subsection(a), then a participating city may evaluate land outside the UGB to determine if any suitable sites exist. If candidate sites are found, the city may amend its UGB in accordance with Goal 14, other applicable laws and the intergovernmental agreement.

(9) A participating city that designates a site shall apply a regional large-lot industrial zone or overlay zone to the site in order to protect and maintain the site for regional large lot purposes. The zone or overlay zone must:

(a) Include development agreements and other provisions that prevent redesignation of the site for other uses for at least 10 years from the time the site is added to the city's comprehensive plan to meet regional large lot industrial land needs;

(b) Prohibit division or separation of lots or parcels within the site to new lots or parcels less than the minimum size of the site need until the site is developed with a primary traded sector use requiring a large lot; and

(c) Limit allowed uses on the site to the traded sector uses, except as provided in section (10) of this rule.

(10) The zone or overlay zone established under section (9) may allow:

(a) Subordinate industrial uses that rely upon and support the primary traded sector use when a site is occupied by a primary traded sector use; and

(b) Non-industrial uses serving primarily the needs of employees of industrial uses developed on the site provided the zone includes measures that limit the type, size and location of new buildings so as to ensure such non-industrial uses are intended primarily for the needs of such employees;

(11) If a participating city adds a site to its plan pursuant to this rule, it must consider the site in any subsequent urban growth boundary evaluation conducted to determine local industrial land needs and the adequacy of land available to meet local industrial land needs.

(12) A site may be considered developed or committed to industrial development if a large-lot traded sector user demonstrates a commitment to develop the site by obtaining land use approvals such as site plan review or conditional use permits, and

(a) Obtaining building permits; or

(b) Providing other evidence that demonstrates at least an equivalent commitment to industrial development of the site as is demonstrated by a building permit.

(13) The participating local governments shall review the analysis after the regional supply of six sites has either been replenished by three additional sites or after ten years, whichever comes first.

Statutory/Other Authority: ORS 197.040 & Statewide Planning Goal 14

Statutes/Other Implemented: ORS 195.036, 197.015, 197.478, 197.610 - 197.650, 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.348-197A.355, 197A.362, 197A.370 - 197A.400, 197A.425, 197A.445, 197A.465, & 197A.470~~ORS 195.036, 197.015, 197.295 - 197.314, 197.610 - 197.650 & 197.764~~

**History:**

LCDD 9-2012, f. 11-26-12, cert. ef. 12-10-12

660-024-0050 Land Inventory and Response to Deficiency

Rule summary: This rule includes the requirements for responding to a land deficiency of employment and/or residential land. This rule also includes safe harbors local governments may use to inventory and evaluate land.

Commentary: Some clarifying and conforming amendments are proposed. Additionally, some language related to inventorying buildable land has been moved to Division 8 so that all Housing Capacity Analysis rules are in the same place.

660-024-0050 Land Inventory and Response to Deficiency

(1) When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040. For residential land, the buildable land inventory must include vacant and redevelopable land, and be conducted in accordance with OAR ~~660-007-0045 or~~ 660-008-~~00100100, whichever is applicable,~~ and ORS 197A.27096 or 197A.350 for local governments subject to those statutes. For employment land, the inventory must include suitable vacant and developed land designated for industrial or other employment use, and must be conducted in accordance with OAR 660-009-0015.

660-024-0050(2)

Section summary: This section provides safe harbors for cities with a population of 25,000 and under outside of a metropolitan service district when estimating the infill potential of partially vacant land for the purposes of the buildable land inventory.

Commentary: This section is proposed to be moved to OAR 660-008-0100 where it better aligns with the HCA rules structure in -0100. In addition, proposed rule amendments for OAR 660-008-0100(5) include a similar safe harbor for inventorying partially vacant land specific to cities with a population over 25,000.

~~(2) As safe harbors, a local government, except a city with a population over 25,000 or a metropolitan service district described in ORS 197.015(13), may use the following assumptions to inventory the capacity of buildable lands to accommodate housing needs:~~

~~(a) The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;~~

~~(b) Existing lots of less than one-half acre that are currently occupied by a residence may be assumed to be fully developed.~~

(23) As safe harbors when inventorying land to accommodate industrial and other employment needs, a local government may assume that a lot or parcel is vacant if it is:

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



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

(34) If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197A.27096 and 197A.350 where applicable. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. If the local government determines there is a need to expand the UGB, changes to the UGB must be determined by evaluating alternative boundary locations consistent with Goal 14 and applicable rules at OAR 660-024-0060 or 660-024-0065 and 660-024-0067.

(45) In evaluating an amendment of a UGB submitted under ORS 197.626, the director or the commission may determine that a difference between the estimated 20-year needs determined under OAR 660-024-0040 and the amount of land and development capacity added to the UGB by the submitted amendment is unlikely to significantly affect land supply or resource land protection, and as a result, may determine that the proposed amendment complies with section (4) of this rule.

(56) When land is added to the UGB, the local government must assign appropriate urban comprehensive plan map designations to the added land, consistent with the need determination and the requirements of section (6) and (7) of this rule, if applicable. The local government must also apply appropriate zoning to the added land consistent with the plan designation or may maintain the land as urbanizable land until the land is rezoned for the planned urban uses, either by retaining the zoning that was assigned prior to inclusion in the boundary or by applying other interim zoning that maintains the land's potential for planned urban development. The requirements of ORS ~~197.296~~ 197A.350 regarding planning and zoning also apply when local governments specified in that statute add land to the UGB.

(67) Lands included within a UGB pursuant to OAR 660-024-0065(3) to provide for a particular industrial use, or a particular public facility, must be planned and zoned for the intended use and must remain planned and zoned for that use unless the city removes the land from the UGB.

660-024-0050(7)

Section summary: This section includes requirements for zoning land for residential use.

Commentary: This section is added to more clearly connect Division 24 to Division 8 rules related to the needed housing type mix that would be determined in OAR 660-008 to ensure cities plan for a variety of housing (as opposed to a single type), increasing fair housing choice. For cities subject to OHNA, the type mix would be determined in the Contextualized Housing Need.

(7) Lands included within a UGB to provide for a residential use must be planned and designated on the comprehensive plan map for a variety of housing types and densities determined necessary to comply with OAR chapter 660, division 8.

(8) As a safe harbor regarding requirements concerning "efficiency," a local government that chooses to use the land use efficiency ~~density and mix~~ safe harbors in OAR 660-0~~0824-0~~150040(28) is deemed to have met the Goal 14 efficiency requirements under:

(a) Sections (1) and (4) of this rule regarding evaluation of the development capacity of residential land inside the UGB to accommodate the estimated 20-year needs; and



(b) Goal 14 regarding a demonstration that residential needs cannot be reasonably accommodated on residential land already inside the UGB, but not with respect to:

(A) A demonstration that residential needs cannot be reasonably accommodated by rezoning non-residential land, and

(B) Compliance with Goal 14 Boundary Location factors.

Statutory/Other Authority: ~~ORS 197.040, 197.235, 197A.305, 197A.285 & Statewide Planning Goal 14~~
~~ORS 197.040, 197A.305, 197A.320 & 197.235 & Statewide Planning Goal 14~~

Statutes/Other Implemented: ~~ORS 195.036, 197.015, 197.478, 197.610 – 197.650, 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.300 - 197A.325, 197A.348-197A.355, 197A.362, 197A.370 – 197A.400, 197A.425, 197A.445, 197A.465, 197A.470~~
~~ORS 195.036, 197.015, 197.295 – 197.314, 197.610 – 197.650, 197.764 & 197A.300 – 197A.325~~

History:

LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

LCDD 2-2009, f. 4-8-09, cert. ef. 4-16-09

LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07

660-024-0060 Metro Boundary Location Alternatives Analysis

Rule summary: This rule provides criteria for evaluating and prioritizing land in a study area for inclusion in Metro's UGB.

Commentary: References are updated to conform with changes to statute.

660-024-0060 Metro Boundary Location Alternatives Analysis

(1) When considering a Metro UGB amendment, Metro must determine which land to add by evaluating alternative urban growth boundary locations. For Metro, this determination must be consistent with the priority of land specified in ORS ~~197.298~~197A.355 and the boundary location factors of Goal 14, as follows:

(a) Beginning with the highest priority of land available, Metro must determine which land in that priority is suitable to accommodate the need deficiency determined under OAR 660-024-0050.

(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, Metro must apply the location factors of Goal 14 to choose which land in that priority to include in the Metro UGB.

(c) If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency, Metro must determine which land in the next priority is suitable to accommodate the remaining need, and proceed using the same method specified in subsections (a) and (b) of this section until the land need is accommodated.

(d) Notwithstanding subsection (a) to (c) of this section, Metro may consider land of lower priority as specified in ORS 197A.355~~197.298~~(3).

(e) For purposes of this section, the determination of suitable land to accommodate land needs must include consideration of any suitability characteristics specified under section (5) of this rule, as well as other provisions of law applicable in determining whether land is buildable or suitable.

(2) Notwithstanding OAR 660-024-0050(4) and subsection (1)(c) of this rule, except during a



legislative review of the Metro UGB, Metro may approve an application under ORS 197.610 to 197.625 for a Metro UGB amendment proposing to add an amount of land less than necessary to satisfy the land need deficiency determined under OAR 660-024-0050(4), provided the amendment complies with all other applicable requirements.

(3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the Metro UGB location, Metro must show that all the factors were considered and balanced.

(4) In determining alternative land for evaluation under ORS ~~197A.355~~~~197.298~~, "land adjacent to the UGB" is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency.

(5) If Metro has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified need, Metro may limit its consideration to land that has the specified characteristics when it conducts the boundary location alternatives analysis and applies ORS ~~197.298~~~~197A.355~~.

(6) The adopted findings for a Metro UGB adoption or amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis. If the analysis involves more than one parcel or area within a particular priority category in ORS ~~197.298~~~~197A.355~~ for which circumstances are the same, these parcels or areas may be considered and evaluated as a single group.

(7) For purposes of Goal 14 Boundary Location Factor 2, "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities.

(8) The Goal 14 boundary location determination requires evaluation and comparison of the relative costs, advantages and disadvantages of alternative Metro UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. This evaluation and comparison must be conducted in coordination with service providers, including the Oregon Department of Transportation (ODOT) with regard to impacts on the state transportation system. "Coordination" includes timely notice to service providers and the consideration of evaluation methodologies recommended by service providers. The evaluation and comparison must include:

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

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

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

Statutory/Other Authority: ORS 197.040, 197A.305, 197A.320 & 197.235 & Statewide Planning Goal 14

Statutes/Other Implemented: ~~ORS 195.036, 197.015, 197.478, 197.610 – 197.650, 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.300 - 197A.325, 197A.348-197A.355, 197A.362, 197A.370 – 197A.400, 197A.425, 197A.445, 197A.465, 197A.470~~ ORS 195.036, 197.015, 197.295 – 197.314, 197.610 – 197.650, 197.764 & 197A.300 – 197A.325

History:

LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

LCDD 2-2009, f. 4-8-09, cert. ef. 4-16-09



LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07

660-024-0065 Establishment of Study Area to Evaluate Land for Inclusion in the UGB

Rule summary: This rule describes the process for studying land for potential inclusion in the UGB as it applies to cities outside Metro. This includes how a city identifies a study area and the process for determining whether or not land is suitable to be included within the study area based on factors such as natural resources, hazard risk, and constraints to serving the area with public facilities.

Commentary: Some changes are proposed relating to excluding land from the study area that is environmentally constrained and/or impracticable to provide necessary public facilities or services.

In addition, proposed amendments add notification to Tribal Governments as a required step in the evaluation of land for inclusion in the UGB study area. These proposed changes are reflected in (4)(H) and (5).

Detailed commentary for these draft changes is included above applicable sections or sub-sections.

660-024-0065 Establishment of Study Area to Evaluate Land for Inclusion in the UGB

(1) When considering a UGB amendment to accommodate a need deficit identified in OAR 660-024-0050(34), a city outside of Metro must determine which land to add to the UGB by evaluating alternative locations within a “study area” established pursuant to this rule. To establish the study area, the city must first identify a “preliminary study area” which shall not include land within a different UGB or the corporate limits of a city within a different UGB. The preliminary study area shall include:

- (a) All lands in the city’s acknowledged urban reserve, if any;
- (b) All lands that are within the following distance from the acknowledged UGB:
 - (A) For cities with a UGB population less than 10,000: one-half mile;
 - (B) For cities with a UGB population equal to or greater than 10,000: one mile;
- (c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:
 - (A) For cities with a UGB population less than 10,000: one mile;
 - (B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;
- (d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).

(2) A city that initiated the evaluation or amendment of its UGB prior to January 1, 2016, may choose to identify a preliminary study area applying the standard in this section rather than section (1). For such cities, the preliminary study area shall consist of:

- (a) All land adjacent to the acknowledged UGB, including all land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency, and
- (b) All land in the city’s acknowledged urban reserve established under OAR chapter 660, division 21,



if applicable.

(3) When the primary purpose for expansion of the UGB is to accommodate a particular industrial use that requires specific site characteristics, or to accommodate a public facility that requires specific site characteristics, and the site characteristics may be found in only a small number of locations, the preliminary study area may be limited to those locations within the distance described in section (1) or (2), whichever is appropriate, that have or could be improved to provide the required site characteristics. For purposes of this section:

(a) The definition of "site characteristics" in OAR 660-009-0005(11) applies for purposes of identifying a particular industrial use.

(b) A "public facility" may include a facility necessary for public sewer, water, storm water, transportation, parks, schools, or fire protection. Site characteristics may include but are not limited to size, topography and proximity.

660-024-0065(4)(b)

Sub-section summary: This sub-section includes the list of constraints that may be considered with excluding land from the preliminary study area; in particular, land subject to significant hazard risk such as landslides, flooding, and tsunamis.

Commentary: Proposed changes add that local governments may exclude land subject to other hazards, provided they are identified in an adopted comprehensive plan or development code and the hazard presents a significant risk to life or property.

A previous version of draft rules (V2) shared with the CAUTAC in May included additional hazards not previously mentioned in UGB study area rules but could be considered removed or discounted in the Buildable Land Inventory. This included coastal erosion, channel migration, wildfire, volcanic hazards/lahars, and liquefaction. Based on discussions with subject matter experts, additional research, and the charge to increase clarity and certainty, staff are proposing to not list additional hazards in rule beyond the existing hazards (landslide, flooding, tsunami), and instead propose that local governments wanting to exclude land subject to additional hazards in the UGB study area rely on their comprehensive plan or development code to make that determination. This approach aims to provide flexibility for local governments while maintaining legal certainty for local governments that do not consider additional hazards without requiring additional analysis.

Additionally, for especially constrained cities, excluding all potentially hazardous land may not be feasible. Further research and discussion show that for some hazards, it may not be necessary to fully exclude from the preliminary study area if there are mitigation measures a jurisdiction can adopt to minimize risk, such as buffering or other development standards.

Anticipated guidance will include recommendations for datasets to best estimate hazards and direct local governments to resources for resiliency planning and to mitigate risks associated with various hazards. For example, because the statewide wildfire map was repealed, guidance will suggest local governments update their comprehensive plan to include a wildfire map and adopt measures for housing development standards (such as home hardening and defensible space) to help protect against wildfire. If a local government has these measures in place, it may be recommended that the land still be considered suitable for development and therefore, not excluded.

(4) The city may exclude land from the preliminary study area if it determines that:



(a) Based on the standards in section (78) of this rule, it is impracticable to provide necessary public facilities or services to the land;

(b) The land is subject to significant development hazards, due to a risk of:

(A) Landslides: The land consists of a landslide deposit or scarp flank ~~that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer.~~ If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;

(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);

(C) Tsunamis: the land is within a tsunami inundation zone established pursuant to ORS 455.446;

(D) Other hazards identified in an acknowledged comprehensive plan or development code that the local government determines as presenting a significant risk to life or property.

660-024-0065(4)(c)

Sub-section summary: This sub-section includes the list of resource constraints that may be considered with excluding land from the preliminary study area; in particular, significant habitat areas.

Commentary: The proposed amendment in (A) adds that a local government may use information mapped in a regional inventory if available. In a previous version (V2) of draft rules shared with the CAUTAC in May, there were multiple draft amendments to this sub-section that added sensitive species to the list of habitats that may be considered in this analysis. The V2 rules also include species identified in the State Wildlife Action Plan as Key Habitat or Species of Greatest Conservation Need, low-density habitat for Greater Sage Grouse, and habitat for wildlife connectivity besides big game migration. Based on feedback from CAUTAC Meeting #20 and additional analysis and discussion, this language was removed from the draft amendments for this iteration. Instead, staff intend to develop robust guidance to support cities with estimating and mapping wildlife habitat areas and other natural resources. Anticipated guidance will include recommendations for datasets for wildlife habitat along with information about the scale, scope, and appropriate data evaluation methodologies.

In addition, the allowance in 024-0067(5) provides a pathway to reduce development capacity for areas that may be protected by Goal 5, providing an additional layer of potential protection to natural resources beyond this step in 024-0065. The ESEE analysis, done as part of weighing of boundary location factors in comparing sub-areas in 0067, is another avenue for considering these factors. Once inside a local government's UGB, the Buildable Land Inventory also considers the suitability of land for needed housing and allows removal or discounting capacity of land subject to Goal 5. Local plans or development codes may have additional protections for significant natural resource areas and wildlife corridors, such as buffers or design standards for lighting and fencing.

Additionally, consistent with the proposed amendment in (5) of this rule, (H) adds that lands may be excluded if identified by a Tribal government as not suitable because they contain significant resources.



(c) The land consists of a significant scenic, natural, cultural or recreational resource described in this subsection:

(A) Land that is designated in an acknowledged comprehensive plan prior to initiation of the UGB amendment, or that is mapped on a published regional, state or federal inventory at a scale sufficient to determine its location for purposes of this rule, as:

(i) Critical or essential habitat for a species listed by a state or federal agency as threatened or endangered;

(ii) Core habitat for Greater Sage Grouse; or

(iii) Big game migration corridors or winter range, except where located on lands designated as urban reserves or exception areas;

(B) Federal Wild and Scenic Rivers and State Scenic Waterways, including Related Adjacent Lands described by ORS 390.805, as mapped by the applicable state or federal agency responsible for the scenic program;

(C) Designated Natural Areas on the Oregon State Register of Natural Heritage Resources;

(D) Wellhead protection areas described under OAR 660-023-0140 and delineated on a local comprehensive plan;

(E) Aquatic areas subject to Statewide Planning Goal 16 that are in a Natural or Conservation management unit designated in an acknowledged comprehensive plan;

(F) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 17, Coastal Shoreland, Use Requirement 1;

(G) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 18, Implementation Requirement 2;

(H) Lands identified by a Tribal government as not suitable for urbanization because they consist of significant scenic, natural, cultural, or recreational resources.

(d) The land is owned by the federal government and managed primarily for rural uses.

**660-024-0065(5)**

Section summary: This section adds notification, including invitation for coordination and consultation, to Tribal governments as a required step during the UGB study area analysis.

Commentary: Under the current Goal 5 Cultural Areas rules adopted by DLCD's Land Conservation and Development Commission in 2024, Tribal governments who are interested in notification of UGB amendments will receive these notices prior to the initial hearing of a proposed UGB amendment. DLCD and the Legislative Commission on Indian Services (LCIS) will consult with each of the nine federally recognized Tribal governments in Oregon regarding the geographic areas for which each Tribal government would like to be engaged.

Earlier this year, DLCD sent letters to all nine Federally Recognized Tribes for consultation and coordination on the draft rules specific to how and when cities should consult with Tribes in the UGB amendment process. At this time, 5 Federally Recognized Tribes have responded that Tribal governments would like earlier formal involvement in the Goal 14 process and should be notified at the UGB study area phase. This notification is in addition to, not in place of, the notification of a proposed amendment. Earlier coordination could lead to avoiding, minimizing or mitigating impacts to key cultural and natural resources before the point of UGB expansion. Among many other potential benefits, early coordination and consultation may also result in aligning the growth strategies of the local government with the needs, interests, strategic plans, and sovereign rights of federally recognized Tribal governments.

Note: These rules may be subject to change pending further feedback from Tribal governments.

(5) As part of the process of evaluating land for inclusion in the study area, a local government must notify Tribal governments of the establishment of a preliminary study area as provided:

(a) Notice must be sent to Tribal governments with an ancestral connection to land within the study area and jurisdiction of the local government. The local government must obtain a list from the Oregon Legislative Commission on Indian Services of Tribal governments that have such a connection.

(b) Notice to Tribal governments as identified in (a) must include:

(A) A map of the preliminary study area; and

(B) Information on how and when to provide input, including invitation for government-to-government consultation and staff coordination regarding potential conflicts or opportunities between future urbanization of land within the preliminary study area and cultural or natural resources, Tribal government strategic plans, or other Tribal government interests.

(c) A local government must allow a period of no less than 35 calendar days after the notice was sent for Tribal governments to respond and opt in to consultation and coordination.

(d) A local government that receives input from a Tribal government must explain how input was incorporated. If input from a Tribal government was not incorporated, the local government must provide a rationale explaining why.

(65) After excluding land from the preliminary study area under section (4), the city must adjust the area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed for the deficiency determined under OAR 660-024-0050(4) or, if applicable, twice the particular land need described in section (3). Such adjustment shall be made by expanding the distance specified under the applicable section (1) or (2) and applying section (4) to the expanded



area.

(76) For purposes of evaluating the priority of land under OAR 660-024-0067, the “study area” shall consist of all land that remains in the preliminary study area described in section (1), (2) or (3) of this rule after adjustments to the area based on sections (4) and (5), provided that when a purpose of the UGB expansion is to accommodate a public park need, the city must also consider whether land excluded under subsection (4)(a) through (c) of this rule can reasonably accommodate the park use.

660-024-0065(8)

Section summary: This section includes impediments that a local government may consider when determining whether land is impracticable to serve with public facilities or other services. If land is determined to be impracticable to serve, it may be excluded from the preliminary study area.

Commentary: Proposed text amendments focus on providing rule refinement to local governments seeking to minimize the amount of land in the UGB Study Area (and therefore prevent areas from being included in the UGB) that is impracticable to serve. Guidance will hope to include examples of successful efforts to meet the impracticability threshold, potentially stratified by different size cities and/or various scales of expansion proposal.

(87) For purposes of subsection (4)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:

(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater, provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

(b) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. Impracticability shall be determined by the relative complexity and challenge required to serve an area with public facilities. The city’s determination shall be based on an evaluation of:

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

(B) The likely relative cost of facilities and services to provide a feasibility comparison; and,

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

(c) As used in this section, “impediments to service provision” may include but are not limited to:

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

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

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

(D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject to protection measures under the plan or implementing regulations, ~~or~~ on a published



regional, state or federal inventory, or identified by a Tribal government, consistent with OAR 660-024-0065(4)(c), that would prohibit or substantially impede the placement or construction of necessary public facilities and services.

(d) A city may determine land impracticable to serve when the cost-per-unit calculation exceeds four times the median cost-per-unit of all sub-areas.

(98) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-024-0067(1)(d).

(109) Notwithstanding OAR 660-024-0050(34) and section (1) of this rule, except during periodic review or other legislative review of the UGB, the city may approve an application under ORS 197.610 to 197.625 for a UGB amendment, when paired with land use efficiency measures, to add an amount of land less than necessary to satisfy the land need deficiency determined under OAR 660-024-0050(34), provided the amendment complies with all other applicable requirements.

Statutory/Other Authority: ORS 197.040, 197A.305, 197A.320 & 197.235 & Statewide Planning Goal 14

Statutes/Other Implemented: ORS 195.036, 197.015, 197.~~478, 295~~ 197.314, 197.610 – 197.650, ~~197.764 & 197A.015, 197A.020, 197A.200, 197A.215, 197A.278, 197A.300 - 197A.325, 197A.348-197A.355, 197A.362, 197A.370 – 197A.400, 197A.425, 197A.445, 197A.465, 197A.470~~

History:

LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

660-024-0067 Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities

Rule summary: This rule provides criteria for evaluating and prioritizing land in a study area for inclusion in the UGB.

Commentary: Some changes are proposed related to how local governments can assume the capacity of parcelized land and evaluate alternative locations for inclusion. Detailed commentary for these draft changes is included above applicable sections.

660-024-0067 Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities

(1) A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-024-0065, as follows:

(a) Beginning with the highest priority category of land described in section (2), the city must apply section (5) to determine which land in that priority category is suitable to satisfy the need deficiency determined under OAR 660-024-0050 and select for inclusion in the UGB as much of the land as necessary to satisfy the need.

(b) If the amount of suitable land in the first priority category is not sufficient to satisfy all the identified need deficiency, the city must apply section (5) to determine which land in the next priority is suitable and select for inclusion in the UGB as much of the suitable land in that priority as necessary to satisfy the need. The city must proceed in this manner until all the land need is satisfied, except as provided in OAR 660-024-0065(109).

(c) If the amount of suitable land in a particular priority category in section (2) exceeds the amount necessary to satisfy the need deficiency, the city must choose which land in that priority to include in



the UGB by applying the criteria in section (7) of this rule.

(d) In evaluating the sufficiency of land to satisfy a need under this section, the city may use the factors identified in sections (5) and (6) of this rule to reduce the forecast development capacity of the land to meet the need.

(e) Land that is determined to not be suitable under section (5) of this rule to satisfy the need deficiency determined under OAR 660-024-0050 is not required to be selected for inclusion in the UGB unless its inclusion is necessary to serve other higher priority lands.

660-024-0067(2) Priority of Land for inclusion

Section summary: This section provides criteria for evaluating and prioritizing land in a study area for inclusion in the UGB.

Commentary: One rule amendment is required per HB 2001 (2023) elevating land designated as urban reserve as priority one and demoting land that is subject to an acknowledged exception and land that is nonresource land as priority two.

(2) Priority of Land for inclusion in a UGB. If land of higher priority is inadequate to accommodate the amount of land need estimate in section (1) of this rule, the next priority for inclusion shall be according to the following order of priority:

(a) First Priority is land designated as an urban reserve under OAR chapter 660, division 21, in an acknowledged comprehensive plan, urban reserve, exception land, and nonresource land. Lands in the study area that meet the description in paragraphs (A) through (C) of this subsection are of equal (first) priority:

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

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

(C) Land that is nonresource land.

(b) Second Priority is land adjacent to, or nearby, an urban growth boundary and subject to an acknowledged exception under ORS 197.732; and land that is nonresource land as defined in OAR 660-021-0010(3).

(c) Second-Third Priority is marginal land: land within the study area that is designated as marginal land under ORS 197.247 (1991 Edition) in the an acknowledged comprehensive plan;

(de) Third-Fourth Priority is forest or farm land that is not predominantly high-value farm land: land within the study area that is designated for forest or agriculture uses in the an acknowledged comprehensive plan for agriculture or forestry, or both. Lands considered under this subsection may not include high-value farmland as defined in ORS 195.300(10) or high value forestland as defined in ORS 195.300(11), and that is not predominantly high-value farmland as defined in ORS 195.300, or that does not consist predominantly of prime or unique soils, as determined by the United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS). In selecting which lands to include to satisfy the need, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.



~~(ed) Fifthourth Priority is agricultural land that is predominantly high-value farmland: land within the study area that is designated as agricultural land in an acknowledged comprehensive plan for agriculture or forestry, or both. Lands considered under this subsection may include those lands under ORS 95.300(10) and (11) if not predominantly comprised of prime and unique soils listed in ORS 215.710(2) to (4) or predominantly comprised of Class I and II soils, as defined by the United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS), and is predominantly high-value farmland as defined in ORS 195.300. A city may not select land that is predominantly made up of prime or unique farm soils, as defined by the USDA NRCS, unless there is an insufficient amount of other land to satisfy its land need. In selecting which lands to include to satisfy the need, the city must use the agricultural land capability classification system to select lower-capability lands first.~~

(f) Sixth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both, allowing for those lands excluded in (d), if the city provides findings that no other lands are available to fill the need.

(g) In selecting agricultural lands within the same priority level, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.

(3) Notwithstanding subsections (2)(de) or through (fd) of this rule, land that would otherwise be excluded from a UGB may be included if:

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

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

(4) For purposes of categorizing and evaluating land pursuant to subsections (2)(c) and (d) and section (3) of this rule,

(a) Areas of land not larger than 100 suitable acres may be grouped together and studied as a single unit of land;

(b) Areas of land larger than 100 suitable acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB;

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

(d) When determining whether the land is predominantly high-value farmland, or predominantly prime or unique, "predominantly" means more than 50 percent.

(5) With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is "suitable" to satisfy a need deficiency identified in OAR 660-024-0050(4) unless it demonstrates that the land cannot satisfy the specified need based on one or more of the conditions



described in subsections (a) through (g) of this section:

(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need; as follows:

(A) Parcelization: the land consists primarily of parcels 2-acres or less in size, or

(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.”

(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-024-0065(4) but the city declined to exclude it pending more detailed analysis.

(c) The land is, or will be upon inclusion in the UGB, subject to natural resources protections under Statewide Planning Goal 5 such that that no development capacity should be forecast on that land to meet the land need deficiency.

(d) With respect to needed industrial uses only, the land is over 10 percent slope, or is an existing lot or parcel that is smaller than 5 acres in size, or both. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals.

(e) With respect to a particular industrial use or particular public facility use described in OAR 660-024-0065(3), the land does not have, and cannot be improved to provide, one or more of the required specific site characteristics.

(f) The land is subject to a conservation easement described in ORS 271.715 that prohibits urban development.

(g) The land is committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:

(A) Public park, church, school, or cemetery, or

(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan.

660-024-0067(6)

Section summary: This section includes assumptions local governments can make when estimating housing development capacity of vacant or partially vacant land added to the UGB and refines the manner in which cities compare sub-areas for inclusion in the UGB.

Commentary: DLCD Staff propose, in the absence of a statewide study on this topic, to reduce the anticipated capacity of parcelized land, in parcels less than 5 acres in size that is limited by existing development patterns, by 50 percent. In doing so, a city will still be obligated to include parcelized land, often zoned as rural residential exception in the landscape, in the priority order named in 660-024-0067(2).

(6) For vacant or partially vacant lands added to the UGB to provide for residential uses:

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



(b) Existing lots or parcels less than 5 acres in size shall project half (50 percent) the assumed residential –capacity due to existing development patterns such that the land cannot be reasonably redeveloped or infilled within the planning period as a result of the location of existing structures and infrastructure, unless a city provides quantifiable validation.

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

(7) Pursuant to subsection (1)(c), if the amount of suitable land in a particular priority category under section (2) exceeds the amount necessary to satisfy the need deficiency, the city must choose which land in that priority to include in the UGB by first applying the boundary location factors of Goal 14 and then applying applicable criteria in the acknowledged comprehensive plan and land use regulations acknowledged prior to initiation of the UGB evaluation or amendment. The city may not apply local comprehensive plan criteria that contradict the requirements of the boundary location factors of Goal 14. The boundary location factors are not independent criteria; when the factors are applied to compare alternative boundary locations and to determine the UGB location the city must show that it considered and balanced all the factors. The criteria in this section may not be used to select lands designated for agriculture or forest use that have higher land capability or cubic foot site class, as applicable, ahead of lands that have lower capability or cubic foot site class.

(8) The city must apply the boundary location factors of Goal 14 in coordination with service providers and state agencies, including the Oregon Department of Transportation (ODOT) with respect to Factor 2 regarding impacts on the state transportation system, and the Oregon Department of Fish and Wildlife (ODFW) and the Department of State Lands (DSL) with respect to Factor 3 regarding environmental consequences. "Coordination" includes timely notice to agencies and service providers and consideration of any recommended evaluation methodologies.

660-024-0067(9)(d)

Section summary: This section refines the intent and method of comparing sub-areas for inclusion in the UGB.

Commentary: DLCD Staff propose changes that validate cost-to-serve considerations in UGB expansion selection by specifying criteria related to impediments to service provision based on cost-to-serve in balancing of location factors in 660-024-0067(9).

(9) In applying Goal 14 Boundary Location Factor 2 to evaluate alternative locations under section (7), the city must compare relative costs, advantages and disadvantages of alternative UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. For purposes of this section, the term "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities. The evaluation and comparison under Boundary Location Factor 2 must consider:

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

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

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



(d) In the context of residential development, the cost to serve a sub-area relative to potential yield of housing units.

660-024-0067(10)

Section summary: This section adds a requirement for local governments to update their public facilities plan within 5 years of the UGB amendment decision.

Commentary: DLCD Staff propose a city adopt updates to their public facilities plan (long range) project list to include those projects necessary to serve newly-added land to a city's UGB within 5 years of the final decision of the UGB amendment. In the absence of rules governing this implementation step, there is a chance that projects necessary to serve a newly-added land are not developed nor adopted into utility planning efforts for more than a decade, sometimes pushed as far as to the point of annexation/incorporation of the land. Establishing a time-certain update of Public Facilities Plans creates more certainty for property owners and development interests.

(10) The public facilities portion of a city's comprehensive plan shall be amended to plan for facilities and services, per OAR 660-011, required to serve land added to the UGB no later than 5 years following acknowledgement of the expansion.

660-024-0067(11) and (12)

Section summary: These sections provide components a local government must or may use in their evaluation of Goal 14 location factors 1, 2, and 3 when comparing alternative locations for a UGB amendment. For reference, these location factors are:

- (1) Efficient accommodation of identified land needs;
- (2) Orderly and economic provision of public facilities and services;
- (3) Comparative environmental, energy, economic and social consequences;

Commentary: These new sections were added to provide clarity in the location factor analysis and to increase fair housing choice in areas added to the UGB and better connect Division 24 to Division 8 related to a city's contextualized housing need (applicable for cities subject to OHNA). Additional amendments were made to these sections to clarify that the locational analysis is not limited to these considerations, and that the evaluation under Location Factors 1, 2, and 3 may go beyond what is included in rule.

(11) The evaluation under Goal 14 Boundary Location Factor 1 and 2 must include but is not limited to a comparison of the relative efficiency of accommodating land needs for housing types and densities identified in OAR chapter 660, division 8.

(12) In applying Goal 14 Boundary Location Factor 3, the city may prioritize areas including but not limited to areas that have been conceptually planned to include regulated affordable housing, commercial uses and open space.

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

Statutory/Other Authority: ORS 197.040, 197A.305, 197A.320 & 197.235 & Statewide Planning



Goal 14

Statutes/Other Implemented: ORS 195.036, 197.015, 197.295 – 197.314, 197.610 – 197.650, 197.764 & 197A.300 - 197A.325

History:

LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

660-024-0070 UGB Adjustments

Rule summary: this rule specifies how a local government may adjust the UGB by removing or exchanging land from the existing boundary.

Commentary: Staff have discussed with the TAC rule concepts for allowing residentially designated land that is buildable or not to be exchanged out of the UGB as well as allowing land exchanged into the UGB to be designated at a higher capacity than the land going out. In addition, proposed rule amendments will specify that the amount of buildable land acreage to be added to the UGB must be within ten percent of the amount of residential land removed. Section (3) will be amended to reflect draft rule language supporting these rule concepts.

660-024-0070 UGB Adjustments

(1) A local government may adjust the UGB at any time to better achieve the purposes of Goal 14 and this division. Such adjustment may occur by adding or removing land from the UGB, or by exchanging land inside the UGB for land outside the UGB. The requirements of section (2) of this rule apply when removing land from the UGB. The requirements of Goal 14 and this division, and ORS

~~197.298~~197A.335 apply when land is added to the UGB, including land added in exchange for land removed. The requirements of ORS ~~197.296~~197A.350 may also apply when land is added to a UGB, as specified in that statute. If a local government exchanges land inside the UGB for land outside the UGB, the applicable local government must adopt appropriate rural zoning designations for the land removed from the UGB prior to or at the time of adoption of the UGB amendment and must apply applicable location and priority provisions of OAR 660-024-0060 through 660-020-0067.

(2) A local government may remove land from a UGB following the procedures and requirements of ORS 197.764. Alternatively, a local government may remove land from the UGB following the procedures and requirements of ORS 197.610 to 197.650, provided it determines:

- (a) The removal of land would not violate applicable statewide planning goals and rules;
- (b) The UGB would provide a 20-year supply of land for estimated needs after the land is removed, or would provide roughly the same supply of buildable land as prior to the removal, taking into consideration land added to the UGB at the same time;
- (c) Public facilities agreements adopted under ORS 195.020 do not intend to provide for urban services on the subject land unless the public facilities provider agrees to removal of the land from the UGB and concurrent modification of the agreement;
- (d) Removal of the land does not preclude the efficient provision of urban services to any other buildable land that remains inside the UGB; and
- (e) The land removed from the UGB is planned and zoned for rural use consistent with all applicable laws.

(3) Notwithstanding sections (1) and (2) of this rule, a local government considering an exchange of



residential land may rely on the land needs analysis that provided a basis for its current acknowledged plan, rather than adopting a new need analysis, provided:

(a) The amount of ~~buildable~~ land added to the UGB to meet: ~~(A) An specific type of residential identified housing need is within ten percent of substantially equivalent to the amount of buildable land removed from an urban area (as measured by acres or estimated capacity).~~ or

(A) For local governments with comprehensive plan designations in their urban areas, only residentially designated land may be exchanged to meet an identified housing need.

(B) For local governments within Metro, only urbanizable land may be exchanged to meet an identified housing need.

~~(B) The amount of employment land added to the UGB to meet an employment need is substantially equivalent to the amount of employment land removed, and~~

~~(b) The appropriate local government must apply comprehensive plan designations, and if applicable, urban zoning to the land added to the UGB, such that the land added is designated at the same or higher housing density as the land removed from the UGB. The local government must apply comprehensive plan designations and, if applicable, urban zoning to the land added to the UGB, such that the land added is designated:~~

~~(A) For the same residential uses and at the same housing density as the land removed from the UGB, or~~

~~(B) For the same employment uses as allowed on the land removed from the UGB, or~~

~~(C) If the land exchange is intended to provide for a particular industrial use that requires specific site characteristics, only land zoned for commercial or industrial use may be removed, and the land added must be zoned for the particular industrial use and meet other applicable requirements of ORS 197A.320(6).~~

4) Notwithstanding sections (1) and (2) of this rule, a local government considering an exchange of nonresidential land may rely on the land needs analysis that provided a basis for its current acknowledged plan, rather than adopting a new need analysis, provided:

(a) The amount of suitable land added to the UGB to meet a nonresidential need is within ten percent of the nonresidential land removed, and

(b) (A) The local government must apply comprehensive plan designations and, if applicable, urban zoning to the land added to the UGB, such that the land added is designated for the same nonresidential uses as allowed on the land removed from the UGB, or

(B) If the land exchange is intended to provide for a particular industrial use that requires specific site characteristics, only land zoned for commercial or industrial use may be removed, and the land added must be zoned for the particular industrial use and meet other applicable requirements of ORS 197A.320(6).

(c) If the land exchange is necessary to serve a public land need, the local government must apply comprehensive plan designations and, if applicable, urban zoning to the land added to the UGB, such that the land is designated for the identified public land need.

Statutory/Other Authority: ORS 197.040, 197.235, 197A.285, 197A.305, & Statewide Planning Goal 14
~~ORS 197.040, 197A.305, 197A.320 & 197.235 & Statewide Planning Goal 14~~

Statutes/Other Implemented: ORS 195.036, 197.015, 197.478, 197.610 – 197.650, 197A.015,



~~197A.020, 197A.200, 197A.215, 197A.278, 197A.300 - 197A.325, 197A.348-197A.355, 197A.362,
197A.370 - 197A.400, 197A.425, 197A.445, 197A.465, 197A.470 ORS 195.036, 197.015, 197.295 -
197.314, 197.610 - 197.650, 197.764 & 197A.300 - 197A.325~~

History:

LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

LCDD 2-2009, f. 4-8-09, cert. ef. 4-16-09

LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07

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Attachment B. Draft Model Code Summary

Updated October 9, 2025

Model Code Statutory and Rule Context

In the 2024 Legislative Session, the Oregon Legislature adopted [Senate Bill 1564](#). This bill directed the Land Conservation and Development Commission (LCDC) to adopt specified model codes by January 1, 2026 as part of the ongoing Oregon Housing Needs Analysis rulemaking process. The bill requires the adoption of three codes segmented by city size, including small cities (< 2,500), medium cities (2,500 - 25,000), and large cities (25,000+). The bill requires the code to allow the development of four specific housing types: detached single-unit, accessory dwelling unit, middle housing, and multi-unit dwelling.

As provided in both SB 1564 and in ORS Chapters 197 and 197A, model codes have multiple statutory functions as it relates to housing. Model codes adopted by the Commission:

1. Are **adoptable by reference** to enable a jurisdiction to apply the code for one or more housing types – this is especially intended as a resource for smaller cities with limited capacity for code work.
2. Support **housing law compliance** for local governments and the Housing Accountability and Production Office (HAPO).
3. Create a **comparative benchmark for action** to facilitate housing production, affordability, and choice.
4. Clarify the use of an **enforcement tool** for LCDC as the last step in the housing acceleration program.

Department of Land Conservation and Development (DLCD) staff have provided draft rules outlining these functions as part of LCDC's October meeting packet. The purpose of this summary is to provide a brief summary of the code itself and describe how the code has been updated in response to feedback from the Housing Actions Work Group, local governments, and housing developers. This model code is the final draft before LCDC's anticipated adoption in December. Like the previous draft, the project team will incorporate public comment and testimony to inform the final model codes.

About the Model Code

The standards and procedures in the model code are intended to operationalize the rulemaking charge provided by LCDC and the Legislature under ORS 197A.025 to support housing production, affordability, and choice in communities throughout the state. In general, the code seeks to facilitate this by:

- Providing a **broadly useful resource** to comply with housing laws and support production in varying local contexts for the four housing types prescribed by SB 1564,
- Establishing a **reasonable baseline for development** with standards and procedures that are substantially less restrictive than most modern development codes, and
- Integrating **additional bonuses and flexibilities** to encourage the delivery of discrete public policy objectives, particularly affordable and accessible housing.

However, in recognition of the specific direction and resources provided by SB 1564, the model code has certain limitations in its scope and function. More specifically, the model code:

1. **Is not a (Euclidean) zoning code** – Zoning codes in the U.S. regulate uses and intensity in specific geographic districts, which the model code does not do. Rather, the model code provides specific siting



and design standards for four housing types specified in SB 1564, segmented by city size. The model code can be applied on all lands zoned for residential use as provided in draft rules.

2. **Does not regulate peripheral aspects of development** – Development includes many applied regulatory requirements, ranging from land division, goal protections, public works, fire code, to tree standards and beyond. The code specifies where other local standards apply to development allowed under the code. Over time, the model code can build additional modules to regulate other aspects of development where they would best support the overall goals of the program.
3. **Aligns with, but does not replace or supersede, other DLCD model codes** – To the extent practicable, the code aligns with other model codes DLCD has developed. However, the code serves a different purpose and accordingly deviates from other codes for specific standards regulating development.

Model Code Feedback and Refinement

As part of the refinement process, DLCD staff solicited case examples from local governments and developers across Oregon to test the model code against actual development in varying geographies and local contexts. Additionally, staff engaged in dialogue with members of the Housing Actions Work Group, local governments, and housing developers across the state to explore specific barriers to development that the model code could help address. Themes of feedback and refinement include:

Dimension, scale, and intensity – Participants and others who provided comment expressed a diversity of viewpoints on the dimensional requirements in the model code. In general, local governments expressed concern relating to both the method by which the model code regulates intensity (floor area ratio instead of maximum density) as well as the allowable intensity of development in the code. On the other hand, developers expressed a preference for a greater baseline intensity allowed in the model code. Nearly all site plans reviewed by the project team were allowable under the dimensional requirements in the draft code.

Flexibility and bonuses – DLCD and Housing and Production Office (HAPO) staff heard both support and concern for bonuses and flexibilities provided in the model code for affordable and accessible housing. While some respondents prefer simply allowing greater building envelopes and more flexibility by right without any affordability or accessibility provisions, most were supportive of the concept of providing a reasonably permissive baseline with additional flexibility and bonuses for housing that advances specific public policy goals. The precise details, calibration, and applicability of these bonuses are important, and many respondents had specific suggestions on the bonus provisions to better achieve their intended objectives, including some flexibility to tailor the precise bonuses in consideration of local market conditions.

Design and configuration – A tension in the model code are standards that govern the allowable configuration of lots on a site under applicable design standards. While staff have minimized aesthetic design standards in the code, other design standards relating to the configuration of units can create barriers to the unit count or feasibility of a project, depending on the site and corollary requirements. Minimizing these impacts while maintaining the underlying public policy objective of design standards is a key consideration.

Procedural clarity and consistency – Many barriers in the development process relate to the consistent and clear application of procedures. In general, respondents are supportive of code options that help make procedure clearer and more consistent between jurisdictions. However, some of the procedural uncertainty, cost, and delay extends past development code to issues of capacity and governance, requiring greater



exploration in associated, forthcoming reports to be produced by the Housing Accountability and Production Office under Section 5 of Senate Bill 1537 (2024).

Site plan review – Among submitted site plans, while only a subset of plans contained sufficiently detailed information to adequately compare existing development to the code, the project team was able to evaluate site plans for all housing types with geographic variety in different sized jurisdictions. In general, while the Model Code provisions were permissive of these developments, staff identified need for multiple refinements relating to building envelope and design to minimize potential feasibility barriers in various development contexts.

Key Highlights and Refinements

The model code contains siting and design standards to regulate the four housing types prescribed in SB 1564. The codes are designed to facilitate the combined goals of housing production, affordability, and choice in alignment with the Commission’s rulemaking charge and with the legislative principles prescribed under ORS 197A.025. The code also provides model review procedures to ensure any development under the code is reviewed via a ministerial or administrative process.

These standards and procedures vary based on city size, in recognition that different geographies and community sizes will vary in terms of their capacity, market conditions, and housing law applicability. The summary below provides a high-level description of the code. Additionally, this document describes major refinements to the draft from the previous version in *italics*. The model code is designed to be:

Permissive - The code allows any of the four housing types on a lot of any size where the code is applied through a ministerial or administrative process. Additionally, the code does not regulate or restrict maximum density and scales any minimum density requirement to each housing type, with additional flexibility for affordable and accessible housing development. The code regulates the intensity of development utilizing floor area ratio and other dimensional standards, like height and setbacks.

***Key Refinements:** This draft recalibrated dimensional requirements and intensities to promote feasibility in varying contexts based on real examples and in response to feedback. In small cities, the code utilizes open space as a proxy for development intensity to make review simpler in smaller communities that may lack capacity to administer more complex regulations. Additionally, to remove potential for conflict, the code removed regulations of minimum lot size and certain applications of minimum density. Instead, local land use regulations will play a larger role in regulating these two components. The draft also provided additional development configuration flexibility to align with recent changes to state law in the 2025 Legislative Session.*

Streamlined - The code provides a baseline that is both straightforward and encourages the development of each housing type in comparison to most development codes. Siting standards focus on providing a sufficient buildable envelope to support feasibility while design standards focus primarily on resident access to community amenities, such as common open space or pedestrian-friendly design. The code tempers or limits standards that impose substantial cost to development, such as off-street parking, aesthetic design requirements, or private open space requirements.



Key Refinements: *This draft separated the small cities model code to create a much simpler development code designed particularly for cities with very limited development review staff (medium and large cities codes will be separated for the final). However, this simplicity comes with a trade-off to development flexibility, including development intensity, bonuses, and unit configuration. The code also refines specific procedures to support consistent development review between jurisdictions. Additionally, the code refined specific design standards to minimize feasibility impacts while facilitating intended public policy objectives.*

Flexible - The code establishes clear and objective options to increase flexibility where development fulfills a public policy objective and provides generous bonuses for both affordable and accessible housing. Bonuses can be 'stacked' up to a maximum that greatly exceeds the code's baseline. Where flexibility is needed to fulfill culturally sensitive needs or other discrete public policy objectives, the code provides discretionary options to accommodate adjustments to siting and design standards.

Key Refinements: *Bonuses have been refined to better support the delivery of discrete affordability or accessibility benefits through a clear and objective process. The code also incorporated flexibility to certain standards to encourage and incentivize public policy objectives, especially adaptable housing in detached units and townhouses. Finally, the code includes an optional, staff-reviewed 'modifications' process to adjust standards where they may inhibit production as applied in a specific development context.*

The table below summarizes at a high level the baseline established for each housing type under the model code for large cities (above 25,000 population). Note that additional flexibility is provided for affordable or accessible housing. In general, codes for smaller cities allow for a comparatively lower intensity of development.

Large City Model Code Highlights			
Detached Single Unit	Accessory Dwelling Unit	Middle Housing	Multi-Unit Dwelling
Aligns duplexes and detached single units Incentives for adaptability Simple development & design standards Supports incremental development	Provides opportunity for up to two ADUs per lot ADU size cap of 1,000 sf (independent of primary unit) Ensures at least 1,000 square feet to encourage unit retention	Allows higher intensity than the middle housing model code Allows additional configuration flexibility for attached/detached Incentivizes retention of existing housing Middle housing land divisions to support ownership	Optimized for low-rise, wood-framed multi-unit Enables both 'urban infill' multi-unit and suburban 'garden' styles; higher intensity on smaller sites Baseline building envelope of 3 stories; bonuses increase envelope to 6 stories.
All housing types: No maximum density, ministerial/administrative review, development allowed on any size lot (no min lot size), no required parking, permissive dimensional standards, incentives to build more			



housing, streamlined design standards with focus on access to community amenities, 'stackable' bonuses & flexibilities allowing greater intensity for fulfilling public policy goals.

Note that the model code was updated to conform with bills passed in the 2025 Legislative Session, including House Bill 2138 and Senate Bill 974.

Next Steps

SB 1564 requires LCDC to adopt the final model codes no later than January 1, 2026. The draft provided herein is intended to accompany draft rules to provide a broader opportunity for public review and comment. Once public comment concludes, the project team will evaluate and incorporate final refinements to a final draft of the model code, developing separate codes for each city size specified in SB 1564.

LCDC's adoption does not represent the end of DLCD staff's refinement of the model code. Rather, the code is intended to be both updated and improved over time as applicable laws and best practices evolve. In future updates to Oregon Administrative Rule Chapter 660, Division 008, staff will routinely update the model code and build upon this initial work with future model codes and modules to aid local implementation of housing laws to support production, affordability, and choice.

Model Code Drafts

Updated versions of the model code are available at the following links:

Small cities:

https://www.oregon.gov/lcd/HAPO/Documents/20251009_SB1564_SmCity_ModelCode_PublicCommentDraft.pdf

Medium and large cities:

https://www.oregon.gov/lcd/HAPO/Documents/20251009_SB1564_LgMedCity_ModelCode_PublicCommentDraft.pdf



Attachment C: Oregon Housing Needs Analysis Rulemaking Charge

For the initiation of rulemaking for the Rules Advisory Committee (RAC) for House Bill 2001 (2023 Session), following is a draft charge from the Land Conservation and Development Commission to the RAC. This charge has been developed by staff in collaboration with DLCD's Urban Team, Policy Team, Community Involvement Advisory Committee (CIAC), and the Local Officials Advisory Committee (LOAC), ensuring a comprehensive and cross-disciplinary approach encompassing all statewide planning goals.

RAC Charge:

Members of the Rules Advisory Committee (RAC) shall provide guidance to agency staff to analyze, draft, and recommend Oregon Administrative Rules (OARs) that faithfully implement the legislative intent and direction outlined in Sections 8 and 9 of House Bill 2001 (2023 Session). RAC members are charged to work with agency staff to recommend OARs for Land Conservation and Development Commission consideration that:

- Commit to safe, accessible, climate resilient, and affordable housing options that afford access to opportunity, including Community Assets¹ and fair housing choice, for all Oregonians, especially historically and currently underserved and under resourced communities². Develop and provide local governments with the tools needed to achieve these goals through the implementation of local Housing Production Strategies.*
- Provide clarity and greater certainty to local governments engaging in urbanization- and housing capacity-related planning processes both with regards to regulatory adherence and the desired development outcomes. This includes refinement of methodologies and approaches for the development and adoption of buildable land inventories, urban growth boundary amendments and exchanges, urban and rural reserves, and coordinated public facilities and concept plans.*
- Establish a reasonable and consistent framework of accountability that measures progress towards a community's market rate and subsidized housing production targets and ensures state and local governments take policy and regulatory actions within their control that meaningfully and impactfully facilitate increased housing production, affordability, and choice.*
- Develop a clear compliance pathway for local governments through the Housing Production Strategy and Housing Acceleration programs utilizing program design tools like safe harbors or minimum standards in furtherance of affirmatively furthering fair housing; increased housing production, affordability, and choice; and reliability in program outcomes for local governments.*

¹According to the U.S. Department of Housing and Urban Development's (HUD) proposed AFFH rule, "Community Assets" refers to the types of assets that are often not equitably distributed and available within communities, such as high quality schools, equitable employment opportunities, reliable transportation services, parks and recreation facilities, community centers, community-based supportive services, law enforcement and emergency services, healthcare services, grocery stores, retail establishments, infrastructure and municipal services, libraries, and banking and financial institutions."

² As defined in the [Governor's racial equity plan](#).



OREGON HOUSING NEEDS ANALYSIS RULEMAKING

Rulemaking Advisory Committee Member List

Updated: November 15, 2024



RAC Member	Perspectives
Allen Hines, Community Vision	Disability Advocacy
Ana Molina, OR Just Transition Alliance	Environmental Justice Advocacy
Anne Kelly, WA County	Local County Government
Alexandra Ring, League of Oregon Cities	Local Governments – Cities
Benjamin Gurewitz, Disability Rights Oregon	Disability Advocacy
Beth Barker-Hidalgo, Curry County Homeless Coalition	Homelessness Advocacy
Brandon Pursinger, Association of Oregon Counties	Local Governments – Counties
Brian Rankin, City of Bend	Local Government
Brock Nation, Realtors Association	Realtors
Cassera Phipps, Cleanwater Services	WA County Special District
Chantal Ivenso, DLCD's CIAC, Northeast Oregon Economic Development District	Community Involvement, NE OR Economic Development Dist.
Corie Harlan, Central OR Landwatch	Land Use Planning Advocacy
David Mattison, Bay City	Local Government
Elissa Gertler, Clatsop County Housing, HPAC member	Affordable Housing
Garet Prior, Wilsonville, Alliance for Inclusive Community	Housing Equity Advocacy
Garrett Stephenson, Landuse Lawyer	Land Use Law
Gloria Sandoval, Unite Oregon	Culturally Responsive Organization

RAC Member	Perspectives
Holly Kearns, Baker County	Local Government
Jessica Blakely, Salem Housing Authority	Affordable Housing
Julia Metz, Sightline Institute	Policy Research
Kathy Wilde, Housing Land Advocates	Housing and Landuse Advocacy
Kelly Hart, City of Lebanon	Local Government
Kim McCarty, Community Alliance of Tenants	Tenant Advocacy
Lindsey Hutchison, Willamette Riverkeeper	Natural Resources Conservation
Mac Cunningham, Community Partners for Affordable Housing	Affordable Housing Development
Mary Kyle McCurdy, 1000 Friends of Oregon	Land Use Planning Advocacy
Mercedes Elizalde, Latino Network	Culturally Responsive Organization
Miranda Bateschell, City of Willsonville	Local Government
Patricia Diefenderfer, City of Portland	Local Government
Rachel Mori Bidou, Network for Oregon Affordable Housing	Affordable Housing Finance
Samantha Bayer, Oregon Home Builders Association/Property Owners	Development/Homebuilders
Sean Hobbs Waters	Emerging Planners
Shane Kwiatkowski	Housing Advocacy
Shannon M. Vilhauer, Habitat for Humanity	Affordable Homeownership Development
Ted Reid, Metro	Regional Government
Terra Wilcoxson, City of Gresham	Local Government
Victor Saldanha, Bienestar Board	Affordable Housing Development

RAC Member (Ex-Officio)	State Agency
Becky Baxter	Business Oregon
Dana Hicks	Oregon Department of State Lands
Jim Johnson	Oregon Department of Agriculture
Kali Glen	Oregon Health Authority
Lucia Ramirez	Oregon Department of Transportation
Megan Bolton	Oregon Housing and Community Services
Rian vanden Hoof	Oregon Department of Environmental Quality
Richard Rogers	Oregon Department of Consumer and Business Services



Oregon

Tina Kotek, Governor

Department of Land Conservation and Development

Housing Services Division
635 Capitol Street NE, Suite 150
Salem, Oregon 97301-2540
Phone: 503-373-0050
Fax: 503-378-5518

www.oregon.gov/LCD

To: Oregon Housing Needs Analysis (OHNA) Rulemaking Advisory Committee (RAC)

From: Ethan Stuckmayer, AICP, Housing Services Division Manager

Date: August 20, 2025

Subject: Racial Equity Framework for Decision Making



In August 2023, the Land Conservation and Development Commission (LCDC) adopted a comprehensive racial equity tool – [The Racial Equity Framework for Decision Making](#). This framework tool is designed to guide the Department of Land Conservation and Development’s decision-making processes, ensuring that all programmatic and rulemaking efforts within the Department are centering racial equity with regard to eight components: historical inequities, benefits and burdens, data equity and data justice, community engagement and empowerment, decision-making, restorative justice, accountability, measuring and evaluating outcomes and continuous improvement.

The Department’s Housing Division is the first group to implement this framework for the Department as part of the Oregon Housing Needs Analysis (OHNA) rulemaking process. This document outlines staff’s application of *The Racial Equity Framework for Decision Making*, detailing how Department staff have addressed each component to center racial equity in the second iteration of the draft rules, specifically with regard to the scopes assigned to the Capacity and Urbanization Technical Advisory Committee (CAUTAC) and the Housing Actions Work Group (HAWG).

CAUTAC’s rulemaking scope includes refining Buildable Land Inventory (BLI) methodologies, assessing whether there is enough land inside the existing Urban Growth Boundary (UGB) to accommodate 20 years of housing need, and respond to a land deficiency through Land Use Efficiency Measures (LUEMs) and, if needed, UGB amendments. The scope also includes coordinating public facilities and land use planning to ensure land is development-ready in the short-term.

1. Historical Inequities

- How does this rule address historical inequities for Communities of Color?
- If the rule does not address historical inequities, what are the historical inequities?
- How can this rule lessen historical inequities on Communities of Color? What mechanisms under the jurisdiction of the Oregon Land Use Planning program can assist in reducing historical inequities?
- What additional information or data do you need to address this question? Where will you get it?

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making
August 20, 2025
Page 2 of 17

Generally speaking, rules for Goals 10 and 14 serve as foundational pieces to housing production and implement the overall goals of the OHNA to provide greater production, affordability, and choice in housing in response to historic underproduction and lack of fair housing choice.

Capacity and Urbanization

Specific to CAUTAC’s scope, the draft rules address historical inequities in the following ways:

Planning for affordability and complete neighborhoods in areas added to the UGB.

Historically, many traditional ‘suburban’ neighborhoods consist of Euclidean zoning, which completely separate housing from other types of uses. This results in many residents having to drive to be able to meet their daily needs. Additionally, many areas added to UGBs have historically not had a large variety of housing types at a variety of price points once developed. As a result, these areas tend to consist of housing that is not affordable or attainable for many underserved communities, creating exclusive neighborhoods and reinforcing economic and racial segregation.

UGB amendments in response to accommodate a residential land need present an opportunity to plan for new neighborhoods that do not repeat past patterns of Euclidean zoning and lack of housing choice. In addition to housing development, other types of uses and assets are needed to create neighborhoods that are walkable, sustainable, healthy, and equitable (i.e., “complete”). Proximity to community assets such as commercial uses and open space also provide more opportunities for needed housing, especially affordable housing, to prosper. This is an important part of increasing fair housing choice.⁵

The draft rules aim to address historical inequities by:

- Clarifying rules to create optional pathways for allowing commercial and open space in areas added to the UGB and in urbanizable areas at the time of zoning.
- Prioritizing complete neighborhoods and efficient accommodation of identified housing needs (including the needed types, characteristics, and locations) when land is under consideration to be brought into the UGB.
- Assessing areas added to the UGB in past HCA cycles to look at whether and how land has been annexed and zoned to support needed housing, including affordable housing. If land that was brought into the UGB is not providing for needed housing as intended, this provides an opportunity to remedy the issue through taking action in the HPS to promote annexation and development.

Making land development-ready. The draft rules and guidance facilitate both vacant and partially vacant land within the UGB becoming development-ready in the near-term. There are several opportunities to incentivize affordable housing focused on equitable housing opportunities, e.g., championing infrastructure funding for housing projects in needed housing locations.

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making
August 20, 2025
Page 3 of 17

Housing Production Strategy

An important charge of the NAPTAC was to ensure housing planning obligations under Goal 10 - Housing, specifically relating to the Housing Production Strategy (HPS), are affirmatively furthering fair housing (AFFH). The work of the HAWG is to include a series of compliance pathways that a local government may take as it completes those Goal 10 requirements. Functionally, this means that, while the content of the requirements largely remains the same, pre-approved or required methods for responding to those requirements are being considered.

The AFFH mandate is a critical component of the Fair Housing Act, designed to address historical and systemic inequities faced by Communities of Color. It empowers cities to take meaningful actions to overcome patterns of segregation, promote fair housing choice, eliminate disparities in opportunities, and foster inclusive communities free from discrimination.

Existing HPS rules require cities to contextualize their 20-year housing needs identified in their Housing Capacity Analysis (HCA) by incorporating additional data to describe current and future housing needs in the context of population and market trends. Under existing rules, cities are then required to select actions that will address their housing need and evaluate whether those actions collectively promote fair and equitable housing outcomes.

While this framework aims to achieve fair and equitable housing outcomes, under the safe harbor structure, the contextualization step may be superseded by a set of assumptions for specific “key needs” that are not based on contextualized community need but rather on aggregated quantitative data and analysis. The specific key needs include: Unit type mix, unit size, accessibility, adaptability, affordability, and homeownership. This means that a city that opts into the safe harbor route for those named key needs does not need to conduct further analysis to support conclusions in the CHN. In place of that localized analysis, Contextualized Housing Need compliance pathways aim to set ambitious assumptions of key need to apply statewide, responding insofar as is possible to the historical inequities writ more broadly.

However, even if it adopts the safe harbor key need, a city still required to conduct a comprehensive analysis to identify other needs such as patterns of segregation, disparities in access to opportunity, or disproportionate housing needs among protected classes, including Communities of Color. These localized analyses continue to leave space for qualitative data to inform actions to be included in a Housing Production Strategy.

A key historical disparity – and one which HAWG and RAC members discuss frequently - is the gap in homeownership for communities of color, which statistically corresponds to low-income homeownership. The rule amendments address housing tenure specifically by requiring that local governments refer to HB 2698 (2025) to set local needed housing goals for homeownership, specifically disaggregated by income level. As a critical component of wealth-building, these opportunities have been historically withheld from communities of color. This requirement pushes local jurisdictions to set homeownership standards that are associated with equitable outcomes across Oregon.

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making
August 20, 2025
Page 4 of 17

The premise of the OHNA is to introduce a planning paradigm that assesses real need without projecting past inequities into the future of our communities. In designing statewide standards, HAWG members discussed whether assumptions of need could be tied to existing housing. While there was a diversity of opinions, ultimately most members agreed that *need* should represent ideal circumstances, divorced from the inequitable past and present. While incremental adjustments may move the identification of need closer to the HAWG policy objectives, they simultaneously entrench disparities in fair housing choice for housing types across Oregon. The proposed rule amendment tie assumptions of need to demographic and population information, much of which is published in the Oregon Housing and Community Services Equity Indicator dashboard. Local governments which opt to take the safe harbors to identify their key needed housing types and characteristics will be guaranteed to meet the requirement if they assess need according to the standards outlined in rule. Based on the standards set via the compliance pathways, cities should be better positioned to develop actions that will reduce disparities, promote integration, and foster inclusive communities.

Throughout the rulemaking process, DLCD staff heard a call for cities to reckon with racist and exclusionary housing policies of the past as a critical step in moving forward with racial equity outcomes. This call aligns closely with the AFFH mandate. While existing rule emphasizes the need for cities to understand past exclusionary housing policies that have contributed to present-day racial segregation and inequities, the draft rule provides an option to take a shortcut through that process to reduce analytical burden and guarantee department approval. The ambitious assumptions in the safe harbors may functionally establish similar – or even more far reaching – conclusions. HAWG members recognize the cost/benefit of this tradeoff; it's a less intensive local process intended to support local government capacity and resources.

Whichever route a city takes, in responding to the locally identified need with appropriate actions, the rule has established action-oriented compliance pathways that range from safe harbors to requirements. The proposed actions target key land use efficiency measures that are likely to have impactful outcomes on production for a diversity of housing throughout Oregon, adding choice to a historically limited housing stock. In addition to the standardized actions meant to provide compliance for the obligation to take some land use efficiency measures actions in the HPS, jurisdictions remain obligated to select and implement other kinds of actions that respond to the entirety of the housing needs identified in the contextualized housing need.

As in the CHN, the draft rules in the HPS bifurcate the program in such a way that the obligation to take land use efficiency measures in particular may be satisfied through use of the state-provided compliance pathway, but the obligation to take other kinds of actions to meet housing needs remains. In doing so, it attempts balance clear requirements and expedited process with appropriate responsiveness to local fair housing issues.

Feedback from participants of focus groups conducted with community-based groups and culturally responsive organizations early in the OHNA rulemaking demonstrated a preference for engagement at all steps in the HPS development, especially at the action selection step and with

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025
Page 5 of 17

proper compensation and supportive services (like interpretation, translation, accessibility considerations, etc.) made available. Existing rules guiding community engagement clarify that qualitative data should be used to inform the Contextualized Housing Need. This engagement will continue to inform both the application of the land use efficiency measures under the compliance pathways and the other actions developed to respond to community need.

A central intent of the Housing Actions Work Group is to carry forward the same principles and focus areas of the Housing Production Strategy program by identifying circumstances in which statewide standards can address disparate outcomes to protected classes, especially Communities of Color.

To structure the rule to lessen historical inequities on Communities of Color and protected classes, the program will respond to disparate outcomes with specific and meaningful state and local actions. The draft rules, as statutorily directed, are designed to ensure that local and state action and investments have a particular focus on addressing historical inequities for Communities of Color. This process is formalized both in the referral by way of the Equity Indicators, which serve as flags for inequitable housing outcomes, and in the audit process, where staff will review a city's actions and inactions as they relate to the city's Contextualized Housing Need including the Fair Housing Issue Area Analysis; equitable housing outcomes; and environmental justice, climate resilience, and location choice (see ORS 197A.130(4)(f)).

2. Benefits and Burdens

- What are the benefits and burdens of this rule? Financial, environmental, social?
- Who will benefit from this action? Who will be the most burdened?
- How will burdens be mitigated? How might benefits be redistributed?
- Identify possible unintended consequences. How would we mitigate these if we found out later?

At the highest level, the intent behind the OHNA policy is for improved housing outcomes for all Oregonians through increased housing production, affordability, and choice. Who benefits and who is burdened (and how) will ultimately depend on the construction of the rules operationalizing the OHNA policy and the implementation of the programmatic components by both the Department and cities. Staff are proposing rule amendments that provide greater housing opportunity for communities of color and historically underserved communities.

Capacity and Urbanization

Specific to the draft CAUTAC rules, below is an analysis of potential benefits and burdens:

Topic area	Benefits	Burdens	Ways to mitigate/redistribute
Facilitating UGB amendments	More land available that is not necessarily dependent on redevelopment or infill.	Developing at the edge of a UGB can mean high infrastructure costs and more travel time to	Planning for affordability, housing variety, and complete neighborhoods to

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025

Page 6 of 17

		community assets and jobs. could create or perpetuate segregated living patterns, unaffordability, and limited housing choice.	increase fair housing choice through HPS actions and ensuring efficient use of land. Guidance on HPS actions for these areas (concept planning, annexation agreements, Comp Plan policies). Evaluating land that was previously brought into a UGB.
BLI methodologies	Land Market Supply Factor (LMSF) and safe harbors reduce analytical burden for local governments, especially those with fewer resources	LMSF can decrease capacity inside UGBs and disincentivize cities from promoting development of underutilized parcels in the HPS. Can lead to local governments needing to take greater action to increase capacity of land inside the UGB and amend the UGB.	Limiting to partially vacant land reduces risk for potential unintended consequences of expanding the UGB further out. Guidance can provide additional resources and best practices to local governments.
Development-ready land	‘Unlocks’ areas within the UGB that have not developed. Can increase access to core amenities.	Public investments in certain planned areas can increase risk of displacement	Actions to increase development-readiness prioritize needed housing locations, types, and characteristics. Many development-ready investments can have companion HPS actions to mitigate displacement risks.
LUEMs	Can increase capacity in places where residents have access to jobs, services, and core amenities.	Can increase risk of gentrification and displacement	LUEMs can also prioritize needed housing and can be paired with HPS companion actions to mitigate/redistribute negative impacts. Companion actions can incentivize affordability,

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making
August 20, 2025
Page 7 of 17

			public investments for infill and redevelopment in close proximity to community assets.

Housing Production Strategy

The draft rules for the HPS compliance pathway emphasize the need to center protected classes, including Communities of Color, in all steps of the HPS development – while also balancing limited local capacity. This is particularly highlighted through the draft rule related to action selection, which clarifies a city’s responsibility to analyze how their selected actions as part of their HPS will impact protected classes, especially low-income communities, Communities of Color, and people with disabilities. Even where a city pursues action selection based on a compliance pathway (either by responding to a requirement or opting in), cities must consider how these burdens can be mitigated. Mitigative companion actions may be identified in the HPS menu of actions. By placing this responsibility on the city, the rule recognizes that community needs are highly localized and that cities are best positioned to respond to these needs.

Throughout the process of this rulemaking, it has become clear that most parties both benefit from and are burdened by significant policy decisions such as this, as illustrated by the table below. One risk is that the narrower and more prescriptive the policy becomes, the more likely it is to burden the various groups identified in the table. This risk can best be mitigated through partnership, investment, and support for implementation staff.

The Department should remain attentive to the possibility that the policy could exacerbate disparities in benefits or burdens if the resultant actions, either deliberately or inadvertently, reinforce the systems that create these disparities in the first place. It is important to recognize that systemic issues may not be ameliorated by this policy – there remains a risk that benefits will primarily accrue to a small subset of individuals. For example, while policies that increase housing production provide community benefits, they can also result in windfalls for land and property owners due to existing disparities in housing policy that reinforce this hierarchy.

Mitigating unintended consequences requires careful evaluation of the actions taken in response to need and continued monitoring and evaluation to ensure actions are addressing disparities. Department staff can expect that more unintended consequences will arise through rulemaking and will require continued discussion and evaluation to address.

	Benefits	Burdens
Cities	CHN: Reduced analytical burden; clear expectations and certainty of process; political clarity for local planning departments.	CHN: Loss of specificity and engagement in determining need.

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025

Page 8 of 17

	HPS: Increased structure to better serve the community’s housing needs; state-provided data analysis to determine need and understand in/equitable outcomes; Reduced citywide workload to conduct analyses, determine conclusions, select actions, and undertake actions; political clarity for local planning departments.	HPS: Loss of city power in determining responsive land use actions; potential political pushback to ambitious required actions; action and investment will use capacity and resources.
Community members, particularly Communities of Color	CHN: Reduced time and capacity commitment to participate in engagement efforts. ambitious need estimates may bolster city planning for stronger outcomes. HPS: Increased certainty of outcomes via recommended or required actions improve production, affordability, and choice will help provide options, particularly for those who have faced historic marginalization.	CHN: Decreased engagement and local analysis create potential blind spots to community members’ needs, particularly Communities of Color and protected classes HPS: Required focus on land use efficiency measures may channel resources away from local community needs and fair housing issues.
Community-based organizations	CHN: Increased certainty of outcomes; decreased time and capacity to participate in engagement efforts HPS: Standardized land use responses allow CBOs to increase focus and capacity on responding to fair housing concerns	CHN: Decreased participation in drawing attention to housing needs. HPS: Standardized actions may not specifically respond to locally needed housing types, characteristics, and locations.
State agencies	CHN and HPS: Greater alignment of state and local housing goals; emphasis on use of state tools.	CHN and HPS: Increased administrative responsibilities to supply accurate and robust data, and to design and maintain user friendly access.

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making
August 20, 2025
Page 9 of 17

Development and real estate interests	CHN: Ambitious standards promote significantly more production. HPS: Dramatically decrease land use barriers; streamlined housing development policy and programs.	CHN: Few HPS: Potential re-orientation to specifically focusing on particular needed housing types and characteristics.

3. Data Equity and Data Justice

- Is the data and research you are using for analysis using a Data Equity and Data Justice focus?
- If no, where might you obtain this data?
- If Data Equity and Data Justice is not available, what would you suggest as a way to obtain this data? Is there qualitative data available?

Capacity and Urbanization

The CAUTAC rules and guidance aim to achieve data equity and data justice by:

- Providing guidance on how to best estimate and consider constrained and partially vacant land in a BLI and in UGB study areas, including recommended data sources.
- Investing in resources, such as GIS analysis and technical assistance, to meet the data equity gaps for local governments.
- Tracking and analyzing land that was brought into the UGB in previous HCA cycles in the Contextualized Housing Need.

The additional guidance for data sources, technical assistance, GIS analysis, and data tracking will assist smaller cities in particular with their own local racial equity housing planning work where staff capacity is often limited.

Housing Production Strategy

The existing rules enable cities to use both quantitative and qualitative data to inform a Housing Production Strategy. The elevation of qualitative data in the rules acknowledges that quantitative data alone cannot capture the full extent of housing needs. Local knowledge and lived experiences, particularly from protected classes who bear the brunt of the current housing crisis, are essential. Engagement efforts are crucial for this understanding. A risk of standardizing both the CHN assumptions and key responsive actions is losing sight of that local knowledge and the specific needs it points to.

To support cities in upholding the principles of data equity and data justice, the draft rule amendments encourage or require cities to refer to the OHCS Equity Indicators dashboard. Using local or regionalized data, the ambitious conclusions in the compliance pathways for the CHN intend to establish assumptions that more than meet most common needs.

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025
Page 10 of 17

The equity indicator report, which is intended to provide data on a range of local equity concerns, faces a variety of data validity and reliability issues due to the limitations of Census data and local reporting. Given the greater reliance on this quantitative data rather than the local qualitative data approach reflected in the base rules, these amendments point to an ever increasing acknowledgement that Oregon falls short on data equity, and a renewed push from across state agencies and other interested parties to invest in more robust statewide data collection and tools.

4. Community Empowerment and Engagement

- What methods and what are the racial and geographic demographics of communities engaged during the development of this rule?
- Were there any specific issues raised by Communities of Color about the impact of this rule? What are they? Did this impact/change the development of the rule? If yes, how? If no, why?
- How has DLCD advisory committees engaged with this rule?

The OHNA policy implicates other state agencies beyond the department, including OHCS and the Office of Economic Analysis (OEA) within DAS, enabling a multifaceted engagement program as part of the OHNA rulemaking process. For an overview of the various engagement efforts across all agencies at a high level, [refer to the Summary of Rulemaking Engagement Memo](#).

The Department's engagement program includes a multi-pronged strategy with an explicit intention to center protected classes, especially Communities of Color, throughout the entire rulemaking process. To achieve this, the department has employed the following methods:

- An intentional approach in developing the RAC and TAC rosters to ensure diversity of perspectives.
- Conducting focus groups with community-based and culturally responsive organizations. Additional focus groups were conducted with developers, lenders, and those with interests in natural resources and agriculture. Some of the participants from these focus groups represent and/or serve people who identify as Black, Indigenous, or Person of Color, immigrants, farmworkers, people with disabilities, and low-income populations.
- Utilizing the Department's Racial Equity Framework for Decision Making.
- Partnering with consultant Anita Yap of MultiCultural Collaborative as our rulemaking equity advisor.

Participants from the focus group discussions provided a wide range of feedback and the following are some of the themes raised that have directly influenced and/or reinforced feedback received from the RAC and TACs on the draft rules:

- Community Accountability and Transparency: Communities want to be informed about how decisions are made and how resources are allocated. Involving the community in the planning process by holding listening sessions, understanding the unique needs of

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making
August 20, 2025
Page 11 of 17

different populations, and ensuring that community voices are heard and input is used in policy-making is important.

The existing rules related to engagement requirements of the HPS program elevate qualitative engagement as a critical element to inform the Contextualized Housing Need and clarify the need to conduct engagement as part of the action selection step in the development of Housing Production Strategy. It is a clear requirement of the program that the identification of Fair Housing Issues; determination of needed housing types, characteristics, and locations; and selection of responsive and remedying actions all must be informed in part by community engagement, particularly with Protected Classes. While the rule amendments providing compliance pathways through these processes reduce some attention to that qualitative engagement, the base program remains as a guiding set of expectations.

- Consulting with Tribal governments: Local governments should consult with Tribes early and often to understand if land holds cultural or archaeological significance and to make sure their policies and practices are not in conflict. DLCD heard this theme from both the focus groups and from consulting with Federally Recognized Tribes. This feedback was incorporated into the draft rules for UGB amendments where local governments must notify Tribes at the UGB study area phase.
- Culturally specific and accessible housing: New housing developments need to provide a variety of housing options. For many communities, in addition to studios and one-bedroom units there is an unmet need to plan for larger units to accommodate intergenerational households. There is a high demand for accessible units and they are often difficult to locate and secure. To respond to this widespread need, the draft rule amendments provide an opportunity to adopt the model code standards that offer incentives to developers who build accessible or adaptable housing. Participants emphasized the need for affordable housing that is available to all, especially vulnerable populations such as young adults, low-income families, and migrants. A similar incentive structure, as established in the model code, offers a safe harbor to respond to the need for affordable units.

The existing rules include a requirement for cities to identify the housing types, characteristics, and locations needed to address housing needs informed by the evaluation of local conditions related to housing and the fair housing issue area analysis of the Contextualized Housing Need required in the development of an HPS. Feedback received in 2024 indicated the need for planning for housing types that accommodate larger multi-generational households, alongside units that are accessible and affordable for all. The rule amendments add a new requirement to enact a policy that allows cities to consider density by bedroom count rather than unit for affordable developments. This incentivizes cities to support larger unit sizes at lower price-points, where they are the most needed.

- Holistic and Multifunctional Housing Solutions: Participants highlighted the need for housing solutions that go beyond just providing a place to live. This includes integrating

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025

Page 12 of 17

housing with other essential services like transportation, childcare, and green spaces to create supportive and sustainable communities. With regard to farmworker housing needs specifically, feedback was shared on the importance of farmworkers being close to services like grocery stores, schools, and transit. The draft capacity and urbanization rules incorporate this feedback through clarifying the rules that encourage ‘complete’ neighborhoods where residents live in close proximity to community assets, including commercial uses and open space.

○

5. Decision making

- Who (organizations, individuals, communities?) influenced the final rule recommendations?
- How does this rule address racial equity in decision making for local government implementation?
- If the rule does not provide an approach for racial equity in local government decision making, what would you recommend?

The draft rules have been influenced by a diverse group of interested parties including the Rulemaking Advisory Committee, the Capacity and Urbanization Technical Advisory Committee, the Housing Actions Work Group, , Department-hosted Housing Open Fora attendees, Tribes, and participants and subject matter experts involved in focus groups and small group discussions. This work also builds upon last year’s feedback from the Needs and Production Technical Advisory Committee, the Housing Acceleration Technical Advisory Committee, and regional conversations with local governments. Perspectives across all these interested party groups have been diverse including culturally responsive organizations, community-based organizations, disability advocates, environmental justice advocates, counties, cities, realtors, lenders, special districts, housing equity advocates, tenant advocates, policy researchers, youth, homebuilders, farmers, and many others.

The draft rules collectively incorporate several mechanisms to address racial equity in local government decision-making:

- Specific to the CAUTAC scope, the draft rules add notification to Tribes and invitation for Tribal consultation during UGB study area analysis based on feedback from Tribes earlier this year. This helps ensure Tribes are given opportunity to review and participate earlier in future UGB amendment decisions.
- Data Equity and Data Justice: The draft compliance pathway rules promote, and in some cases require, the use of quantitative data. Qualitative data continues to serve as backbone of the existing program, emphasizing the importance of local knowledge and lived experiences, particularly from protected classes. The dual nature of this new design ensures that decision-making is informed by a comprehensive understanding of community needs.

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025

Page 13 of 17

- **Flexible Implementation:** The rules provide flexibility for cities in conducting analyses and implementing actions, recognizing the diverse needs and contexts of different communities. This approach largely allows for tailored and effective responses to local racial equity challenges.
- **Integration with Equity Indicators:** By pointing to the the Equity Indicators as key data sources for the compliance pathways in the Contextualized Housing Need, cities can ensure that they are planning for housing production and equitable housing efforts that are responsive to the significant key needs. The base rules of the program continue to focus on local equity concerns, enhancing the equity impact of their decisions.
- Staff also recognize other ways to better support racial equity in local government decision through the following ways, which could be considered in future guidance materials:
 - Developing a racial equity framework for decision-making that is tailored to cities enabling them to more intentionally apply a racial equity lens in the development of their HPS reports.
 - Continued curation and development of resources for city staff and leadership on racial equity principles to support building their capacity to implement equitable housing policies.

6. Restorative Justice

- Does this rule provide restorative justice measures for the communities most burdened?
- If yes, what are they?
- If no, what would you suggest that are within the jurisdiction of the State of Oregon?
- What are some other best practices or examples restorative/transformation justice measures that would address the impact of this rule on the most burdened? These examples can be outside the jurisdiction of DLCD, but could provide concept idea sharing with Tribal communities, local governments, businesses and culturally based non-profit organizations.

Capacity and Urbanization

Staff acknowledge that draft CAUTAC rules fall short on truly achieving restorative justice on their own. However, the rules do build on previously adopted rules related to the Contextualized Housing Need and HPS actions which can be bolster capacity and urbanization actions to provide restorative justice measures such as land banking, priority policies, and equitable engagement with communities of color. These actions can serve as companion actions in the HPS to redistribute benefits and mitigate burdens for communities of color and historically underserved communities.

In addition, the draft rules provide the following opportunities for local governments to provide restorative justice measures:

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025
Page 14 of 17

- Adding a requirement for notification to Tribes and invitation for Tribal consultation in the UGB study area rules
- Requiring local governments to zone to allow certain types that may be more affordable, including for a variety of density levels. Guidance can include recommendations for selecting certain HPS actions to achieve equitable outcomes.
- Creating pathways to ensure local governments plan for efficient, complete neighborhoods.

Housing Production Strategy

The HPS program framework empowers cities to implement restorative justice through the identification of need in the CHN and the selection of actions in the HPS. The draft amendments set up compliance pathways in the CHN to assign standards based on data-driven assumptions around key need areas that ensure that communities develop robust responses need categories focused on marginalized communities and communities of color. The draft amendments set up compliance pathways in the HPS identify land use efficiency measures that are designed to respond to the needs of burdened communities, setting standards that support affordability, accessibility, tenure options, and choice.

Meanwhile the base rules of the program continue to require localized analyses in the CHN, including: historical analysis to understand historical injustices and discriminatory practices that have impacted housing; qualitative data to inform the contextualization of housing needs; development of engagement programs that facilitate inclusive and meaningful engagement with communities that have been most affected by housing inequities; and finally an obligation to select and pursue actions in their HPS that respond to community needs and affirmatively further fair housing.

However, it's important to acknowledge that achieving restorative justice requires cities and DLCD to affirmatively carry through the responsiveness to past harms as part of the HPS program. While the existing rule embeds principles of identifying and addressing past harms, especially for those who have faced historic marginalization, specific restorative justice outcomes are not guaranteed by the rule itself. One challenge the Department is aware of that relates to pursuing and implementing restorative justice is the common conflation in both data collection and policy frameworks of Native Americans, a racial identity, with Tribal members, a cultural or political designation – not all Native Americans are Tribal members, and various restorative justice pursuits to specific Tribes are distinct from serving all of the Native Americans who may live in a community, and vice verse.

7. Accountability

- How does this rule address accountability measures for both DLCD and local governments?
- What are the accountability measures for local government for this rule?
- How will DLCD track compliance and what are the incentives and disincentives for not meeting compliance?

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025

Page 15 of 17

- Do the accountability measures include engaging with communities? If yes, how is this done? If no, why?
- What are the challenges and opportunities for accountability for DLCD and local government? What are some ideas to address this?

Capacity and Urbanization

Specific to CAUTAC's scope, the following accountability measures are especially relevant:

- The Housing Capacity Analysis, adoption of Land Use Efficiency Measures, and Goal 14 process requires local governments to write findings on compliance with statewide planning goals and relevant administrative rules and statutes. Land use decisions may be appealed or potentially not approved if compliance is questioned, a key accountability measure.
- Under Goal 10, affordability and choice must be considered and addressed, and zoning measures must respond to the allocated housing need and, if applicable, what is in a city's Contextualized Housing Need.
- If a city fails to adopt a Housing Capacity Analysis before their deadline, they may be referred to the Acceleration Program. This is not proposed to be changed.
- Assessing areas added to the UGB in past HCA cycles to look at whether and how land has been annexed and zoned to support needed housing, including affordable housing. If land that was brought into the UGB is not providing for needed housing as intended, this provides an opportunity to remedy the issue through taking action in the HPS to promote annexation and development.
- Prioritizing complete neighborhoods and efficient accommodation of identified housing needs (including the needed types, characteristics, and locations) when land is under consideration to be brought into the UGB.
- The draft rules provide a deadline for local governments to amend their comprehensive plan to plan for public facilities and services added to the UGB. This creates more certainty for property owners and the development community.
- Guidance can help cities with implementation to ensure successful planning and annexation of areas inside the UGB and in areas being added to the UGB

Housing Production Strategy

With the adoption of the OHNA policy, there is now a shared responsibility across all levels of government for housing production, affordability, and choice. At the local level, cities fulfill their housing obligations under Goal 10 primarily through the development of a Housing Production Strategy (HPS). Within the HPS, cities identify actions to address both current and historical disparities in housing outcomes. The existing rules related to the HPS aim to enable cities to analyze and understand their community's needs and maintain accountability over time.

The addition of the compliance pathways in the HPS draft rules introduces specific actions that the state has incentivized, encouraged, or required. While the base rules of the program establish a framework by which a city must respond to their local housing need, the methods by which the

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making
August 20, 2025
Page 16 of 17

city responds are discretionary. The compliance pathways establish an expectation of certain responses and provide a backstop for cities to pursue potentially politically difficult actions that are shown to be impactful for underserved or marginalized communities. Paired with associated obligations in the Acceleration program, this design enhances accountability with regard to the operating policy objectives and statewide housing goals.

8. Measuring and Evaluating Outcomes and Continuous Improvement

- How will DLCD measure racial equity impact and effectiveness of this rulemaking?
- How will DLCD assist local governments in tracking, measuring and reporting outcomes?
- What additional resources are needed to accomplish this?

Capacity and Urbanization

Specific to CAUTAC's scope, the urbanization rules require local governments' response to a land deficiency through LUEMs, or both LUEMs and a UGB amendment, which are responsive to the housing type mix determined in the CHN. In addition, actions taken to increase the development-readiness of land must respond to the needed housing types, characteristics, and locations determined in the CHN. The efficacy of these actions are assessed in each HPS cycle. Finally, proposed rules include an assessment of areas added to the UGB in past HCA cycles to look at whether and how land has been annexed and zoned to support needed housing, including affordable housing. If land that was brought into the UGB is not providing for needed housing as intended, this provides an opportunity to remedy the issue through taking action in the HPS to promote annexation and development.

Housing Production Strategy

The Housing Production Strategy program operates on a cyclical basis – with an expectation that cities evaluate and recommit to addressing the evolving needs in their communities every eight years (or every 6 in the Metro). The addition of compliance pathways in the action selection portion of the HPS introduces some “one-time” actions into the program that are intended to bring all cities to a baseline level of responsiveness. These actions are broad but generally focused on affordability in the housing stock – a benefit which, if supported by appropriate companion actions, should accrue to communities of color. Once those actions have been adopted by every OHNA-eligible city, the commission will decide whether the program reverts to base rules or establish required actions that are calibrated for increasingly ambitious goals. Staff will make recommendations based on the observed success of this first cycle, analyzing if and how those required actions benefited communities with the greatest need. The Department will also be able to measure city progress towards fair housing access and equitable housing outcomes through the Housing Production Dashboard and Equity Indicators, which will provide annual data snapshots of outcomes for all cities participating in the Oregon Housing Needs Analysis. Although staff expect the results to roll out slowly, the dashboard will ultimately

Oregon Housing Needs Analysis – Racial Equity Framework for Decision Making

August 20, 2025

Page 17 of 17

reflect changes where cities improve. As Equity Indicator data improves as well, it will become a critical component for measuring progress.

The dashboard is informed, in part, by locally reported data for cities over 10,000 population. These requirements are administered by the department to ensure reporting is effective and implementable. Continued refinements of this report will be necessary to improve its application. This will require continuing and updated support from cities in completing necessary reporting requirements. It will also require Department Staff engaging community members to iterate on the policy as implementation rolls out.

OFFICE OF THE SECRETARY OF STATE
TOBIAS READ
SECRETARY OF STATE

MICHAEL KAPLAN
DEPUTY SECRETARY OF STATE



Item #5
Attachment F
October 23-24, 2025 DLCD Meeting

ARCHIVES DIVISION
STEPHANIE CLARK
DIRECTOR

800 SUMMER STREET NE
SALEM, OR 97310
503-373-0701

NOTICE OF PROPOSED RULEMAKING INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 660
LAND CONSERVATION AND DEVELOPMENT DEPARTMENT

FILED

09/29/2025 9:33 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Oregon Housing Needs Analysis Program Implementation

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 11/07/2025 11:55 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Ingrid Caudel
971-701-1133
ingrid.caudel@dlcd.oregon.gov

635 Capitol St NE
Suite 150
Salem, OR 97301

Filed By:
Ingrid Caudel
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 10/23/2025

TIME: 8:00 AM

OFFICER: LCDC

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 1-253-215-8782

CONFERENCE ID: 93469079516

SPECIAL INSTRUCTIONS:

Passcode: 346534

Sign up for Public Comment: <https://www.oregon.gov/LCD/Commission/Pages/Public-Comment.aspx>

NEED FOR THE RULE(S)

The Oregon Legislature adopted HB 2001 and HB 2889 during the 2023 session. This bill directed the Land Conservation and Development Commission to adopt rules implementing the Oregon Housing Needs Analysis into the Statewide Land Use Planning program. The Land Conservation and Development Commission is required to adopt these rules by January 1, 2026. Other bills were adopted in later Legislative sessions that impacted this rulemaking in various ways including HB 4064 (2024), SB 1129 (2025), and SB 1564 (2024).

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Documents can be found on the Secretary of State website:

Oregon Revised Statute Chapter 197, 197A, 195

Oregon Administrative Rules Chapter 660, Divisions 7, 8, 21, 24, and 38

Enrolled HB 2001 (2023)

Enrolled HB 2889 (2023)

Enrolled HB 4063 (2024)

Enrolled SB 1564 (2024)

Enrolled SB 1129 (2025)

Documents can be found on the Department of Land Conservation and Development website:
Land Conservation and Development Commission Racial Equity Framework For Decision Making

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

In 2023, the Land Conservation and Development Commission (LCDC) adopted a Racial Equity Framework for Decision Making. This framework serves as a comprehensive tool to guide department staff in internal projects and processes, as well as with Rules Advisory Committees (RAC).^[1] The framework consists of eight categories with accompanying questions. As part of the Oregon Housing Needs Analysis (OHNA) Rulemaking, department staff have used this framework by highlighting relevant categories and questions based on meeting topics.^[2]

The Department defines Equity in Housing: “Addressing housing needs goes beyond estimating the number of needed units or making them affordable. People have unique housing needs based on their specific circumstances. In addition, Oregon's historically marginalized and underserved populations often face challenges in accessing safe, accessible, and affordable housing in the community of their choice due to unfair historic policies and practices. The Housing Division focuses on creating equitable housing outcomes by facilitating housing^[3] production, affordability, and choice. This aligns with the Goal 10, principles of fair housing, and the urgent housing needs of Oregonians today.^[4]”

For the purposes of this Racial Equity Impact Statement, the following definition is provided by the State of Oregon Diversity, Equity and Inclusion Action Plan.^{[5][6][7]}

^[8]

“Racial Equity: Closing the gaps so that race can no longer predict any person’s success, which simultaneously improves outcomes for all. To achieve racial equity, we must transform our institutions and structures to create systems that provide the infrastructure for communities to thrive. This commitment requires a paradigm shift on our path to recovery through the intentional integration of racial equity in every decision.”^[9]

This Racial Equity Impact Statement provides an analysis of the work to date on the Oregon Housing Needs Analysis rulemaking by the Department and provides the following:^[10]

^[11]

Summary of Rule Intent^[12]

Engagement and Impact on Racial Equity and Racial Groups Subject to this Rule^[13]

Racial Equity Data Considerations^[14]

Unintended Impact and Consequences on Racial Equity in the state^[15]

^[16]

Summary of Rule Intent^[17]

The Oregon Housing Needs Analysis (OHNA) rule amendments aim to address the state’s urgent housing crisis by shifting the focus from simply counting available land to taking deliberate actions that produce equitable housing outcomes. This is a paradigm shift in how the state implements Goals 10 (Housing) and 14 (Urbanization), moving from a supply-capacity approach toward proactive strategies that ensure all communities—particularly those historically excluded from housing opportunities—benefit from growth and investment.²

Key elements²

Contextualized Housing Need (CHN):²

Establishes standardized baselines for housing need, including unit types, affordability levels, size, homeownership opportunities, and accessibility features.²

Ensures consistent statewide minimums while allowing local tailoring to address unique community needs.²

Housing Capacity Analysis (HCA)²

Refines methodologies for estimating housing capacity, including a safe harbor for a Land Market Supply Factor (LMSF) to discount partial capacity of some buildable land.²

Development Ready Land Inventory²

Establishes criteria for inventorying and determining the sufficiency of development-ready land to ensure there is adequate infrastructure, in needed housing locations, to meet a jurisdiction’s housing production target.²

Housing Production Strategies (HPS):²

Requires jurisdictions to adopt actions that meet identified needs to increase capacity in existing neighborhoods.²

Includes affordability incentives, accessibility requirements, and options for larger-family housing.²

Urban Growth Boundary (UGB) refinements:²

Integrate early Tribal consultation into planning processes.²

Promote “complete neighborhoods” in new urbanizable areas to increase fair housing choice.

Statewide monitoring and accountability:²

Creates public dashboards to track housing production, affordability, and equity outcomes annually.²

Incorporates a mid-cycle review and an “Acceleration Program” to intervene if jurisdictions fall behind.²

Engagement and Impact on Racial Equity²

The engagement process for these rules sought to elevate voices from Communities of Color and Tribal Nations while

ensuring that resulting policies address historic inequities in housing access. The intent is to reduce systemic barriers to housing choice, affordability, and stability, particularly for those most impacted by redlining, exclusionary zoning, and displacement.?

Engagement to date:?

DLCD provided opportunities for participation on representative advisory groups:?

The RAC, TAC, and HAWG included members with diverse racial and cultural backgrounds, as well as other marginalized identity groups, including LGBTQ and low-income communities and people with disabilities. The advisory committees also included representatives from culturally specific housing organizations.?

DLCD engaged with Community-based organization (CBO) partnerships:?

Partnered with trusted local organizations to host focus groups using culturally responsive facilitation methods.?

Provided stipends, interpretation services, and accessible meeting formats to remove participation barriers.?

DLCD invited Government-to-government consultation during rulemaking:

Invited Tribal Nations to consult during UGB study phases to ensure culturally significant lands and community needs are respected.??

Expected racial equity impacts:?

Increased housing choice in high-opportunity areas:?

Expands housing diversity where Communities of Color have historically been excluded.?

Integrates mixed-use development to reduce reliance on cars and enhance access to amenities.?

Supports the coordination of infrastructure investments that enable near-term development of needed housing types in areas of opportunity.??

Reduced transportation cost/time burdens:?

Complete neighborhoods and proximity to public transit benefit low-income Black, Indigenous, Latine, LGBTQ, and immigrant households, and people with disabilities.?

Support for homeownership:?

Targets affordable homeownership opportunities to close racial wealth gaps, aligning with HB 2698.?

Anti-displacement protections:?

Embeds strategies in HPS to mitigate displacement risk, especially in neighborhoods undergoing redevelopment.?

Racial Equity Data Considerations?

To ensure the rules result in measurable progress toward racial equity, the department requires the integration of both quantitative data and qualitative lived-experience input for areas outside of compliance pathways. This wholistic approach acknowledges that standard data sources often mask disparities faced by smaller racial and cultural communities and commits to improving data accuracy, disaggregation, and accessibility.

Data approaches?

Collection of core equity metrics to assist with policy and decision making?

Disaggregate by race/ethnicity, income, and disability for housing production, affordability, tenure, displacement, and accessibility outcomes.

Track the geographic distribution of new housing relative to jobs, schools, and transit, pending parcel-specific production data reporting?

Creating and Contributing to Equity Indicators from OHCS and CHN baselines?

Pair quantitative indicators with community narratives to address limitations of census-based datasets for non-compliance pathway needs?

Include locally gathered qualitative information on culturally specific housing needs.

Data equity commitments?

Collect data where available to understand Tribal identities as a subset of Native American identities in common census data sets?

Provide technical assistance for smaller jurisdictions to build capacity in data collection and equity analysis.

Track results from past UGB expansions and HPS actions to assess effectiveness and prevent repeating inequities.

Unintended Impacts and Consequences?

While the rule amendments are designed to advance racial equity, policy implementation can have unintended effects if not closely monitored. These risks, if unmitigated, could reinforce existing inequities. The rule framework includes safeguards and companion actions to reduce these harms, but ongoing evaluation is critical. The rules process evaluated potential risks, impacted communities and developed mitigation measures to address unintended consequences.

Potential Risk 1: Edge-only growth without affordability or mixed uses

Communities most impacted: Households of Color pushed to periphery?

Details: Can increase segregation by siting affordable housing far from opportunity-rich areas.²

Mitigation measures: Encourage complete neighborhoods and increased fair housing choice through promoting affordability, neighborhood scale commercial, and open space in urbanizable areas and areas added to the UGB; evaluate areas recently added to the UGB.²

Potential Risk 2: Displacement from infill/Land Use Efficiency Measures (LUEMs)²

Communities most impacted: Renters, elders, immigrant households LGBTQ households, Black/Latine/Native residents

Details: Redevelopment pressure in existing neighborhoods can lead to gentrification and displacement.

Mitigation measures: Provide guidance on companion measures to prevent displacement of existing residents in areas where LUEMs are focused. This may include tenant protections, right-to-return policies, community preference programs, and disposition of public land for affordable housing.²

Potential Risk 3: Over-discounting infill potential²

Communities most impacted: Close-in Communities of Color

Details: Underestimating capacity in historically disinvested areas may redirect resources to peripheral growth.²

Mitigation measures: Limit Land Market² Supply Factor discounts to partially-vacant land; direct public investment toward equitable infill through Development-Ready Land Inventory and Opportunity Mapping in CHN.

Potential Risk 4: One-size-fits-all CHN baselines²

Communities most impacted: Culturally specific communities with unique need

Details: Baselines may not capture culturally driven housing preferences or multigenerational living needs.

Mitigation measures: Allow cities to exceed statewide baselines based on fair housing issue area analysis

By setting a higher statewide floor for equitable housing planning and requiring transparency in outcomes, these rules create a framework for systemic change. Realizing their full equity potential depends on robust community engagement, timely corrective action when disparities persist, and a sustained focus on restorative justice in housing policy.²

FISCAL AND ECONOMIC IMPACT:

The following are key changes in the draft OHNA administrative rules that have the greatest economic and fiscal impacts:

- Increased specificity in key housing needs local governments will consider as part of their Contextualized Housing Need pursuant to OAR 660-008-0075. Rules describe the quantitative metrics as local governments may, or in some cases, must, incorporate to adequately meet their obligations to plan for a variety of housing types pursuant to ORS 197A.100
- Increased specificity in the actions local governments will consider in their Housing Production Strategy under OAR 660-008-0200 to address key housing needs identified in their Contextualized Housing Need pursuant to OAR 660-008-0075. Rules describe the actions local governments may, or in some cases, must, include as part of their Housing Production Strategy to adequately meet their obligations to take actions in response identified housing needs.
- Clarifications to ensure that the specified actions taken by local governments under OAR 660-008-0200 are operating in congruence with the structure of the Housing Acceleration Program outline in OAR 660-008-0300 and that actions identified as optional in the Housing Production Strategy would be considered required if a local government is referred into the Acceleration Program.
- Clarifications made to the manner in which local governments conduct the various elements of a Housing Capacity Analysis under OAR 660-008-0100 including the Buildable Lands Inventory (OAR 660-008-0110), Residential Lands Needs Analysis (ORS 197A.270), and the Development-Ready Lands Inventory (ORS 197A.210).
- Clarifications made to the assessment local governments conduct in determining which lands may be added to the Urban Growth Boundary when a local government has determined there is a deficit of zoned capacity to meet future housing need under ORS 197A.270.
- Clarifications made to the manner in which local governments consider which lands might be added to an urban reserve under OAR 660-021.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

Costs to State Agencies

Three state agencies have primary responsibilities in the OHNA. The Office of Economic Analysis (OEA) inside the Department of Administrative Services (DAS) will administer the OHNA methodology – an analysis that produces the housing production target information that local governments will incorporate as the basis of into their housing planning. This involves collecting, analyzing, and publishing new housing data each year. The Oregon Housing and Community Services Department (OHCS) will produce a publicly available housing production dashboard and information on housing equity indicators to support local governments in their planning requirements. This involves collecting, analyzing, and publishing new housing data each year. While these agencies and their actions are not directly addressed in the draft administrative rules, the rules rely on new information that they will prepare annually.

DLCD will face the largest fiscal impact from the draft administrative rules. In addition to reviewing local governments' planning documents and ensuring compliance with the program, DLCD staff will be responsible for referring a number of local governments each year to the housing acceleration program audit, conducting the audit including a fact-finding period and public engagement, and working with local governments to reach a housing acceleration agreement. The number of production strategies, midpoint reports, and acceleration audits and agreements will vary depending on

several factors, including the Housing Production Strategy Schedule, DLCD's staffing capacity, and funding to support local implementation at that time. In addition, local governments may voluntarily request that DLCD conduct a non-statutory audit of local, regional, or state barriers to housing production.

When local governments go through the housing acceleration program audit and reach a housing acceleration agreement, DLCD will be required to provide assistance which could take the form of increased regulatory review, financial or technical assistance, or the identification of external resources that can aid in housing production within that jurisdiction. Should local governments not reach an agreement or continue in noncompliance, DLCD staff is responsible for conducting a series of enforcement steps. The new housing accountability components of the draft administrative rules represent a significant increase in staff needs and staff effort relative to current service levels.

Additionally, there is the potential for DLCD to incur Department of Justice legal fees in situations where there are legal disputes between a local government and the agency relating to the housing acceleration program audit process. DLCD is required by law to request an LCDC-issued enforcement order in response to either failure to enter or abide the terms of a housing acceleration agreement, which would incur legal fees and demand a modest increase in staff effort in time to review and compile legal records relative to current service levels.

DLCD also reviews local government adopted Housing Capacity Analyses as part of the typical Post-Acknowledgement Plan Amendment process. The proposed rules are intended to make this Housing Capacity Analysis process more clear and straightforward for local governments. This clarification may incentivize more local governments to conduct these kinds of planning projects leading to an increase in reviews for the department. Conversely, the reviews are likely to be more simple and less time consuming as the regulations are clarified. Finally, HB 2001 (2023) requires local governments to complete a new analysis called the Development-Ready Lands Inventory. The addition of this analysis may lead to slightly longer or more complex reviews by the department, especially in the first few years as local governments and the department become comfortable with the new requirement.

Costs to Local Governments

Oregon cities with populations over 10,000 are required to comply with the draft administrative rules revising Goal 10 housing planning requirements. The draft administrative rules change some planning requirements, add new planning requirements, and heighten local responsibilities for action in response to housing underproduction and equity outcomes. There are new analytical requirements, new processes for selecting actions for Housing Production Strategies, as well as modified requirements for local governments to conduct public engagement (discussed in the next section). DLCD is developing guidance, and OHCS will publish data that will aid local governments in complying with some of the new analytical requirements.

The biggest fiscal impacts resulting from the draft administrative rules will come from a local government's participation in the housing acceleration program. If referred, local governments will have to dedicate staff time to participate and provide contextual information to support a DLCD-led audit to enter an acceleration agreement, and to implement the actions outlined in the acceleration agreement. Per proposed ORS 197A.130(8)(a)(B) actions in the acceleration agreement required to be undertaken by a local government can include:

- Implementing Housing Production Strategy actions, such as changing zoning, policies, or creating a new program
- Dedicating funds for increased local capacity to facilitate housing production, affordability and choice
- Dedicating funds for public facilities and infrastructure necessary to support housing production

- Taking measures that increase the availability of development-ready land
- Amending the development code, approval criteria or procedures to reduce cost or delay to housing production
- Taking emergency temporary measures to support housing production
- Joining any DLCD-initiated mediation or coordination to identify policies and resources from other public bodies that would support housing production in the city

DLCD is producing adoption-ready actions that local governments can adopt in whole or in part by reference that will aid in developing and implementing actions that might be required in the acceleration agreement. The draft administrative rules require DLCD to identify multiple actions a city could take to address a barrier identified in the audit. The city may choose one or more of the options or propose an alternative action to address the barrier, which can have potential impacts on fiscal operations depending on the specific action included in the agreement

For example, if major infrastructure to serve housing developments were identified as a barrier to production, DLCD could identify several options for consideration in the housing acceleration agreement, such as revising system development charges, amending public facilities standards/exactions, or applying for state or federal funding. Additionally, a city could propose an alternative to these options that addresses the barrier. Even with DLCD funding for implementation, each of these options could have potential impacts on city operating revenues and costs that are contingent on both the action and its implementation.

Finally, proposed rules intend to make the process that local governments navigate to complete a Housing Capacity Analysis including a Buildable Lands Inventory, Residential Land Needs Analysis, and Land Use Efficiency Measure selection more clear and straightforward. While this will likely reduce the administrative burden of completing this analysis both in total and for each individual element, there is still likely to be costs incurred by local governments necessary to complete the analysis including staff time, public engagement processes, and formally adopting the conclusions into the local government's Comprehensive Plan.

Costs to Small and Large Businesses

While the operative entity of the proposed rules are local governments subject to conducting Statewide Planning Goal 10 – Housing as part of the state's land use program, there may be impacts to small and large businesses in the state.

Proposed rules identify specific housing need metrics and data that a local government may, or in some cases, must, consider in their housing planning efforts. This data may point the local government to plan for housing needs that they have not previously planned for at this level including accessible, adaptable, and affordable homeownership. In addition to local governments identifying these key needs, the proposed rules also obligate them to take specific land use and zoning actions to facilitate the production of housing to meet these key needs.

Collectively, the proposed rules are likely to have an impact on small and large businesses involved in the development of housing in the state, particularly those development businesses that specialize or focus on development targeted to meet the key housing needs. The net result of the proposed rules will make the development of these housing types more likely and therefore may lead to a positive fiscal impact for these small and large businesses.

Furthermore, the clarifications to the Housing Capacity Analysis program in the proposed rules may have the result of increasing both the development potential inside urban growth boundaries but also the likelihood that unincorporated lands near an urban growth boundary will be brought into the boundary. This may have the impact of increasing land prices as property owners have more development potential of their land to realize. This may increase the likelihood of speculative land purchases in urban-rural transition areas.

Costs to the Public

The draft administrative rules highlight the importance of public engagement conducted as part of Goal 10 planning requirements, which will impact the general public, particularly in the development of the Housing Production Strategy. In adopting a Housing Production Strategy, local governments must engage members of their community in order to identify specific housing needs and to take actions to further housing production, affordability, and choice to address those identified needs. This may result in more time- or resource-intensive requests on the general public.

In the Housing Acceleration Program, the general public may incur costs relating to providing public comment, participating in public engagement, and providing invited feedback to support DLCD's audit of a city's barriers to housing production.

Proposed rules clarifying the Housing Capacity Analysis process may have costs to the public in that the rules may incentivize more local governments to conduct a Housing Capacity Analysis, leading to the expenditure of more public funds. Furthermore, should a local government conduct this analysis and find they have a deficit of zoned capacity within their existing Urban Growth Boundary, the city is obligated to remedy such deficiency. The remedies for a deficiency can take different forms, including adopting Land Use Efficiency Measures, amending an Urban Growth Boundary, or a combination. There are typically public costs to both of these remedies in further analysis and formal adoption processes. These costs are typically paid for using public funds.

Finally, the intent of the proposed rules is to facilitate increased housing production, affordability, and choice for current and future residents of the state. Successful implementation of these proposed programs and rules will likely result in more housing, for more people, in more places. The net result of this outcome is that the public will have more options for housing at more affordable prices, reducing both housing costs, but also the cost of transportation to get from their home to the services and amenities they need.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

The Department of Land Conservation and Development convened several Advisory Committees to inform the proposed rules throughout 2023-2025. The department has also hosted other engagement opportunities to gather feedback on the rules and concepts throughout that same timeframe. Representatives from the small business community were involved in each of these engagement activities and provided input to inform the concepts and rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

HOUSING IMPACT STATEMENT:

The draft administrative rules may impact the cost of land or cost of development for a 1,200 square foot single-family home on a 6,000 square foot lot. The draft administrative rules do not directly affect the cost of materials or labor to develop housing. However, there may be some portions of the proposed rules that impact the cost of land within cities in Oregon.

The proposed rules direct local governments to take specific land use and zoning actions to meet key housing needs. The proposed rules direct local governments to make more efficient use of land within their Urban Growth Boundaries. The proposed rules also make more clear which lands a local government may consider urbanizing by bringing it into the Urban Growth Boundary. Collectively, these measures may have the impact of increasing the price of land necessary to build housing. As property owners have more development capability on their land, the value of that capacity is likely to be reflected in the sales price of the land.

The draft administrative rules could impact the administrative and regulatory costs of developing housing. If local governments remove barriers to housing production that are within their control, this could increase the speed, certainty, and/or efficiency of development, thereby reducing costs. The draft administrative rules encourage local governments to select actions in their Housing Production Strategies that remove barriers to housing production. Local governments who participate in the Housing Acceleration Program may agree to undertake additional actions that remove barriers to housing production that increase the speed and/or reduce the cost of housing development.

Additionally, local actions can indirectly affect costs associated with land or development, such as allowing more housing units on land or enabling and incentivizing cheaper construction methods, such as prefabricated housing. Most often, local actions will reduce the costs associated with development, though some actions may include trade-offs that increase development costs in order to deliver other public benefits, such as promoting physical accessibility of housing.

It is not possible to quantify the impact of the rules on the cost of developing a 1,200 square foot single-family home on a 6,000 square foot lot since costs and conditions vary significantly across the state. Additionally, the extent to which local or state actions will reduce administrative and regulatory costs of housing will vary substantially between local governments based on both local market conditions and the types of actions taken.

RULES PROPOSED:

660-007-0000, 660-007-0005, 660-007-0015, 660-007-0018, 660-007-0020, 660-007-0022, 660-007-0030, 660-007-0033, 660-007-0035, 660-007-0037, 660-007-0045, 660-007-0050, 660-007-0060, 660-008-0000, 660-008-0005, 660-008-0045, 660-008-0075, 660-008-0100, 660-008-0110, 660-008-0120, 660-008-0150, 660-008-0180, 660-008-0185, 660-008-0200, 660-008-0210, 660-008-0230, 660-008-0310, 660-008-0315, 660-008-0320, 660-008-0325, 660-008-0330, 660-008-0400, 660-008-0405, 660-008-0410, 660-008-0415, 660-008-0420, 660-008-0425, 660-008-0430, 660-021-0000, 660-021-0010, 660-021-0030, 660-021-0060, 660-024-0010, 660-024-0040, 660-024-0050, 660-024-0060, 660-024-0065, 660-024-0067, 660-024-0070

REPEAL: 660-007-0000

RULE SUMMARY: This rule describes that the purpose of the division is to outline Goal 10 housing planning requirements in the Portland Metropolitan (Metro) Urban Growth Boundary. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements. .

CHANGES TO RULE:

~~660-007-0000~~

~~Statement of Purpose-~~

~~The purpose of this division is to ensure opportunity for the provision of adequate numbers of needed housing units and the efficient use of land within the Metropolitan Portland (Metro) urban growth boundary, to provide greater certainty in the development process and so to reduce housing costs. OAR 660-007-0030 through 660-~~

~~007-0037 are intended to establish by rule regional residential density and mix standards to measure Goal 10 Housing compliance for cities and counties within the Metro urban growth boundary, and to ensure the efficient use of residential land within the regional UGB consistent with Goal 14 Urbanization. OAR 660-007-0035 implements the Commission's determination in the Metro UGB acknowledgment proceedings that region wide, planned residential densities must be considerably in excess of the residential density assumed in Metro's "UGB Findings". The new construction density and mix standards and the criteria for varying from them in this rule take into consideration and also satisfy the price range and rent level criteria for needed housing as set forth in ORS 197.303.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0005

RULE SUMMARY: This rule describes the technical definitions for the rules in Division 7. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0005~~

~~Definitions~~

~~For the purposes of this division, the definitions in ORS 197.015, 197.295, and 197.303 shall apply. In addition, the following definitions apply:¶¶~~

~~(1) A "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land, after excluding present and future rights-of-way, restricted hazard areas, public open spaces and restricted resource protection areas.¶¶~~

~~(2) "Attached Single Family Housing" means common-wall dwellings or rowhouses where each dwelling unit occupies a separate lot.¶¶~~

~~(3) "Buildable Land" means residentially designated land within the Metro urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered "suitable and available" unless it:¶¶~~

~~(a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;¶¶~~

~~(b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6 or 15;¶¶~~

~~(c) Has slopes of 25 percent or greater;¶¶~~

~~(d) Is within the 100-year flood plain; or¶¶~~

~~(e) Cannot be provided with public facilities.¶¶~~

~~(4) "Detached Single Family Housing" means a housing unit that is free standing and separate from other housing units.¶¶~~

~~(5) "Housing Needs Projection" refers to a local determination, justified in the plan, as to the housing types, amounts and densities that will be:¶¶~~

~~(a) Commensurate with the financial capabilities of present and future area residents of all income levels during the planning period;¶¶~~

~~(b) Consistent with OAR 660-007-0010 through 660-007-0037 and any other adopted regional housing standards; and¶¶~~

~~(c) Consistent with Goal 14 requirements for the efficient provision of public facilities and services, and efficiency of land use.¶¶~~

~~(6) "Multiple Family Housing" means attached housing where each dwelling unit is not located on a separate lot.¶¶~~

~~(7) "Needed Housing" means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels, including at least the following housing types:¶¶~~

~~(a) Attached and detached single-family housing and multiple family housing for both owner and renter occupancy;¶¶~~

~~(b) Government assisted housing;¶¶~~

~~(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;¶¶~~

~~(d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions; and¶¶~~

~~(e) Housing for farmworkers.¶¶~~

~~(8) "Redevelopable Land" means land zoned for residential use on which development has already occurred but on which, due to present or expected market forces, there exists the likelihood that existing development will be converted to more intensive residential uses during the planning period.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 – 197.314, 197.475 – 197.490~~

REPEAL: 660-007-0015

RULE SUMMARY: This rule requires clear and objective approval standards for housing development applications. This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0015~~

~~Clear and Objective Approval Standards Required~~

~~(1) Except as provided in section (2) of this rule, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of needed housing on buildable land. The standards, conditions and procedures may not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.~~

~~(2) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in section (1) of this rule, a local government may adopt and apply an optional alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:~~

~~(a) The applicant retains the option of proceeding under the approval process that meets the requirements of section (1);~~

~~(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and~~

~~(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in section (1) of this rule.~~

~~(3) Subject to section (1), this rule does not infringe on a local government's prerogative to:~~

~~(a) Set approval standards under which a particular housing type is permitted outright;~~

~~(b) Impose special conditions upon approval of a specific development proposal; or~~

~~(c) Establish approval procedures.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0018

RULE SUMMARY: This rule requires that all buildable land be designated with plan designations. This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0018~~

~~Specific Plan Designations Required~~

~~(1) Plan designations that allow or require residential uses shall be assigned to all buildable land. Such designations may allow nonresidential uses as well as residential uses. Such designations may be considered to be "residential plan designations" for the purposes of this division. The plan designations assigned to buildable land shall be specific so as to accommodate the varying housing types and densities identified in OAR 660-007-0030 through 660-007-0037.~~

~~(2) A local government may defer the assignment of specific residential plan designations only when the following conditions have been met:~~

~~(a) Uncertainties concerning the funding, location and timing of public facilities have been identified in the local comprehensive plan;~~

~~(b) The decision not to assign specific residential plan designations is specifically related to identified public facilities constraints and is so justified in the plan; and~~

~~(c) The plan includes a time-specific strategy for resolution of identified public facilities uncertainties and a policy commitment to assign specific residential plan designations when identified public facilities uncertainties are resolved.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0020

RULE SUMMARY: This rule describes the process for a deferral of rezoning requirements. This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0020~~

~~The Rezoning Process-~~

~~A local government may defer rezoning of land within the urban growth boundary to maximum planned residential density provided that the process for future rezoning is reasonably justified:¶~~

~~(1) The plan must contain a justification for the rezoning process and policies which explain how this process will be used to provide for needed housing.¶~~

~~(2) Standards and procedures governing the process for future rezoning shall be based on the rezoning justification and policy statement, and must be clear and objective.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 – 197.314, 197.475 – 197.490~~

REPEAL: 660-007-0022

RULE SUMMARY: This rule restricts tenure-specific development codes without justification of support of needed housing. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0022~~

~~Restrictions on Housing Tenure~~

~~Any local government that restricts the construction of either rental or owner occupied housing on or after its first periodic review shall either justify such restriction by an analysis of housing need according to tenure or otherwise demonstrate that such restrictions comply with ORS 197.303(1)(a) and 197.307(3).~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295–197.314, 197.475–197.490~~

REPEAL: 660-007-0030

RULE SUMMARY: This rule describes requirements on planning for various housing types. This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0030~~

~~New Construction Mix~~

~~(1) Jurisdictions other than small developed cities must either designate sufficient buildable land to provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing or justify an alternative percentage based on changing circumstances. Factors to be considered in justifying an alternate percentage shall include, but need not be limited to:¶¶~~

~~(a) Metro forecasts of dwelling units by type;¶¶~~

~~(b) Changes in household structure, size, or composition by age;¶¶~~

~~(c) Changes in economic factors impacting demand for single family versus multiple family units; and¶¶~~

~~(d) Changes in price ranges and rent levels relative to income levels.¶¶~~

~~(2) The considerations listed in section (1) of this rule refer to county-level data within the UGB and data on the specific jurisdiction.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 – 197.314, 197.475 – 197.490~~

REPEAL: 660-007-0033

RULE SUMMARY: This rule requires local governments to plan for manufactured housing and government assisted housing. This rule is proposed to be repealed based on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0033~~

~~Consideration of Other Housing Types~~

~~Each local government shall consider the needs for manufactured housing and government assisted housing within the Portland Metropolitan UGB in arriving at an allocation of housing types.~~

~~Statutory/Other Authority: ORS 183, 197.040~~

~~Statutes/Other Implemented: ORS 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0035

RULE SUMMARY: This rule designates minimum densities for new construction across tiers of local governments. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0035~~

~~Minimum Residential Density Allocation for New Construction~~

~~The following standards shall apply to those jurisdictions which provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing:¶¶~~

~~(1) The Cities of Cornelius, Durham, Fairview, Happy Valley and Sherwood must provide for an overall density of six or more dwelling units per net buildable acre. These are relatively small cities with some growth potential (i.e. with a regionally coordinated population projection of less than 8,000 persons for the active planning area).¶¶~~

~~(2) Clackamas and Washington Counties, and the cities of Forest Grove, Gladstone, Milwaukie, Oregon City, Troutdale, Tualatin, West Linn and Wilsonville must provide for an overall density of eight or more dwelling units per net buildable acre.¶¶~~

~~(3) Multnomah County and the cities of Portland, Gresham, Beaverton, Hillsboro, Lake Oswego and Tigard must provide for an overall density of ten or more dwelling units per net buildable acre. These are larger urbanized jurisdictions with regionally coordinated population projections of 50,000 or more for their active planning areas, which encompass or are near major employment centers, and which are situated along regional transportation corridors.¶¶~~

~~(4) Regional housing density and mix standards as stated in OAR 660-007-0030 and sections (1), (2), and (3) of this rule do not apply to small developed cities which had less than 50 acres of buildable land in 1977 as determined by criteria used in Metro's UGB Findings. These cities include King City, Rivergrove, Maywood Park, Johnson City and Wood Village.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0037

RULE SUMMARY: This rule provides an alternate approach to the standard minimum density regulations in OAR 660-007-0035. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0037~~

~~Alternate Minimum Residential Density Allocation for New Construction~~

~~The density standards in OAR 660-007-0035 shall not apply to a jurisdiction which justifies an alternative new construction mix under the provisions of OAR 660-007-0030. The following standards shall apply to these jurisdictions:¶¶~~

~~(1) The jurisdiction must provide for the average density of detached single family housing to be equal to or greater than the density of detached single family housing provided for in the plan at the time of original LCDC acknowledgment.¶¶~~

~~(2) The jurisdiction must provide for the average density of multiple family housing to be equal to or greater than the density of multiple family housing provided for in the plan at the time of original LCDC acknowledgment.¶¶~~

~~(3) A jurisdiction which justifies an alternative new construction mix must also evaluate whether the factors in OAR 660-007-0030 support increases in the density of either detached single family or multiple family housing or both. If the evaluation supports increases in density, then necessary amendments to residential plan and zone designations must be made.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0045

RULE SUMMARY: This rule provides calculation regulation regarding the Buildable Land Inventory. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0045~~

~~Computation of Buildable Lands~~

~~(1) The local buildable lands inventory must document the amount of buildable land in each residential plan designation.~~

~~(2) The Buildable Land Inventory (BLI): The mix and density standards of OAR 660-007-0030, 660-007-0035 and 660-007-0037 apply to land in a buildable land inventory required by OAR 660-007-0010, as modified herein. Except as provided below, the buildable land inventory at each jurisdiction's choice shall either be based on land in a residential plan/zone designation within the jurisdiction at the time of periodic review or based on the jurisdiction BLI at the time of acknowledgment as updated. Each jurisdiction must include in its computations all plan and/or zone changes involving residential land which that jurisdiction made since acknowledgment. A jurisdiction need not include plan and/or zone changes made by another jurisdiction before annexation to a city. The adjustment of the BLI at the time of acknowledgment shall:~~

~~(a) Include changes in zoning ordinances or zoning designations on residential planned land if allowed densities are changed;~~

~~(b) Include changes in planning or zoning designations either to or from residential use. A city shall include changes to annexed or incorporated land if the city changed type or density or the plan/zone designation after annexation or incorporation;~~

~~(c) The county and one or more cities affected by annexations or incorporations may consolidate buildable land inventories. A single calculation of mix and density may be prepared. Jurisdictions which consolidate their buildable lands inventories shall conduct their periodic review simultaneously;~~

~~(d) A new density standard shall be calculated when annexation, incorporation or consolidation results in mixing two or more density standards (OAR 660-007-0035). The calculation shall be made as follows:~~

~~(A)(i) $BLI \text{ Acres} \times 6 \text{ Units/Acre} = \text{Num. of Units}$;~~

~~(ii) $BLI \text{ Acres} \times 8 \text{ Units/Acre} = \text{Num. of Units}$;~~

~~(iii) $BLI \text{ Acres} \times 10 \text{ Units/Acre} = \text{Num. of Units}$;~~

~~(iv) $\text{Total Acres (TA)} - \text{Total Units (TU)}$;~~

~~(B) $\text{Total units divided by Total Acres} = \text{New Density Standard}$;~~

~~(C) Example:~~

~~(i) Cities A and B have 100 acres and a 6-unit-per-acre standard: $(100 \times 6 = 600 \text{ units})$; City B has 300 acres and a 10-unit-per-acre standard: $(300 \times 10 = 3000 \text{ units})$; County has 200 acres and an 8-unit-per-acre standard: $(200 \times 08 = 1600 \text{ units})$; Total acres = 600 - Total Units = 5200.~~

~~(ii) $5200 \text{ units divided by } 600 \text{ acres} = 8.66 \text{ units per acre standard}$.~~

~~(3) Mix and Density Calculation: The housing units allowed by the plan/zone designations at periodic review, except as modified by section (2) of this rule, shall be used to calculate the mix and density. The number of units allowed by the plan/zone designations at the time of development shall be used for developed residential land.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0050

RULE SUMMARY: This rule describes the Metro government's role in coordinating the region-wide urban growth boundary. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements as well as duplication of Oregon Revised Statutes.

CHANGES TO RULE:

~~660-007-0050~~

~~Regional Coordination~~

~~(1) At each periodic review of the Metro UGB, Metro shall review the findings for the UGB. They shall determine whether the buildable land within the UGB satisfies housing needs by type and density for the region's long-range population and housing projections.¶¶~~

~~(2) Metro shall ensure that needed housing is provided for on a regional basis through coordinated comprehensive plans.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295 - 197.314, 197.475 - 197.490~~

REPEAL: 660-007-0060

RULE SUMMARY: This rule specifies the applicability of the division to periodic review. This rule is proposed to be repealed based in part on obsolescence and in part on duplication with the recent and pending revisions in Division 8 such that Division 8 will cover all Goal 10 housing planning requirements.

CHANGES TO RULE:

~~660-007-0060~~

~~Applicability~~

~~(1) The new construction mix and minimum residential density standards of OAR 660-007-0030 through 660-007-0037 shall be applicable at each periodic review. During each periodic review local government shall prepare findings regarding the cumulative effects of all plan and zone changes affecting residential use. The jurisdiction's buildable lands inventory (updated pursuant to 660-007-0045) shall be a supporting document to the local jurisdiction's periodic review order.¶¶~~

~~(2) For plan and land use regulation amendments which are subject to OAR 660, Division 18, the local jurisdiction shall either:¶¶~~

~~(a) Demonstrate through findings that the mix and density standards in this Division are met by the amendment; or¶¶~~

~~(b) Make a commitment through the findings associated with the amendment that the jurisdiction will comply with provisions of this Division for mix or density through subsequent plan amendments.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.295–197.314, 197.475–197.490~~

AMEND: 660-008-0000

RULE SUMMARY: This rule describes the intent and purpose of OAR 660-008. The purpose of this division is to ensure there are enough safe, accessible and affordable housing units available and to use land efficiently within urban growth areas. It aims to make the development process more predictable and to create a system to evaluate and improve housing production, affordability, and choice.

CHANGES TO RULE:

660-008-0000

Purpose ¶

~~(1) The purpose of this division is to ensure opportunity for and promote~~ion of ~~the provision of adequate numbers of needed housing units; and the efficient use of buildable land within urban growth boundaries across all communities in the state; . The division provides greater certainty in the development process so as to reduce housing costs; and to provide a framework for evaluation and progress on housing production, affordability, and choice. Additionally, this division aims to promote safe, accessible, and affordable housing options for all Oregonians in their communities of choice, in alignment with the Affirmatively Furthering Fair Housing mandate. This division emphasizes fair housing outcomes, environmental justice, climate mitigation and resilience, and access to opportunity, following the principles of transparency, equitable engagement, and sustainability as provided in ORS 197A.025. This division provides standards for compliance with Goal 10 "Housing" and to implement ORS chapter 197A, ORS 184.453, and ORS 184.455, which include statewide allocation of housing need under the Oregon Housing Needs Analysis. This division also operationalizes the Housing Acceleration program of the Oregon Housing Needs Analysis as provided in ORS 197A.130.¶~~

~~(2) OAR chapter 660, division 7, Metropolitan Housing, is intended to complement and be consistent with OAR chapter 660, division 8 and Statewide Planning Goal 10 – Housing (OAR 660-015-0000(10)). Should differences in interpretation between division 8 and division 7 arise, the provisions of division 7 shall prevail for cities and counties within the Metro urban growth boundary.~~

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.475 - 197.493, ORS 197A.015 - 197A.470

AMEND: 660-008-0005

RULE SUMMARY: This rule provides clear and precise meanings for key terms used throughout Division 8. The rule includes terms and phrases that may a) have a special meaning in rule, b) have a statutory definition, or c) reflect an implementation requirement.

CHANGES TO RULE:

660-008-0005

Definitions ¶¶

For the purpose of this division, the definitions in ORS 184.453, 184.455, 197.015, 197.660, 197A.015, 197A.018, 197A.210, 197A.230, 197A.300, 197A.348, and 197A.420 shall apply, unless the context requires otherwise. In addition, the following definitions shall apply:¶¶

(1) "Accessible" means a unit that is designed, constructed, or altered in conformance with/Uniform Federal Accessibility Standards as implemented by the 2010 Americans with Disabilities Act Standards for Accessible Design, the Americans with Disabilities Act Accessibility Guidelines, or the American National Standards Institute (ANSI) Type A Unit standard adopted by the state building code as defined under ORS 455.010(9).~~¶¶~~

(2) "Action" means a specific policy, code, program, investment, administrative measure, advocacy effort, or other tool ~~included in a housing production strategy in alignment with ORS 197A.100(3) and (4), by which a city commits to adoption and implementation.~~¶¶

~~(a) An action~~ Actions included in a housing production strategy may include e:¶¶

~~(a) Exploratory work as an initial critical step in order to refine, adopt and implement an action;~~¶¶

~~(b) An action may identify an alternate action that~~ Substantial expansion of existing programming that has proven to meets the same housing need and is of commensurate magnitude of impact as the primary action. A city may pursue an alternate action in lieu of the primary ~~city's needed housing types, characteristics, or locations or remedy or mitigate fair housing issues; or~~¶¶

~~(c) Land use efficiency measures provided a city commits to adoption and implementation.~~¶¶

~~(3) "Adoption-ready action" means an action in that the event explorer department has developed either partially work or other circumstances suggest the primary action is not feasible. Compliance with the action implementation year as identified according to OAR 660-008-0200(2)(d) may be fully for local implementation to reduce local capacity and resource needs for action implementation. Adoption-ready actions are embedded in Attachment by implementation of either the primary or the alternate action.~~¶¶

~~(c) An action may include substantial expansion of existing programming that has proven to meet the city's needed housing types, characteristics, or locations or remedy or mitigate fair housing issue~~ B. Housing Production Strategy Guidance for Cities, with demarcations of actions that have been developed for adoption-readiness and appendices to the menu with adoption-ready materials.¶¶

~~(34) "Adaptable" means a unit that is designed, constructed, or altered in conformance with/the ANSI Type B Unit standard adopted by the state building code as defined under ORS 455.010(9).~~¶¶

~~(45) "Affirmatively furthering fair housing" has the meaning provided in ORS 197A.100(9).~~¶¶

~~(56) "Allocated housing need" has the meaning provided in ORS 197A.015(1).~~¶¶

~~(67) "Buildable Land" means residentially designated land and zoned to allow residential use within the urban growth boundary, including both vacant land and developed land likely to be redeveloped, that is suitable, available, and necessary for residential uses. Publicly owned land is generally not considered available for residential use the development of needed housing over a 20-year planning period. Publicly owned land is generally not considered available for the development of needed housing unless otherwise determined by the local government to be available through coordination with public entities. Land is generally considered "suitable and available" unless it:~~¶¶

~~(a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;~~¶¶

~~(b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;~~¶¶

~~(c) Has slopes of 25 percent or greater;~~¶¶

~~(d) Is within the 100-year flood plain or floodway; or~~¶¶

~~(e) Cannot be provided with public facilities.~~¶¶

~~(78) "Characteristics" means the attributes or features of residential units that describe their physical, structural, functional, ownership and tenure aspects, or any combination thereof. Characteristics include at minimum but are not limited to:~~¶¶

~~(a) Interior and exterior features to meet accessibility needs for all ages and disabilities including mobility, auditory, visual, mental and behavioral, and other disabilities and age-related needs like caregiving with emphasis~~

on the needs of older adults;¶

(b) Number of bedrooms and bathrooms;¶

(c) Livability of layouts including eating, sleeping, bathing, and cleaning on one level with a zero-step entrance;¶

(d) Number of complete living spaces within the unit or with adjacent units to support multi-generational living;¶

(e) Construction type including site-framed and prefabricated;¶

(f) Culturally relevant features like multiple kitchens and interior and exterior layouts with accommodating gathering spaces;¶

(g) Affordability, including but not limited to government assisted housing;¶

(h) Tenure type;¶

(i) Climate adaptation and mitigation features including energy efficiency building science, water conservation in appliances and site design, stormwater management, and ventilation and indoor air quality; ¶

(j) Trauma-informed features and design including the built environment and operational plans and practices; and¶

(k) Co-located services with housing, including but not limited to permanent supportive housing (PSH), assisted living housing, skilled nursing housing, and adult foster homes.¶

(89) "City" has the meaning provided in ORS 197A.015(3).¶

(910) "Community Action Partnership of Oregon" has the meaning provided in ORS 456.515(2).¶

(101) "Community members of needed housing" means any individuals who inhabit or are anticipated to inhabit needed housing.¶

(112) "Continuum of Care" has the meaning provided in OAR 813-385-0010(1).¶

(123) "Coordinated Care Organization" has the meaning provided in ORS 414.025(8). ¶

(134) "Communities of color" means populations that have been historically marginalized, underrepresented, or subjected to systemic inequities based on race, color, or ethnicity, including Hispanic, Latina/o/x, Asian, Arabic or North African, Middle Eastern, Pacific Islander, American Indians, Alaska Natives, Native Hawaiians or other Pacific Islanders, and mixed-race or mixed-ethnicity populations.¶

(145) "Contextualized Housing Need" means the deliverable associated with complying with OAR 660-008-0075 and which, through the framework of Affirmatively Furthering Fair Housing, identifies the needed housing types, characteristics, and locations in a city that will be planned for throughout Goal 10 work.¶

(156) "Development-ready lands" has the meaning provided in ORS 197A.015(4).¶

(167) "Environmental justice" has the meaning provided in ORS 182.535(3).¶

(178) "Exploratory work" means studies, research, and other planning analyses intended to inform a city's housing production strategy planning work but which are noncommittal in nature and do not on their own meet the definition of an action. Exploratory work may be a subtask of an action to further refine an action. Exploratory work may be included in an HPS and planned independently of a specific action, such as to inform future HPSs, however, the department will not consider that work to function as an action that meets housing need in the current HPS cycle.¶

(189) "Fair housing choice" means individuals and households having the information, opportunity, and options to live where they choose, including in areas with access to opportunity and in integrated areas, without unlawful discrimination and other barriers related to protected classes, named communities in needed housing as provided in ORS 197A.018, and tribal communities. Fair housing choice encompasses:¶

(a) Actual choice, which means the existence of realistic housing options - options that are affordable, attainable, accessible, and otherwise meet the needs of the household in the housing types, characteristics, and locations of their choice;¶

(b) Protected choice, which means housing that can be accessed without discrimination; and ¶

(c) Enabled choice, which means realistic access to sufficient information, services, and other resources regarding the housing types, characteristics, and locations available so that any choice is informed; and¶

(d) For individuals with disabilities, fair housing choice includes a realistic opportunity to obtain and maintain housing with accessibility features meeting the individual's disability-related needs, housing provided in the most integrated setting appropriate to an individual's needs, and housing where community assets are accessible to individuals with disabilities, including voluntary disability-related services that an individual needs to live in such housing.¶

(1920) "Fair housing issue" means a condition in a city that restricts fair housing choice or access to opportunity, results in inequitable housing outcomes, or any combination thereof and may be indication of current discriminatory actions.¶

(201) "Housing Acceleration Agreement" means a document that complies with provisions of ORS 197A.130(6) to (8).¶

(212) "Housing Capacity Analysis (HCA)" means a document, incorporated into a city's comprehensive plan by ordinance, which complies with the provisions of ORS 197A.270, 197A.280, 197A.335, and 197A.350. A Housing Capacity Analysis is an assessment of ~~housing need~~ residential land need, based on the allocated housing need and

contextualized housing need if applicable, and capacity that includes the inventory, determination, and analysis required under ORS 197A.270(3) to (4), and 197A.350(3).

(223) "Housing equity indicators" means the information annually produced by the Housing and Community Services Department under ORS 456.602.

(234) "Housing Production Strategy (HPS)" has the meaning provided in ORS 197A.015(7).

(245) "Housing production dashboard" means the information annually produced by the Housing and Community Services Department under ORS 456.601.

(256) "Housing production target" has the meaning provided in ORS 184.455.

(267) "Housing type" means a category of housing distinguished by its physical form and underlying parcel of land.

(28) "Integration" means a condition, within a specific geographic area of analysis, in which there is not a high concentration of individuals of a particular protected class, named community in needed housing as provided in ORS 197A.018, or tribal community when compared to a broader geographic area. Racial integration means that individuals of different racial groups generally are not highly concentrated in distinct geographic areas within a community, for example, census tract or block group. For individuals with disabilities, integration also means that such individuals are able to access housing and services in the most integrated setting appropriate to the individual's needs. The most integrated setting is one that enables individuals with disabilities to interact with individuals without disabilities to the fullest extent possible.

(279) "Land Use Efficiency Measure" refers to an action taken by a city via an adopted comprehensive plan amendment or land use regulation consistent with ORS 197.610 to quantifiably reduce the land need.

(30) "Location" means a specific geographic area or series of areas within a city's boundaries or approved expansion areas planning boundary. Locations can significantly impact equity, quality of living, and access to opportunity. Locations include at a minimum but are not limited to areas with proximity to:

(a) Community assets, including but not limited to:

(A) Key destinations as defined by OAR 660-012-0360(2);

(B) Areas with multimodal connectivity infrastructure, including the availability of road networks, public transit and paratransit options, bike lanes, and pedestrian pathways; and

(C) Areas with community based supportive services.

(b) Harms, including but not limited to:

(A) Environmental conditions that may lead to harm such as areas prone to natural hazards, industrial uses, and highways and freeways; and

(B) Areas that are segregated by race and income.

(2831) "Manufactured dwelling park" has the meaning provided in ORS 446.003(20).

(2932) "Middle housing" has the meaning provided in ORS 197A.420(1)(c)(A) to (E).

(302) "Middle housing" has the meaning provided in ORS 197A.420(1)(c)(A) to (E).

(33) "Midpoint Report" means a report that a city submits to the department half-way through a housing production strategy cycle pursuant to OAR 660-008-0230.

(344) "Multi-unit Housing" means housing developed with five units or more where each dwelling unit is not located on a separate lot and is not Middle Housing.

(325) "Near-term" means the project will begin construction no later than the applicable HPS cycle minus 2 years (i.e. 8 year HPS cycle = construction begins no later than year 6).

(a) Projects included in an adopted 5-year Capital Improvement Plan used for budgeting purposes may be used to provide near-term commitment.

(b) In the absence of a Plan described in 660-008-0005(35)(a) a subset of projects from each public facility master plan, prorated for the HPS cycle minus 2 years, that are included in an adopted system plan's subset of capital projects may be used to provide near-term commitment.

(36) "Needed housing" has the meaning provided in ORS 197A.018.

(337) "Oregon Housing Needs Analysis (OHNA)" has the meaning provided in ORS 184.451.

(348) "Partially vacant land" refers to buildable land with existing development on it where the land area can be further developed within the applicable development regulations.

(39) "Past discriminatory actions or practices related to land and housing access" means policies, programs, and other practices which oppressed and discriminated against protected classes and named communities in needed housing as provided in ORS 197A.018 with particular focus on communities of color, low-income communities, individuals with disabilities, and tribal communities, and which are particularly oriented to place, belonging, stability, housing, wealth-building, and the lands themselves that occurred in the city and region. This includes but is not limited to:

(a) The historical and ongoing actions affecting the indigenous stewards and residents of the lands, including land seizure, massacre, termination, attempted erasure, and displacement; the geographic locations of land seizure and displacement including reservations and treaty lands;

- (b) The imposition of the ownership model on the land; the Donation Land Act and the associated land grants made exclusively to white settlers in the mid-nineteenth century; laws illegalizing ownership of land for particular communities;¶
- (c) Land and housing access restrictions like sundown laws and their geographic boundaries; segregated schools, neighborhoods, parks, and natural areas; mortgage redline maps; insurance blueline maps; histories of block-busting practices; and any unnecessary institutionalization and incarceration.¶
- (d) Urban renewal and large public works projects that displaced communities, including transportation infrastructure projects, freeway development, and other uses of eminent domain to seize property and wealth; land use and zoning decisions that systematically excluded or segregated particular communities, limited their access to desirable neighborhoods, or enforced discriminatory land use practices; and¶
- (e) Other occurrences of property seizure, unsafe living conditions, and displacement for particular communities.¶
- (3540) "Planning boundary" means the area a local government must analyze when planning for needed housing which includes:¶
- (a) Lands inside a local government's existing urban growth boundary;¶
- (b) For an incorporated city, lands within its current jurisdictional boundary and any lands delegated to the city as specified in an intergovernmental agreement or urban growth management agreement; and¶
- (c) For Metro counties, Metro urban unincorporated lands as defined by ORS 197A.015(9) and not included in (b).¶
- (41) "Producers of needed housing" means developers, builders, service providers, or other individuals or entities providing materials and funding needed to build needed housing. Producers of needed housing may include non-profit organizations, for-profit organizations, or public entities.¶
- (3642) "Protected class" includes the meaning provided in ORS 659A.425, which encompasses federal Fair Housing Act protected classes, state protected classes, and any locally protected classes.¶
- (437) "Public body" has the meaning defined in ORS 174.109.¶
- (3844) "Public Facilities" means water, wastewater collection, stormwater, and transportation facilities that serve a jurisdiction.¶
- (45) "Readily-served" means required improvements are abutting a single parcel or group of contiguous parcels under common ownership, such that no oversized facilities or facility extensions greater than 300 feet are required to serve development.¶
- (a) If oversizing or improvements extending more than 300 feet are required, there are cost-sharing mechanisms in place to address costs of oversizing and improvements that will serve multiple developments. ¶
- (b) A development may be considered readily-served if a developer has agreed through recorded instrument to build the required improvements in the near-term.¶
- (46) "Redevelopable land" means land zoned ~~for~~to allow residential use on which development has already occurred but on which, due to present or expected market forces, there exists the strong likelihood that existing development will be converted to more intensive residential uses during the 20-year planning period.¶
- (3947) "Safe harbor" means an optional course of action that a city may use to satisfy a requirement of Goal 10. Use of a safe harbor prescribed in this division will satisfy the requirement for which it is prescribed. A safe harbor is not the only way or necessarily the preferred way to comply with a requirement and it is not intended to interpret the requirement for any purpose other than applying a safe harbor within this division. ¶
- (408) "Segregation" means a condition within specific geographic areas of analysis in which there is a significant concentration of individuals of a particular protected class, named community in needed housing as provided in ORS 197A.018, or tribal community in a particular geographic area when compared to a different or broader geographic area. Racial segregation includes a concentration of individuals of the same race regardless of whether that race is the majority or minority of the population in the geographic area of analysis. For example, in a community where individuals of one race are concentrated in one neighborhood and individuals of another race are concentrated in a different neighborhood, racial segregation exists in each of the neighborhoods. For individuals with disabilities, segregation includes a condition in which available housing or services are not in the most integrated setting appropriate to an individual's needs. ¶
- (419) "Single-room occupancy housing" has the meaning provided in ORS 197A.430.¶
- (4250) "Tenure" means the full range of housing tenure types encompassing forms of occupancy and ownership, including but not limited to rental; market-, shared-, limited-, and zero-equity structures as applied to various ownership models like community land trusts and resident-owned cooperatives; condominium ownership; and fee simple ownership.¶
- (4351) "Tribe" as defined in ORS 182.162(2) means a local government" means the governing body of a federally recognized Indian tribe in Oregon including but not limited to Tribal Council and staff.¶
- (4452) "Tribal communities" means tribally affiliated Oregonians including enrolled members of tribes and their households federally recognized Indian tribes and their households. ¶
- (53) "Zone to Allow" or "Zoned to Allow" means that the comprehensive plan and implementing zoning allows the

specified housing type(s) and density or densities under clear and objective standards and other requirements specified in ORS 197A.400.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.475 - 197.493, ORS 197A.015 - 197A.470

AMEND: 660-008-0045

RULE SUMMARY: This rule describes annually published schedule describing the deadlines, process, and schedule for Housing Capacity Analyses and Housing Production Strategies.

CHANGES TO RULE:

660-008-0045

Update Housing Capacity Analysis Schedule

Cities described in ORS 197A.270, 197A.280, and 197A.335 shall adopt a housing capacity analysis and adopt a housing production strategy as scheduled by the commission.¶¶

(1) The commission shall adopt and the department shall publish the schedule of housing capacity analyses and housing production strategies deadlines for cities identified under ORS 197A.270, 197A.280, and 197A.335 in Attachment A.¶¶

(2) The deadline for adoption of a housing capacity analysis and a housing production strategy in a given year is December 31st.¶¶

(3) The department will consider a city to have met its obligation to adopt a housing capacity analysis upon adoption of the housing capacity analysis by ordinance. The department will not consider a subsequent appeal of the city ordinance adopting its housing capacity analysis a failure to comply with the deadline provided in Attachment A provided in section (1).¶¶

(4) The department will consider a city to have met its obligation to adopt a housing production strategy upon adoption of the housing production strategy. As provided in ORS 197A.100(7), the adoption of a housing production strategy is not a land use decision and is not subject to appeal or review except as provided in ORS 197A.103.¶¶

(5) Upon adoption of a housing capacity analysis, the deadline for a subsequent housing capacity analysis is as follows:¶¶

(a) Eight years subsequent for cities that are not within Metro; or¶¶

(b) Six years subsequent for cities that are within Metro.¶¶

(6) The housing production strategy is due one year after the city's deadline for completing a housing capacity analysis, as prescribed in section (1).¶¶

(7) The applicable allocation of housing need and housing production target, as provided in ORS 184.451 to 184.455, are those that are most recent in the year of the adoption of the housing capacity analysis. ¶¶

(8) If a population estimate developed under ORS 195.033 and OAR 660-032-0020 and OAR 660-032-0030 results in a city qualifying under ORS 197A.270, 197A.280, and 197A.335, the city must adopt a housing capacity analysis within two years of its qualification or the interval provided in section (5), whichever is the longer period.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.015 - 197A.470

AMEND: 660-008-0075

RULE SUMMARY: This rule delineates the requirements of the Contextualized Housing Need which is an analysis that localizes and specifies the housing attributes that a local government needs for the purposes of its Goal 10: Housing planning work, feeding both the Housing Capacity Analysis and the Housing Production Strategy

CHANGES TO RULE:

660-008-0075

Contextualized Housing Need

The contextualized housing need is an analysis relating a city's allocated housing need and housing production target, as provided in ORS 184.451 to 184.455 and OAR 660-008-0045(7), to local qualitative and quantitative information. This analysis uses current and future housing needs, along with population and market trends, to evaluate fair housing choice and identify fair housing issues within the city's planning boundary to affirmatively further fair housing. A city must work interdepartmentally to the extent possible in developing and implementing its contextualized housing need, including but not limited to collaboration across the planning, permitting, public works, and community development departments. The analysis must include consideration of protected classes and named communities in needed housing as provided in ORS 197A.018, with particular focus on communities of color, low-income communities, individuals with disabilities, and tribal communities.¶¶

The output of the analysis is a determination of the needed housing types, characteristics, and locations of housing within a city's planning boundary that a city must plan for in its six- or eight-year housing capacity and production cycle and in its twenty-year planning period in order to mitigate and remedy the identified fair housing issues in furtherance of fair housing choice. Subsequent housing capacity analyses, and any land use efficiency measures taken and any resulting urban growth boundary amendments, the development-ready land inventory, as well as the housing production strategy and all actions therein, must respond to the identified needed housing types and locations, and characteristics as applicable, as determined by this contextualized housing need. To the extent it exists, a city may utilize information, data, and analyses from other housing planning efforts completed in the last five years within the city including, but not limited to, equity analyses and other reports conducted under OAR chapter 660, division 12 and consolidated plans for any of the United States Department of Housing and Urban Development (HUD)'s Community Planning and Development formula grant programs including Community Development Block Grant Entitlement Communities.¶¶

(1) At a minimum, the contextualized housing need must include:¶¶

- (a) An affordability analysis including at a minimum a review of market conditions affecting the provision of needed housing including existing and expected barriers to the development of needed housing;¶¶
- (b) An analysis of past discriminatory actions or practices related to land and housing access including, as practicable given information and resource availability, mapping of the geographies impacted by these actions and comparing those geographies' relationship to current patterns of segregation as well as affluence and poverty as illustrated in the housing equity indicators. Once initially completed, a city must update the past discriminatory actions analysis for future housing capacity analysis and housing production strategy cycles, incorporating new information and resources and in comparison to current conditions; and ¶¶
- (c) An analysis of fair housing choice across the following issue areas for communities of color, low-income communities, individuals with disabilities, and tribal communities that concludes with the identification and evaluation of fair housing issues within a city's planning boundary. ¶¶
 - (A) Housing tenure and wealth building opportunities;¶¶
 - (B) Permanent housing to resolve homelessness;¶¶
 - (C) Accessible and adaptable housing;¶¶
 - (D) Access to community assets and mitigation of exposure to harms;¶¶
 - (E) Housing stability, anti-displacement, and displacement mitigation;¶¶
 - (F) Addressing and disrupting patterns of segregation, and their correlation with concentrated areas of affluence and poverty; ¶¶
 - (G) Any issue areas the city is required to address in other requirements or regulations, including cities subject to OAR 660-012-0315(1) and cities within Metro with Region 2040 centers, as defined in OAR 660-012-0005(24); and¶¶
 - (H) Any other issue areas that appear to exist based on occurrences of disparate housing needs in a city across protected classes and named communities in needed housing as provided in ORS 197A.018;¶¶
- (d) If a city concludes that there are no fair housing issues in one or more of the identified fair housing issue areas listed in subsection (c), a detailed justification for this conclusion. This justification must include:¶¶
 - (A) A comprehensive analysis from subsection (c) that demonstrates the absence of disparate housing needs or barriers in the issue area(s) and the presence of fair housing choice and stability for all community members; and¶¶

- (B) A plan for ongoing monitoring to ensure that fair housing issues do not emerge in the future, including a commitment to re-evaluate the issue area(s) in subsequent contextualized housing need analyses and housing production strategy adoptions.¶¶
- (e) An analysis of approved urban growth boundary expansion areas to accommodate a residential need, if any, within the last three housing capacity and production cycles or, if a city has not yet had three housing capacity and production cycles, within the last eighteen years.¶¶
- (A) This analysis must be based on the following information:¶¶
- (i) Current zoning; and¶¶
- (ii) All post-acknowledgement comprehensive plan amendments and comprehensive plan map designations regarding housing-related urbanization including approved urban growth boundary expansion areas within the last three housing capacity and production cycles or, if a city has not yet had three housing capacity and production cycles, within the last eighteen years.¶¶
- (B) If a city concludes that land within approved urban growth boundary expansion areas has not been annexed or zoned, the city must take action in their housing production strategy to promote annexation, zoning, and needed housing development in the applicable locations.¶¶
- (f) Description and identification of the housing types, characteristics, and locations needed to:¶¶
- ~~(A) Remedy; or mitigate the fair housing issues identified in subsection (c) in order to, to address (e)(B), and to meet the city's allocated housing need and housing production target while affirmatively furthering fair housing and achieving fair housing choice; and¶¶~~
- ~~(B) Meet the city's housing production target while affirmatively furthering fair housing; and.¶¶~~
- (A) Description and identification of needed housing types must include a quantification of each needed housing type which may be expressed as a percentage of the total allocated housing need and housing production target, respectively.¶¶
- (B) Description and identification of needed housing characteristics and locations must include specificity including to the degree of quantification to the greatest extent possible. Where quantification is not possible, this requirement may be satisfied by representation of these needs in relative magnitude or narrative form.¶¶
- (C) Needed homeownership housing must be identified at least as the relevant percentage per HB 2698 (2025) and applied to each income bracket of the allocated housing need and the housing production target provided in ORS 184.453(4).¶¶
- (fg) For cities subject to OAR 660-012-0310, the number of housing units needed for the city to make proportionate progress towards accommodating 30 percent of all housing in climate-friendly areas in pursuit of the greenhouse gas emissions reduction targets as provided in OAR 660-044-0020 and OAR 660-044-0025, including affordable and accessible units. Cities with additional residential mixed-use zones may also report on housing development in those areas, and may evaluate the relative success of measures supporting housing development in both areas.¶¶
- (2) The contextualized housing need must be informed at a minimum by the following information: ¶¶
- (a) The housing production dashboard;¶¶
- (b) The housing equity indicators including socioeconomic and demographic characteristics of households living in existing needed housing; ~~and¶¶~~
- (c) Equitable engagement as provided in section (5); and¶¶
- (d) Any statewide, regionally, or locally applicable information provided in section (3).¶¶
- (3) The department may host a repository of information organized by state and regional applicability for use in the contextualized housing need. The department may update this repository as new information is available and obsolete or outdated information needs to be removed. Any information in this repository shall be considered to be "available" for the purposes of section (4).¶¶
- (4) The contextualized housing need must be informed by the additional information listed in this section as it is available and recent within the last five years. One way that additional information may be deemed to be available under this section is if it is listed in the department-hosted repository as provided in section (3). ¶¶
- (a) The State of Oregon Analysis of Impediments to Fair Housing Choice; ¶¶
- (b) An estimate of quantified housing need by the state, regional, local, or tribal government for individuals experiencing homelessness, protected classes, named communities in needed housing as provided in ORS 197A.018, and tribal communities;¶¶
- (c) The HUD Annual Homelessness Assessment Report;¶¶
- (d) The applicable HUD Point-in-Time count conducted by the Continuum of Care that the city is located within;¶¶
- (e) The applicable McKinney-Vento Homeless Student Data for all school districts that overlap with the city boundary; ¶¶
- (f) Fair housing complaint data from federal, state, or local agencies; ¶¶
- (g) Rental and homeowner vacancy rates;¶¶
- (h) Change in gross or net property values or rent over time;¶¶

- (i) Data collected by local coordinated care organizations;¶
- (j) Data collected by the Community Action Partnership of Oregon and its community action agencies;¶
- (k) Data collected by the Continuum of Care that the city is located within in addition to subsection (d);¶
- (l) Trends that may negatively impact preservation of affordable naturally occurring market-rate units, such as redevelopment rates and changes in market conditions;¶
- (~~lm~~) A comprehensive inventory of existing housing units by housing types, characteristics, and locations; ~~and¶~~
- (~~mn~~) Data from organizations that advocate on behalf of protected classes, named communities in needed housing as provided in ORS 197A.018, low-income communities, and tribal communities.¶

¶
(o) The department's Community Assets & Harms Mapping Tool;(5) The contextualized housing need must be informed by equitable engagement feedback that prioritizes and actively seeks to center communities of color, low-income communities, individuals with disabilities, and tribal communities, to ensure these perspectives are meaningfully incorporated. ¶

(5)(a) In compiling existing engagement feedback for use in this section, to the extent it exists a city must utilize feedback from other housing-related engagement within the city conducted within the last five years including, but not limited to, consolidated plans for any of HUD's Community Planning and Development formula grant programs including Community Development Block Grant Entitlement Communities, transportation system plan updates under OAR 660-012-0120 through 660-012-0135, and public engagement for severely rent burdened households as defined in OAR 813-112-0010. Except for the requirement to center tribal communities by coordinating and consulting with tribeal governments, if the city has comprehensive housing-related engagement feedback completed within the last five years that sufficiently informs the contextualized housing need requirements and the city finds that additional equitable engagement would not align with best practices in the Equitable Engagement Toolkit, the city may rely entirely on existing engagement feedback and must include an explanation for this determination in the equitable engagement summary. ¶

(b) If the city does not have comprehensive housing-related engagement feedback completed within the last five years that sufficiently informs the contextualized housing need requirements provided in section (1), a city must solicit direct feedback regarding all required analysis as provided in section (1) for which it does not have recent feedback. A city may refer to the department's Equitable Engagement Toolkit or OAR 660-012-0130 to employ best practices regarding equitable engagement. ¶

(c) A city must provide an equitable engagement summary as part of its contextualized housing need. The equitable engagement summary must include:¶

(A) A list and description of the types of interested parties and communities who comprise community members of needed housing including protected classes and named communities in needed housing as provided in ORS 197A.018, especially with regard to communities of color, low-income communities, individuals with disabilities, and tribal communities;¶

(B) As of the initiation of the contextualized housing need or later, the most recent list of tribeal governments with ancestral connection to land within the city's jurisdiction or approved expansion areas from the Oregon Legislative Commission on Indian Services, and engagement with tribal communities is required through direct communication with all such identified tribeal governments. A city satisfies the engagement requirement to center tribal communities in this rule when:¶

(i) Notice has been made to all tribeal governments as identified in paragraph (B) by inviting government-to-government consultation and staff coordination in the development of the city's contextualized housing need, and¶

(ii) Follow up communication, consultation, and coordination as requested by the tribeal governments regarding the contextualized housing need is complete.¶

(C) A summary of how the city engaged interested parties, communities, and tribeal governments identified in paragraphs (A) and (B), including why they were engaged, engagement methods used, a list of each engagement effort or event being used to develop the contextualized housing need, and the interested parties, communities, or tribeal governments identified in paragraph (A) or (B) who the city believes may still be underrepresented in this process;¶

(D) A summary of feedback received from each engagement effort or event, as well as a description of the major feedback themes attributed to the interested parties, communities, and tribeal governments identified in paragraphs (A) and (B). A city must determine whether each major feedback theme either influenced the identification of fair housing issues and determination of the needed housing types, characteristics, and locations in the city in alignment with program principles or not. If a major feedback theme influenced these determinations, the specific fair housing issues or needed housing types, characteristics, and locations identified as a result of the feedback must be documented. If a major feedback theme did not influence the identification of specific fair housing issues or determination of needed housing types, characteristics, or locations; the city must provide a rationale explaining why.¶

(E) An evaluation of how to improve equitable engagement practices for future housing engagement efforts conducted by the city, including but not limited to affirmatively furthering fair housing and tribal coordination and consultation.¶¶

(6) Unless a city demonstrates that an alternative method more accurately identifies these local housing needs and affirmatively furthers fair housing and the department finds this alternative method to be sufficient and accurate, a city must use the following methods to identify the following key housing needs. The requirement to identify all housing needs including those which are not included here as key needs remains regardless of use of the following methods to identify the following key needs.¶¶

(a) Needed multi-unit housing identified as at least 40 percent of the city's housing production target and allocated housing need.¶¶

(b) Needed middle housing identified as at least 20percent of the city's housing production target and allocated housing need.¶¶

(c) Needed accessible housing identified based on the housing equity indicators as at least whichever is higher:¶¶

(A) the percentage of households in the city with ambulatory difficulty multiplied by 1.2, or ¶¶

(B) the percentage of households in region with ambulatory difficulty multiplied by 1.2.¶¶

(7) A city may use the methods described below to determine the following key housing needs. Using these methods satisfies the requirements of subsection (1)(e) to determine these key housing needs. A city is required to identify all housing needs including those not identified as key needs in this section pursuant to section (2).¶¶

(a) Needed adaptable housing identified based on the housing equity indicators as whichever is higher:¶¶

(A) The elderly dependency ratio in the city applied as a percentage of housing need, or ¶¶

(B) The elderly dependency ratio in the region applied as a percentage of housing need.¶¶

(b) Needed larger household housing identified based on the housing equity indicators as whichever is higher: ¶¶

(A) The percentage of households in the city which are family households, or ¶¶

(B) The percentage of households in the region which are family households.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 184.451, ORS 197.475 - 197.493, ORS 197A.015-197A.470

ADOPT: 660-008-0100

RULE SUMMARY: This rule specifies what must be included in the Housing Capacity Analysis (HCA). This analysis designates land on the comprehensive plan map to satisfy the 20-year housing needs by density range and type.

CHANGES TO RULE:

660-008-0100

Housing Capacity Analysis

Cities shall adopt a housing capacity analysis as provided in OAR 660-008-0045. As provided in ORS 197A.280(2)(d), a city with a population of less than 10,000 may also elect to adopt a housing capacity analysis.

(1) At a minimum, the housing capacity analysis must include the following components:

(a) An inventory of buildable land and determination of housing capacity;

(b) An analysis of residential land needs based on the needed housing types; and

(c) A comparison of residential land need and housing capacity.

(d) For cities described in ORS 197A.015(3), the housing capacity analysis must also include a comparison of housing capacity and the needed housing locations determined in the contextualized housing need for the purposes of selecting actions under ORS 197A.100. This comparison may not be used to determine sufficiency of land for the purpose of amending an urban growth boundary.

(2) Local governments must determine the needed housing types and densities in the contextualized housing need, for cities subject to ORS 184.455, and the housing capacity analysis. Sufficient buildable land shall be zoned to allow needed housing by type and density range. The local buildable lands inventory must document the amount of buildable land in each residential plan designation in accordance with section (4) of this rule.

(3) When preparing the buildable lands inventory, the local government must coordinate with public entities on any publicly owned land they own to determine if the land may be suitable and available for the development of needed housing. Public entities include school districts, colleges, universities, and transit districts.

(4) When inventorying partially vacant land to accommodate housing needs, a local government may utilize a reasonable land market supply factor to account for land that will not develop over the 20-year planning period with quantifiable validation and documentation of methodology used consistent with Goal 2 requirements. As a safe harbor when utilizing the land market supply factor, a local government may use a discount of 10 percent of total estimated residential capacity for partially vacant land.

(5) As safe harbors, a local government, except a city with a population over 25,000 or a metropolitan service district described in ORS 197.015(13), may use the following assumptions to inventory the capacity of buildable land to accommodate housing needs:

(a) The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;

(b) Existing lots of less than one-half acre that are currently occupied by a residence may be assumed to be fully developed.

(6) As a safe harbor, a local government with a population over 25,000 may use the following assumptions to inventory the capacity of buildable land to accommodate housing needs:

(a) The infill potential of developed residential lots smaller than one-half acre in the lowest-density residential comprehensive plan designation may be determined by subtracting one-quarter acre (10,890 square feet) from the unconstrained acreage for the existing dwelling;

(b) Existing lots of less than one-quarter acre, in the lowest-density comprehensive plan designation, with an existing dwelling may be assumed to be fully developed;

(c) Except for lots in 6(b), if the infill potential value determined in part (a) is equal to or greater than two times the minimum lot size, it is inventoried as buildable land.

(7) When determining capacity for each residential comprehensive plan designation, a local government must use the data described in 197A.270(4) and cannot estimate the forecasted capacity for any residential designation to be greater than the average achieved density since the last review without quantifiable validation for such departures.

(8) As a safe harbor, when inventorying vacant and partially vacant land to accommodate housing needs, a local government subject to ORS 184.455 may progressively discount the estimated residential capacity by one-third each HCA cycle for individual lots or parcels that have been inventoried as Development Ready and not yet developed or experienced infill.

(9) If not using the safe harbor in section (8) of this rule for estimating capacity on vacant and partially vacant land, a local government must discount the estimated capacity by fifty percent for individual lots or parcels that have been inventoried as Development Ready and not yet developed or experienced infill after two HCA cycles, and by one hundred percent after three HCA cycles.

(10) For purposes of preparing housing capacity analyses as provided in OAR 660-008-0045, the following provisions apply to local governments that are subject to OAR 660-012-0315(1):¶

(a) Following the initial designation of climate-friendly areas as required in OAR 660-012-0315, local governments shall maintain climate-friendly area zones with sufficient zoned residential building capacity to contain at least 30 percent of current and projected housing needs. However, the local government shall determine housing capacity within the climate-friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.270(4) or ORS 197A.280, as applicable.¶

(b) The local government shall calculate the zoned residential building capacity within climate-friendly areas consistent with the provisions of OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10). The local government shall include demonstration of compliance with this requirement in each subsequent housing capacity analysis.¶

(c) The local government shall establish land use requirements in climate-friendly areas as provided in OAR 660-012-0320 for any newly designated climate-friendly area concurrent with or prior to the adoption of a housing capacity analysis.¶

(11) Beginning June 30, 2027:¶

(a) A local government subject to OAR 660-012-0315(1) that has identified a need to expand its urban growth boundary to accommodate an identified residential land need shall designate and zone additional climate-friendly area as provided in OAR 660-012-0315 concurrent with expansion of the urban growth boundary.¶

(b) A local government shall designate and zone climate-friendly area of sufficient size to accommodate the number of housing units equivalent to one-half of the number of additional housing units that cannot reasonably be accommodated within the current urban growth boundary.¶

(c) The local government shall calculate the climate-friendly area needed based on zoned residential building capacity as provided in OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10), while the local government shall determine housing capacity within the climate-friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.270(4) or ORS 197A.280, as applicable. Identified housing needs that would otherwise necessitate an urban growth boundary expansion shall only be accommodated in climate-friendly areas to the extent that the production of needed housing types within the climate-friendly areas may be anticipated consistent with ORS 197A.270(4) or ORS 197A.280, as applicable.¶

(d) The local government may choose to designate a portion of the newly expanded urban growth boundary area as climate-friendly area if the area qualifies for designation as provided in OAR 660-012-0310(2), or may choose to designate additional climate-friendly area in other locations within the urban growth boundary that qualify for designation.¶

(e) The local government may accommodate additional climate-friendly areas within one or more locations within the urban growth boundary. The designation and zoning of additional climate friendly area shall comply with all applicable requirements for climate-friendly areas as provided in OAR 660-012-0310 through OAR 660-012-0325.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.012, ORS 197A.015 - 197A.470

REPEAL: 660-008-0110

RULE SUMMARY: This rule describes requirements of the Housing Capacity Analysis, which includes the Buildable Land Inventory. This analysis designates land on the comprehensive plan map to satisfy the 20-year housing needs by density range and type as determined in the Contextualized Housing Need. This rule is proposed to be deleted with existing text to be moved to a newly created rule, 0100 Housing Capacity Analysis. This aims to add clarity and readability of the rules so all HCA-related requirements are under the same rule. The rule structure in -0100 also better aligns with the HPS rules which specifies all components that must be included (-0200). The title of "Allocation of Buildable Land" is not descriptive enough to reflect all rule content that is included.

CHANGES TO RULE:

~~660-008-0110~~

~~Allocation of Buildable Land~~

~~(1) The mix and density of needed housing is determined in the housing needs projection. Sufficient buildable land shall be designated on the comprehensive plan map to satisfy housing needs by type and density range as determined in the housing needs projection. The local buildable lands inventory must document the amount of buildable land in each residential plan designation.¶¶~~

~~(2) For purposes of preparing housing capacity analyses as provided in OAR 660-008-0045, the following provisions apply to local governments that are subject to OAR 660-012-0310(2):¶¶~~

~~(a) Following the initial designation of climate-friendly areas as required in OAR 660-012-0315, local governments shall maintain climate-friendly area zones with sufficient zoned residential building capacity to contain at least 30 percent of current and projected housing needs. However, the local government shall determine housing capacity within the climate-friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.350(5).¶¶~~

~~(b) The local government shall calculate the zoned residential building capacity within climate-friendly areas consistent with the provisions of OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10). The local government shall include demonstration of compliance with this requirement in each subsequent housing capacity analysis.¶¶~~

~~(c) The local government shall establish land use requirements in climate-friendly areas as provided in OAR 660-012-0320 for any newly designated climate-friendly area concurrent with or prior to the adoption of a housing capacity analysis.¶¶~~

~~(3) Beginning June 30, 2027:¶¶~~

~~(a) A local government subject to OAR 660-012-0310(2) that has identified a need to expand its urban growth boundary to accommodate an identified residential land need shall designate and zone additional climate-friendly area as provided in OAR 660-012-0315 concurrent with expansion of the urban growth boundary.¶¶~~

~~(b) A local government shall designate and zone climate-friendly area of sufficient size to accommodate the number of housing units equivalent to one-half of the number of additional housing units that cannot reasonably be accommodated within the current urban growth boundary.¶¶~~

~~(c) The local government shall calculate the climate-friendly area needed based on zoned residential building capacity as provided in OAR 660-012-0315(2), or utilizing an alternative methodology as provided in OAR 660-012-0320(10), while the local government shall determine housing capacity within the climate-friendly area for the purpose of meeting identified housing needs as required by Goal 10 and this division in a manner consistent with ORS 197A.350(5). Identified housing needs that would otherwise necessitate an urban growth boundary expansion shall only be accommodated in climate-friendly areas to the extent that the production of needed housing types within the climate-friendly areas may be anticipated consistent with ORS 197A.350(5).¶¶~~

~~(d) The local government may choose to designate a portion of the newly expanded urban growth boundary area as climate-friendly area if the area qualifies for designation as provided in OAR 660-012-0310(2), or may choose to designate additional climate-friendly area in other locations within the urban growth boundary that qualify for designation.¶¶~~

~~(e) The local government may accommodate additional climate-friendly areas within one or more locations within the urban growth boundary. The designation and zoning of additional climate-friendly area shall comply with all applicable requirements for climate-friendly areas as provided in OAR 660-012-0310 through OAR 660-012-0325.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197.012, ORS 197.475 - 197.490, ORS 197A.015-197A.470~~

AMEND: 660-008-0120

RULE SUMMARY: This rule includes requirements for how land should be designated to serve a specific land use or need. Plan designations that allow or require residential uses shall be assigned to all buildable land. The plan designations assigned to buildable land shall be specific so as to accommodate the varying densities and type as determined in the needed housing type mix as part of a city's Contextualized Housing Need.

CHANGES TO RULE:

660-008-0120

Specific Plan Designations Required

(1) Plan designations that allow or require residential uses shall be assigned to all buildable land. Such designations may allow ~~non~~residential uses as well as nonresidential uses including but not limited to neighborhood-serving commercial as defined in OAR 660-024-0010(6) and open space to increase proximity to community assets and increase fair housing choice. Such designations may be considered to be "residential plan designations" for the purposes of this division. The plan designations assigned to buildable land shall be specific so as to accommodate the varying housing types and densities ~~identified on the local needed housing needs projection types~~.

(2) A local government may defer the assignment of specific residential plan designations only when the following conditions have been met:

(a) Uncertainties concerning the funding, location and timing of public facilities have been identified in the local comprehensive plan;

(b) The decision not to assign specific residential plan designations is specifically related to identified public facilities constraints and is so justified in the plan; and

(c) The plan includes a time-specific strategy for resolution of identified public facilities uncertainties and a policy commitment to assign specific residential plan designations when identified public facilities uncertainties are resolved.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.475 - 197.490, ORS 197A.015 - 197A.470

ADOPT: 660-008-0150

RULE SUMMARY: This rule includes requirements for the adoption of land use efficiency measures (LUEMs). The housing production strategy requires local governments to take actions that ensure and promote the development of needed housing, these include actions that are LUEMs and those that are not. LUEMs must be adopted prior to or concurrent with a UGB decision.

CHANGES TO RULE:

660-008-0150

Land Use Efficiency Measures

As provided in ORS 197A.100, a city must develop and adopt a housing production strategy (HPS) with a list of specific actions that ensure the opportunity for and promote the provision of needed housing. The totality of actions must include both land use efficiency measures (LUEM) and actions that are not LUEMs. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. This includes an analysis of measures to increase the development capacity of land already inside the UGB to accommodate needed housing. ¶

(1) Local governments must adopt land use efficiency measures prior to or concurrent with a UGB expansion decision. In the context of a UGB expansion, local governments may consider the land need impacts of land use efficiency measures adopted after acknowledgement of the prior housing capacity analysis. ¶

(a) For cities described in 197A.015, land use efficiency measures may be adopted by the local government: ¶

(A) Concurrently with the adoption of a housing capacity analysis according to the schedule in Attachment A; or ¶

(B) Concurrently with the adoption of the housing production strategy according to the schedule in Attachment A; or ¶

(C) Within the first half of the housing production cycle, by the midpoint report due date as specified under OAR 660-008-0230. ¶

(b) For local governments with a population below 10,000, land use efficiency measures in support of a UGB decision must be adopted concurrently with the adoption of the housing capacity analysis or concurrently with the UGB decision. ¶

(c) If not necessary to support a UGB amendment decision, land use efficiency measures may be adopted by a local government at any time. ¶

(2) As a safe harbor for residential land use efficiency, a local government must demonstrate that proposed land use efficiency measures, once adopted, are estimated to result in at least a 20 percent increase in the densities that are expected to be achieved over the next 20 years. The analysis should start with the analysis of achieved average density of residential development that has occurred since the last adopted Housing Capacity Analysis.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.015-197A.470

ADOPT: 660-008-0180

RULE SUMMARY: This rule provides considerations required of jurisdictions that must perform a Development-Ready Land Inventory.

CHANGES TO RULE:

660-008-0180

Development-Ready Land Inventory

(1) Cities subject to ORS 197A.100 shall perform a Development-Ready Land Inventory as a sub-set of land identified in a jurisdiction's Buildable Land Inventory.[¶]

(a) A Development-Ready Land Inventory shall identify those parcels zoned to allow residential use that are readily-served through adjacent public facilities, or financially committed to being served, by all public facilities necessary for the occupancy of a housing unit within the near-term. As used in this section, "adjacent" means facilities exist within 300 feet from the nearest property line of the site.[¶]

(b) Parcels identified as development-ready may not be:[¶]

(A) Unable to support to the minimum density of residential units of its assigned zoning designation due to physical constraints (OAR 660-008-0005(6)).[¶]

(B) Limited by public facility capacity in supporting a parcel's minimum density, or[¶]

(C) Encumbered by Goal 5 resources or associated facilities that require discretionary permitting such that residential development capacity assumed in the jurisdiction's Buildable Land Inventory is rendered unviable in the planning period.[¶]

(2) A city shall enumerate development-ready parcels geospatially and in gross acreage, by readiness characteristic, as follows:[¶]

(a) Buildable land zoned to allow residential urban development and readily-served shall be one category;[¶]

(b) Buildable land zoned to allow residential urban development and serviced in the near-term shall be a separately identified category.[¶]

(c) Buildable land zoned to allow residential urban development but only able to achieve minimum density shall be a separately identified category.[¶]

(3) A city shall not consider any parcel that is not categorized as provided in subsections 2(a), (b), or (c) as development-ready.[¶]

(4) The ineligibility of parcels to be qualified as development-ready under section (3) does not change their characterization in the jurisdiction's Buildable Land Inventory.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.015, ORS 197A.100, ORS 197A.210

ADOPT: 660-008-0185

RULE SUMMARY: This rule provides criteria for the amount of development-ready land a jurisdiction must have, connecting this inventory back to a jurisdiction's Housing Target.

CHANGES TO RULE:

660-008-0185

Sufficiency of Development-Ready Land

(1) A city shall satisfy identified housing production targets (ORS 184.455) consistent with OAR 660-008-0075 (Contextualized Housing Need) through the provision of sufficient development-ready land. A city must:

(a) Calculate capacity of development-ready land consistent with capacity assigned in a jurisdiction's Buildable Land Inventory.

(b) Quantify sufficiency of development-ready land in acres and in translation of acres to needed units. The amount of capacity assumed to be contributed by redevelopment shall be noted.

(c) Map locations of Development-Ready Land, except for redevelopment, to overlay or otherwise compare Buildable Land to Development-Ready Land.

(d) Cities wishing to assume more than 20 percent of housing production target be satisfied by redevelopment must provide quantifiable validation.

(2) If a city's Development-Ready Land Inventory enumerates a deficiency of development-ready land quantity, or development-ready capacity, a jurisdiction shall commit to housing production actions (ORS 197A.100(3)) that remedy the deficiency. A city:

(a) Shall select actions that materially incorporate results from the Contextualized Housing Need in showing how an action will alleviate an identified development-ready land or capacity deficiency; and

(b) Shall explain how the cumulative impact of development-ready land actions taken together will result in sufficient development-ready land.

(c) May choose actions that increase development-ready land quantity or capacity to serve other community objectives.

(3) A city may adopt a Development-Ready Land Inventory with the Buildable Land Inventory, or the Development-Ready Land Inventory may be included in submittals for a jurisdiction's Housing Production Strategy.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.015, ORS 197A.100, ORS 197A.210

AMEND: 660-008-0200

RULE SUMMARY: This rule describes the required elements and structure of the Housing Production Strategy, including a summary of community engagement and commitments to specific actions.

CHANGES TO RULE:

660-008-0200

Housing Production Strategy Structure

As provided in ORS 197A.100, a city must develop and adopt a housing production strategy. The housing production strategy is a comprehensive city-wide action plan encompassing all domains in a city's control to promote housing production, affordability, and choice. A city must work interdepartmentally to the extent possible in developing and implementing the housing production strategy and the associated engagement work, including but not limited to collaboration across the planning, permitting, public works, and community development departments. At a minimum, the housing production strategy must include the contextualized housing need as directed by OAR 660-008-0075 and the following components:¶¶

(1) Equitable Engagement - In addition to, or as part of, the equitable engagement undertaken for the contextualized housing need under OAR 660-008-0075(5), a housing production strategy must include equitable engagement specific to developing the housing production strategy and in particular the selection of the actions as provided in section (2) and the assessment of benefits and burdens as provided in subsection (2)(b)(K). ¶¶

(a) A city must solicit feedback from producers of needed housing, and particularly those who represent or serve communities of color, low-income communities, individuals with disabilities, and tribal communities, including tribal governments to ensure these perspectives are meaningfully incorporated. A city may refer to the department's Equitable Engagement Toolkit to employ best practices regarding equitable engagement.¶¶

(b) A city must utilize any relevant engagement feedback from the contextualized housing need under OAR 660-008-0075(5). ¶¶

(c) A city must provide an equitable engagement summary as part of the housing production strategy. The equitable engagement summary must include:¶¶

(A) A list and description of the types of interested parties and communities who comprise producers of needed housing who represent or serve protected classes and named communities in needed housing as provided in ORS 197A.018, especially with regard to those to represent and serve communities of color, low-income communities, individuals with disabilities, and tribal communities.¶¶

(B) The list of tribeal governments as provided in OAR 660-008-0075(5)(c)(B). A city satisfies the engagement requirement to center tribal communities in this rule when:¶¶

(i) Notice has been made to all tribeal governments as identified in paragraph (B) by inviting government-to-government consultation and staff coordination in the development of the city's housing production strategy, and¶¶

(ii) Follow up communication, consultation, and coordination as requested by the tribeal governments regarding the housing production strategy is complete.¶¶

(C) A summary of how the city engaged interested parties, communities, and tribeal governments identified in paragraphs (A) and (B), including why they were engaged, engagement methods used, a list of each engagement effort or event being used to select the actions in the housing production strategy and assess the benefits and burdens analysis as provided in subsection (2)(b)(K), and the interested parties, communities, or tribeal governments identified in paragraphs (A) and (B) who the city believes may still be underrepresented in this process;¶¶

(D) A summary of feedback received from each engagement effort or event, as well as a description of the major feedback themes attributed to the likely impacted interested parties, communities, and tribeal governments identified in paragraphs (A) and (B). A city must determine whether each major feedback theme influenced the selection of actions in the housing production strategy in alignment with program principles or not. If a feedback theme influenced the selection of action or actions, it must be documented. If a theme did not influence the selection of action or actions, the city must provide a rationale explaining why.¶¶

(E) An evaluation of how to improve equitable engagement practices for future housing engagement efforts conducted by the city, including but not limited to improvements in affirmatively furthering fair housing and tribal coordination and consultation.¶¶

(2) Actions to Meet Current and Future Housing Need - A housing production strategy must include a list of specific actions that ensure the opportunity for and promote the provision of needed housing to at least meet the housing production target, by affordability bracket, with net new units for the city's six- or eight-year housing production strategy cycle. The totality of actions must include both land use efficiency measures and actions that are not land use efficiency measures. The provision of needed housing includes its development, preservation, rehabilitation, adaptation, and maintenance while also affirmatively furthering fair housing by maximizing benefits

and minimizing burdens for protected classes and named communities in needed housing as provided in ORS 197A.018, with particular focus on communities of color, low-income communities, individuals with disabilities, and tribal communities. The housing production strategy must demonstrate that the identified actions collectively support the city's needed housing types, characteristics, and locations as identified through the contextualized housing need as provided in OAR 660-008-0075. A housing production strategy may identify actions including, but not limited to, those described in ORS 197A.100(3), actions listed in the Housing Production Strategy Guidance for Cities ~~published~~adopted by the commission and published by the department under Attachment B. The housing production strategy must include:¶

(a) A review of actions already implemented that includes:¶

(A) The city's most recently completed survey to meet the requirements of ORS 197A.115; and¶

(B) A reflection on each action in the survey in paragraph (A) and its efficacy in producing net new needed housing types, characteristics, and locations and in remedying or mitigating the fair housing issue or issues the action was intended to respond to. This reflection must include a review of:¶

(i) The housing production dashboard;¶

(ii) The housing equity indicators, and¶

(iii) For cities subject to OAR 660-012-0315(1) or cities within Metro Region 2040 Centers as defined in OAR 660-012-0005(24), housing developed in compact, mixed-use areas as provided in OAR 660-012-0905 or included in an approved land use and transportation scenario plan as provided in OAR 660-044-0050 or OAR 660-044-0120.¶

(b) A report outlining each action in the housing production strategy. For each action, this report must include:¶

(A) A title and description of the action chosen;¶

~~(B) A title and description of the alternate action chosen, if any;¶~~

~~(C)~~ The identification number from the Housing Production Strategy Guidance for Cities and, if the department has developed corresponding adoption-ready action resources, whether the city intends to implement those resources either in part or in full. For any action not listed in the Housing Production Strategy Guidance for Cities under Attachment B, the city must provide an explanation as to how the action will address the identified housing needs and fair housing issues as effectively as or more effectively than relevant actions from the Housing Production Strategy Guidance for Cities under Attachment B;¶

~~(D)~~ Identification of whether the action is a land use efficiency measure, and if so, whether it is intended to satisfy a buildable land deficiency in whole or in part as identified in the housing capacity analysis, if applicable;¶

~~(D)~~ Identification of whether the action is taken in response to a development-ready land deficiency as identified in the development-ready land inventory, if applicable; ¶

(E) An adoption year for the action, if applicable;¶

~~(E)~~ (F) A year for when the action will be implemented;¶

(i) Cities must consider the sequencing of actions when establishing implementation timelines. Actions shall be scheduled to maximize benefits and minimize burdens, ensuring that their timing aligns with and complements other actions for the most beneficial overall impact. ¶

(ii) Sequencing decisions shall consider in particular the benefits and burdens of communities of color, low-income communities, individuals with disabilities, and tribal communities.¶

~~(F)~~ (G) A time frame over which the action is expected to begin meeting housing need;¶

~~(G)~~ (H) The action's expected magnitude of impact on the development of needed housing over the six- or eight-year housing production target horizon;¶

~~(H)~~ (I) A description of critical steps that all relevant staff and departments of the city and other interested parties and partners must take to implement the action;¶

~~(I)~~ (J) A description of how the city will assess and track the results of the action;¶

~~(J)~~ (K) The housing need met in terms of:¶

(i) Any fair housing issues the action is expected to mitigate or resolve;¶

(ii) The needed housing types the city expects the action to produce;¶

(iii) The needed housing characteristics the city expects the action to produce, including at a minimum tenure and affordability per the income brackets provided in ORS 184.453(4), ¶

(iv) The needed housing locations the city expects the action to produce, and¶

(v) The major feedback theme the action is responsive to;¶

~~(K)~~ (L) An analysis of the income and demographic populations that the city anticipates to receive benefit or burden from the action, including but not limited to:¶

(i) Low-income communities;¶

(ii) Communities of color; ¶

(iii) Individuals with disabilities; and¶

(iv) Tribal communities; and¶

~~(L)~~ (M) The names of any complementary actions in the housing production strategy or other implementation details

specifically intended to pair with this action in order to strengthen needed benefits or mitigate burdens.¶

(c) Delinquent Actions—The city must include any actions from the most recently adopted or amended housing production strategy which were not completed during the previous housing production strategy cycle in the current housing production strategy along with an implementation year prior to the city's midpoint report due date. Delinquent actions from the previous housing production strategy cycle are ineligible for requests for timeline extensions and replacement actions in the midpoint report and review. Alternate actions, if selected.¶

(A) Alternate actions must:¶

(i) Be associated directly with only one of the primary actions:¶

(ii) Include a title and description:¶

(iii) Include the identification number from the Housing Production Strategy Guidance for Cities. For any action not listed in the Housing Production Strategy Guidance for Cities under Attachment B, the city must provide an explanation as to how the action will address the identified housing needs and fair housing issues as effectively as or more effectively than relevant actions from the Housing Production Strategy Guidance for Cities under Attachment B:¶

(iv) Include a description of critical steps that all relevant staff and departments of the city and other interested parties and partners must take to implement the action:¶

(v) Include a description of how the city will assess and track the results of the action; and¶

(iv) Be commensurate in benefits and logistics as the associated primary action including being comparable or more effective than the primary action under subsections (2)(b): (C-H) and (K-M).¶

(B) A city may pursue an alternate action in lieu of the primary action if a determination is made as a result of exploratory work or other circumstances that the primary action is not feasible.¶

(C) Compliance with the action adoption year of the primary action as provided in subsection (2)(b)(E) and implementation year as provided in subsection (2)(b)(F) may be met by implementation of either the primary or the alternate action.¶

(c) Delinquent Actions - The city must include any actions from the most recently adopted or amended housing production strategy which were not completed during the previous housing production strategy cycle in the current housing production strategy along with an implementation year prior to the city's midpoint report due date. Delinquent actions from the previous housing production strategy cycle are ineligible for requests for timeline extensions and replacement actions in the midpoint report and review.¶

(3) A city must satisfy the requirement to respond to the following needed housing types and characteristics with land use efficiency measures in its housing production strategy under section (2) in compliance with the following subsections. As used in this section "medium city" means a city that has a population of 10,000 to 24,999 or is a jurisdiction named in ORS 197A.015(3) and "large city" means a city that has a population of 25,000 or greater.¶

(a) To plan for a diversity of unit sizes or family sized units with land use efficiency measures a city must allow affordable housing developments to calculate minimum density requirements by bedroom rather than by unit for any minimum density requirement.¶

(b) To plan for middle housing with land use efficiency measures:¶

(A) A medium city must adopt the model ordinances for medium cities for middle housing development types, or zoning or development standards that are demonstrably comparable or no more restrictive than the model ordinance standards, on all buildable residential land in zones subject to middle housing requirements under OAR 660-046-0205.¶

(B) A large city must adopt the model ordinances for large cities for middle housing development types, or zoning or development standards that are demonstrably comparable or no more restrictive than the model ordinance standards, on:¶

(i) At least 50 percent of buildable residential land in zones subject to middle housing requirements under OAR 660-046-0205, and¶

(ii) 100 percent of development-ready land in zones subject to middle housing requirements under OAR 660-046-0205.¶

(C) In meeting the requirement in subsection (b)(B)(i), a city must use the following analyses to determine lands to include or exclude and must clearly describe how the locational choices in applying this rule affirmatively further fair housing and do not exacerbate or create new fair housing issues:¶

(i) The Fair Housing Issue Area Analysis under OAR 660-008-0075(1)(c), and¶

(ii) The locational need conclusions under OAR 660-008-0075(1)(e)(B).¶

(4) A city must satisfy the requirement to respond to the following needed housing characteristics with land use efficiency measures in its housing production strategy under section (2) in compliance with the following subsections or rebut this requirement. Rebuttal of this requirement must demonstrate through analysis that alternative zoning or development standards are comparable or no more restrictive than the model ordinance standards. This section of rule does not apply if the city already taken or exceeded the equivalence of these actions.¶

(a) To plan for affordable housing need with land use efficiency measures a city must adopt the model ordinances appropriate for the city size to incentivize affordable middle and multi-unit housing under OAR 660-008-0425. ¶
(b) To plan for accessible housing need with land use efficiency measures a city must adopt the model ordinances appropriate for the city size to incentivize accessible housing for all housing types available under OAR 660-008-0425. ¶

(c) To plan for adaptable housing need with land use efficiency measures a city must adopt the model ordinances appropriate for the city size to incentivize adaptable housing for all housing types available under OAR 660-008-0425. ¶

(5) As a safe harbor, a city may plan for multi-unit housing need with land use efficiency measures in its housing production strategy under section (2) by adopting the model ordinance appropriate for the city size for multi-unit housing development types on at least 50 percent of buildable residential land with residential zones that allow multi-unit housing; and 100 percent of development-ready land with residential zones that allow multi-unit housing. In determining which lands shall be selected and which shall be omitted to meet the 50 percent of buildable residential land element of this safe harbor, a city must utilize the fair housing issue area analysis and locational need conclusions from the Contextualized Housing Need under OAR 660-008-0075 and clearly illustrate how the locational choices in applying this rule affirmatively further fair housing and do not create or exacerbate fair housing issues.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.012, ORS 197A.015 - 197A.470

RULE ATTACHMENTS MAY NOT SHOW CHANGES. PLEASE CONTACT AGENCY REGARDING CHANGES.

Action Ref. Number	Category	Action	Description	Related HPS Menu Item	Related ADA	Mechanism(s)	Overall Production	Types		Characteristics		Locations		Key Needs Met	Key Needs Potentially Met	Impact				
								Housing Types that Increase Choice	Affordability	Accessibility & Adaptable Housing	Affordable Homeownership & Wealth-Building Tenure Options	High-Opportunity Areas	Racially/Ethnically Concentrated Areas of Affluence			Displacement Risk Areas	Racially and Ethnically Concentrated Areas of Poverty	High-Impact Conditions	Medium-Impact Conditions	Low-Impact Conditions
D5-1	Direct Support	Public Land Disposition	Establish a policy to prioritize disposition of surplus land for housing or affordable housing, so long as it is suitable. Identify suitable sites, and make them available for housing or affordable housing development through a Request for Proposals (RFP) or similar process.	F12	1A	Production	Limited	Yes if Focused	Yes if Focused (jurisdiction determines affordability level)	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Housing Types that Increase Choice, Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options, Access to community assets and mitigation of exposure to harms, "Housing stability, anti-displacement and displacement mitigation". Addressing and disrupting patterns of segregation (concentration of affluence and poverty). Permanent housing to resolve homelessness	In High Opportunity Area, in Concentrated Area of Affluence, or an Anti-Displacement action	In Low Opportunity Area and not an Anti-Displacement action		
D5-2	Direct Support	Local Grants/ Low-Interest Long-Term Loans	Offer or fund a partner to offer grants or low-interest long-term loans for qualifying housing projects using locally controlled funding sources.	D04, D07		Production	Potentially in some markets (may not be appropriate for broad application to all development of a specific housing type without further requirements in all markets)	Potentially if Focused (may not be appropriate for broad application to all development of a specific housing type without further requirements in all markets)	Yes if Focused (jurisdiction determines affordability level)	Yes if Focused (e.g., prioritizing development that exceeds accessibility requirements in code). Support could also be used for accessibility upgrades to existing units.	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Housing Types that Increase Choice, Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options, Access to community assets and mitigation of exposure to harms, "Housing stability, anti-displacement and displacement mitigation"				
D5-3	Direct Support	Local Short-Term Loans or Revolving Loan Fund for Predevelopment	Provide or fund a partner to provide short-term loans for land acquisition and preconstruction activities for qualifying housing projects from locally controlled funding sources.	D13	1J	Production	Potentially in some markets (may not be appropriate for broad application to all development of a specific housing type without further requirements in all markets)	Potentially if Focused (may not be appropriate for broad application to all development of a specific housing type without further requirements in all markets)	Yes if Focused (jurisdiction determines affordability level)	Yes if Focused (e.g., prioritizing development that exceeds accessibility requirements in code)	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Housing Types that Increase Choice, Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options, Access to community assets and mitigation of exposure to harms, "Housing stability, anti-displacement and displacement mitigation". Addressing and disrupting patterns of segregation (concentration of affluence and poverty). Permanent housing to resolve homelessness				
D5-4	Direct Support	Infrastructure Support	Fund or build infrastructure required to serve specific categories of housing development(s).	C06, B06		Production	Limited	Potentially if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options, Access to community assets and mitigation of exposure to harms, addressing and disrupting patterns of segregation (concentration of affluence and poverty). Permanent housing to resolve homelessness				
D5-5	Direct Support	Local Downpayment Assistance Program	Provide local funding to support affordable homeownership providers to offer downpayment assistance to income-eligible first-time homebuyers.	New	1D	Access	Limited	Potentially if Focused	Yes	Yes if Focused and provided through a service provider for people with disabilities	Yes	Yes if Focused (including greater subsidy in these areas)	Yes if Focused (including greater subsidy in these areas)	Yes if Focused to serving existing renters into homeowners	Yes if Focused to serving existing renters into homeowners	Affordability, Affordable Homeownership & Wealth-Building Tenure Options				
D5-6	Direct Support	Fair Housing Testing	Contract to conduct paired testing of specified housing activities (leasing, homebuying, etc.) for specified protected characteristics (race, disability, etc.). Locally authorized to provide the exemption for required accessibility housing owned and operated by a nonprofit as well as land held by a nonprofit for future affordable housing development.	F20		Access	N/A	N/A	Potentially if Focused	Yes if Focused	Potentially if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused					
F1-1	Financial Incentives	Nonprofit Low-Income Housing Tax Exemptions (City taxes or all taxing districts)	Locally authorized 10-year partial property tax abatement on new or rehabilitated multi-unit housing development that provides public benefits specified by the adopting jurisdiction (e.g., affordable units, accessible/adaptable units beyond minimum requirements, or other benefits). Exemption applies to the full residential improvement value, and lasts 10 years unless applied to housing with an affordability agreement, in which case it may extend through the duration of the agreement. May be adopted within specific types of areas (e.g., core areas, transit-oriented areas) or otherwise if applied to housing subject to an affordability agreement. Applies only to adopting jurisdictions' laws, unless approved by a sufficient share of other taxing districts. Authorized under CRS 307-625 to 307-627.	E01	3A	Production, Preservation	Limited	N/A (not applicable to all housing types)	N/A (applies to any housing type)	Yes (D5-B06 AM)	N/A (requires additional complementary action)	Potentially could apply to some wealth-building tenure options, but largely relevant for rental	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	Affordability	Affordable Homeownership & Wealth-Building Tenure Options, Permanent housing to resolve homelessness	All taxing districts participate	City taxes only	Nonprofits often partner with housing authorities to avoid property taxes, but this action reduces complexity and ensures access to tax exemption
F1-2	Financial Incentives	Multiple-Unit Property Tax Exemption (MUPE)	Locally authorized 10-year partial property tax abatement on new or rehabilitated multi-unit housing development that provides public benefits specified by the adopting jurisdiction (e.g., affordable units, accessible/adaptable units beyond minimum requirements, or other benefits). Exemption applies to the full residential improvement value, and lasts 10 years unless applied to housing with an affordability agreement, in which case it may extend through the duration of the agreement. May be adopted within specific types of areas (e.g., core areas, transit-oriented areas) or otherwise if applied to housing subject to an affordability agreement. Applies only to adopting jurisdictions' laws, unless approved by a sufficient share of other taxing districts. Authorized under CRS 307-625 to 307-627.	E04	2C	Production, Preservation	Limited	Yes (multi-unit multi-use/middle housing)	Yes if Focused (jurisdiction determines affordability level)	Yes if Focused	Potentially could apply to some wealth-building tenure options, but largely relevant for rental	Yes if Focused	Yes if Focused	Yes if Focused to ensure qualifying housing mitigates rather than exacerbates displacement risk	Potentially if Focused (some eligibility criteria to ensure qualifying housing benefits existing residents and disrupts patterns of segregation)	Housing Types that Increase Choice	Affordability, Accessible & Adaptable Housing, Access to community assets and mitigation of exposure to harms, "Housing stability, anti-displacement and displacement mitigation"	All taxing districts participate	City taxes only	
F1-3	Financial Incentives	Single-Unit Property Tax Exemption	Locally authorized 10-year partial property tax exemption for new or rehabilitated low-cost for-sale housing. Can apply to units sold for less than 120% of the median sale price for the jurisdiction; jurisdictions may add other eligibility criteria. Applies only to adopting jurisdictions' laws, unless approved by a sufficient share of other taxing districts. Authorized under CRS 307-625 to 307-627. (Sometimes referred to as "HOLC," the name of the City of Portland program under this statute.)	E06	3K	Production	Limited	Yes if further focused through local criteria	Somewhat; can be further focused through local criteria (jurisdiction determines affordability level beyond some requirement related to sales price)	Yes if further focused through local criteria	Yes	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	Affordable Homeownership & Wealth-Building Tenure Options	Housing Types that Increase Choice, Accessible & Adaptable Housing, Affordability	All taxing districts participate	City taxes only	
F1-4	Financial Incentives	Vertical Housing Development Zone Tax Abatement	Locally authorized 10-year partial property tax abatement on new or rehabilitated multi-story mixed-use development. Abatement applies to a portion of the improvement value (20 to 80 percent depending on the extent of residential use in the project); additional partial abatement on land value available if the project includes affordable units. May be adopted within specific areas determined by the jurisdiction. Applies to all taxing districts unless they take action to opt out. Authorized under CRS 307-804 to 307-807.	E03	3G	Production	Limited	Yes (multi-unit mixed-use)	Somewhat (if D5C AM); however, additional affordability incentive is small and may not be sufficient to offset affordability	Somewhat; qualifying projects will generally be subject to standard building code requirements for adaptable units.	Potentially could apply to some wealth-building tenure options, but largely relevant for rental	Yes if Focused	Yes if Focused	May not be appropriate to focus in these areas unless paired with complementary strategic, displacement risk assessment required.	May not be appropriate to focus in these areas unless paired with complementary strategic, displacement risk assessment required.	Housing Types that Increase Choice	Access to community assets and mitigation of exposure to harms			
F1-5	Financial Incentives	Accessory Dwelling Unit and Multiple Tax Exemption	Locally authorized 5-year full property tax exemption available for new ADUs and duplexes, triplexes or quadplexes that have been newly converted from a single-family dwelling that are owner-occupied or long-term rentals. Requires approval of a sufficient share of other taxing districts to take effect at all (may not be implemented by jurisdiction alone). Authorized under CRS 307-590 to 307-596.	New		Production	Limited	Yes (ADUs, duplexes)	Potentially if further focused through local criteria (jurisdiction determines affordability level)	Potentially if further focused through local criteria	Potentially if further focused through local criteria	Potentially if further focused through local criteria	Potentially if further focused through local criteria	Potentially if further focused through local criteria	Potentially if further focused through local criteria	Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options, Access to community assets and mitigation of exposure to harms, "Housing stability, anti-displacement and displacement mitigation"				
F1-6	Financial Incentives	System Development Charge (SDC) Exemption or Reduction	Policy-based exemption or reduction on System Development Charges (SDCs) for qualifying housing developments (e.g., affordable, accessible, or focused housing types)	C01	2A	Production	Limited (may not be appropriate for broad application to all housing development)	Yes if Focused (e.g., ADUs, middle housing)	Yes if Focused (jurisdiction determines affordability level)	Potentially if Focused (not been implemented in this way to date)	Yes if Focused	Potentially if Focused (e.g., reduction on transportation SDCs for transit-served areas)	N/A (unlikely to align with these geographies)	N/A (unlikely to align with these geographies)	N/A (unlikely to align with these geographies)	Housing Types that Increase Choice, Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options, Accessible & Adaptable Housing, Access to community assets and mitigation of exposure to harms, Permanent housing to resolve homelessness				
F1-7	Financial Incentives	System Development Charge (SDC) Deferral	Allow SDCs to be paid at project completion (certificate of occupancy, final inspection, or water meter installation) or later. The deferral could be applicable to all housing or for certain housing types or qualifying housing developments.	C01	2B	Production	Yes if broadly available	Yes if Focused (e.g., multi-unit, middle housing)	Yes if Focused (jurisdiction determines affordability level)	Potentially if Focused (not been implemented in this way to date)	Yes if Focused	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	Overall Production, Housing Types that Increase Choice, Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options				
F1-8	Financial Incentives	Scale System Development Charges by Unit Size	Reduce SDCs for smaller units based on evidence of reduced demand for / impact on infrastructure.	C02		Production	Potentially in some markets	Yes if applicable to these multi-unit/middle housing types	N/A	N/A	N/A	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	Substantial reduction in total SDCs (e.g., >\$4,000 or >20% difference)	Moderate reduction in total SDCs (e.g., >\$1,000 or >10% difference)	Small reduction in total SDCs		
F1-9	Financial Incentives	Permit Fee Reductions or Waivers	Reduce or waive permit fees for qualifying housing development.	New		Production	Limited (may not be appropriate for broad application to all housing development)	Potentially if Focused (may not be appropriate for broad application to all development of a specific housing type without further requirements in all markets)	Yes if Focused	Potentially if Focused (not been implemented in this way to date)	Yes if Focused	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)					
F1-10	Information / Staff Support	Support Housing Development on Land Owned by Religious Institutions, Other Public Agencies, and Others that May Not Be Needed for the Current Use in the Future. Reach out to assess interest in making land available for development; provide staff time or information to support the land disposition process if desired.	Compile information on land owned by religious institutions, other public agencies, and others that may not be needed for the current use in the future. Reach out to assess interest in making land available for development; provide staff time or information to support the land disposition process if desired.	F18, F09		Production	Limited	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Yes if Focused	Housing Types that Increase Choice, Overall Production, Affordability, Accessible & Adaptable Housing, Affordable Homeownership & Wealth-Building Tenure Options, Access to community assets and mitigation of exposure to harms, "Housing stability, anti-displacement and displacement mitigation". Addressing and disrupting patterns of segregation (concentration of affluence and poverty). Permanent housing to resolve homelessness	In High Opportunity Area, in Concentrated Area of Affluence, or an Anti-Displacement action	In Low Opportunity Area and not an Anti-Displacement action		
F1-11	Information / Staff Support	Local Affordable Housing Inventory	Compile an inventory of locally-supported affordable housing to track expiring affordability provisions and identify needs and opportunities for preservation.	F19		Preservation	N/A	N/A	Yes, to support preservation of existing affordable housing	Potential to collect information on accessible and adaptable units to prioritize projects with more of these units for preservation	Yes, to support preservation of existing affordable housing	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	Affordable Homeownership & Wealth-Building Tenure Options	Affordability, "Housing stability, anti-displacement and displacement mitigation"			
F1-12	Information / Staff Support	Advertise Regulatory and Financial Incentives for Specific Housing Options	Provide clear information on all available local regulatory and financial incentives for qualifying housing online.	F07		Production	N/A	Potentially depending on incentives	Yes	Potentially depending on incentives	Potentially depending on incentives	Potentially depending on incentives	Potentially depending on incentives	Potentially depending on incentives	Potentially depending on incentives	Affordability				
F1-13	Information / Staff Support	Developer Best Practices	Provide clear information on development standards and permitting requirements for multi-unit/middle housing, ADUs, and other types of small units.	F07		Production	Limited	Yes (ADUs, duplexes)	N/A	N/A	N/A	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	Housing Types that Increase Choice				

Information / Staff Support	Voluntary certification process for Affordable Housing	Create or support a voluntary certification process for evaluating the accessibility and adaptability of existing homes for aging in place. Can provide information on universal design principles and standards, rates or provide that existing rental rates varying for property owners and managers of rental housing, boards, and others from locally-owned affordable housing organizations.	New	Access	N/A	N/A	N/A	Yes	N/A	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	N/A (most relevant jurisdiction-wide)	Accessible & Adaptable Housing				
Information / Staff Support	Fair Housing Training		F20, B24	Access	N/A	N/A	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Information / Staff Support	Public/Private Partnerships	Private sector and nonprofits to align and leverage financial, staff, or other resources to help communities provide needed housing. This can	F04	Production, Preservation	Limited	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Information / Staff Support	Assist with funding applications	Assist small developers with identifying and applying for state or federal funding for qualifying projects (e.g., affordable housing)	New, but replaces list of specific state and federal funding sources that developers apply for directly	Production	Limited	Potentially if focused	Yes	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Information / Staff Support	Resource referrals	Provide information and referrals to local housing providers and nonprofits that provide affordable housing, emergency rent vouchers, weatherization or other home repair, eviction prevention, foreclosure prevention, utility assistance, and/or other related stabilization and support services for low and moderate income households	New	Access	N/A	N/A	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Information / Staff Support	Pre-Application Meeting	Set a date or timeline meeting with an applicant, permitting entities that will review an application including special districts, service providers, public works, etc. (in advance of submitting a full application to clarify information and answer questions)	New	Production	Yes if already available	Yes if focused	Yes if focused	Yes if focused	Yes if focused	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)					
Information / Staff Support	SDC estimates	Estimate the maximum number of units that can be developed on a specific parcel of land based on the jurisdiction's SDCs (including those collected by the jurisdiction on behalf of other service providers) and provide an SDC estimate that that appears to be the maximum	New	Production	Yes if already available	Yes if focused	Potentially if focused	Potentially if focused	Potentially if focused	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)					
Locally-Controlled Funding Source	Tax Increment Financing (TIF) Set Aside	Within an existing or proposed TIF (aka Urban Renewal) district, establish a funding set-aside for affordable housing development programs, as a percentage of total funds or as a dollar amount	D10	Production, Preservation	Limited	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	May not be appropriate to focus on these areas unless actual costs	Yes if focused			
Locally-Controlled Funding Source	Construction Excise Tax	A Construction Excise Tax (CET) is a tax on the value of new construction projects to raise funds for affordable housing projects. The tax is limited to 1% of the permit value of residential construction and can be applied to commercial and industrial construction. The proceeds for CET funding are governed by state statute but include local housing incentives and affordability programs.	D9	Production, Preservation, Access	N/A (can negatively impact overall production in some cases)	Potentially depending on use of funds	Yes (as a percentage of funds are required to go to local affordable housing programs or other eligible jurisdictional affordable housing)	Potentially depending on use of funds	Yes (as a percentage of funds are required to go to development incentives for low-income housing >100M AIA under federal)	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Affordability, Affordable Homeownership & Wealth-Building Tenure Options	Accessible & Adaptable Housing, Housing Types that Increase Choice, Access to community assets and mitigation of exposure to harms, "Housing stability, anti-displacement and displacement mitigation." Addressing and disrupting patterns of segregation (concentration of affluence and poverty). Permanent housing to resolve homelessness			
Locally-Controlled Funding Source	General Obligation Bond for Affordable Housing	Local governments, including cities and counties, can issue voter-approved general obligation bonds to provide direct funding for construction and other capital costs associated with the development and construction of affordable housing. These funds can be loaned or granted to both public and privately owned affordable housing projects. Affordability is required to be determined by voters and each jurisdiction, and can be above or below minimum standards established for the federal LIHTC program and other established federal programs.	D16	Production, Preservation	Potentially depending on use of funds	Yes	Potentially depending on use of funds	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Locally-Controlled Funding Source	HOME program allocation	Designated to increase affordable housing for low- and very low-income families and individuals. All States and participating jurisdictions receive HOME funds from HUD each year, and may allocate them to a variety of uses and programs. HOME funds can be used to support a variety of uses and programs, including: construction, rehabilitation, and other housing-related activities; community development; and other housing-related activities.	D06	Production, Preservation	N/A	Potentially depending on use of funds	Yes	Potentially depending on use of funds	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Locally-Controlled Funding Source	CRBG allocation	Community Reinvestment Bank Grants (CRBGs) are a type of federal funding that can be used to meet national objectives, direct benefit for low and moderate income households, benefit to predominantly low income areas, elimination of slums and blight. Eligible activities include public works infrastructure, community facilities, new housing development, housing rehabilitation, and public services (counseling, social services & microenterprise training, including short-term emergency rent assistance). Eligibility is based upon the levels of low- and moderate-income households in the area, and the extent to which the project will support a variety of affordable housing activities. They may be created and administered at the city, county, region, or state level. Housing funds are not subject to the restrictions of federal safety programs, and therefore can be designed specifically to address local priorities and needs. The entity administering the fund determines eligible activities, which can include anything from emergency rent assistance for families	D01	Production, Preservation, Access	N/A	Potentially depending on use of funds	Yes	Potentially depending on use of funds	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Locally-Controlled Funding Source	Local Housing Trust Fund	Funds are not subject to the restrictions of federal safety programs, and therefore can be designed specifically to address local priorities and needs. The entity administering the fund determines eligible activities, which can include anything from emergency rent assistance for families	D03	Production, Preservation, Access	N/A	Potentially depending on use of funds	Yes	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused					
Regulatory Requirements or Policy	Housing Mix Requirements	Require a mix of housing types and/or inclusion of housing that meets specific needs (e.g., accessible or adaptable) as part of larger developments	A22	Production	N/A	Yes	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Potentially if focused	N/A	N/A				
Regulatory Requirements or Policy	Inclusionary Zoning	Require inclusion of affordable units in developments with more than 20 units per building. Authorized under CDS 197A.405. Per statute, must be paired with financial incentives to offset the cost of the affordability requirements.	A20	Production	N/A (could negatively impact overall production on use of funds)	Yes	N/A	Yes	Limited (would only apply to condominium development with	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)					
Regulatory Requirements or Policy	Negotiated affordability requirements for new urban areas	Negotiate affordability agreements for larger developments in newly urbanizing areas as part of UDC expansion decisions, annexation agreements, and/or area planning processes.	New	Production	N/A (could negatively impact overall production on use of funds)	Yes	Yes	N/A	Yes if focused	Potentially if focused	N/A (likely to be applicable in these areas)	N/A (likely to be applicable in these areas)	N/A (likely to be applicable in these areas)					
Regulatory Requirements or Policy	Manufactured Housing Community Preservation Zone	Change the zoning of existing manufactured housing communities to be preserved to a single-use zone that only allows manufactured housing communities.	A16	Preservation	N/A	Yes (permits existing manufactured housing)	Yes	N/A	Yes	Potentially if focused	N/A (likely to be applicable in these areas)	Yes if focused	Yes if focused					
Regulatory Requirements or Policy	Minimum Densities	Establish minimum density standards, prohibit new single-family detached housing in high density zones, and/or allow single-family detached homes in medium density zones only if they meet minimum density or maximum lot size requirements.	A01	Production	Limited	Yes if focused	N/A	N/A	N/A	Potentially if focused	Potentially if focused	May not be appropriate to focus on these areas unless paired with complementary strategies	May not be appropriate to focus on these areas unless paired with complementary strategies					
Regulatory Requirements or Policy	Leasing Priority for Households with Disabilities	Requirement that landlords offer households with disabilities the opportunity to learn about the availability of publicly accessible units and have a chance to apply for them before the general public.	New	Access	N/A	N/A	N/A	Yes	N/A	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	N/A (not geographically focused)	Accessible & Adaptable Housing				
Regulatory Requirements or Policy	Affordability Covenants	Using affordability covenants to ensure that affordability commitments are not for-profit incentives leaving local funding or other resources. (Complementary strategy to the funding or incentives.)	A11	IC	Preservation	N/A	N/A	Yes	Potentially if linked with complementary action(s)	Yes	Potentially if linked with complementary action(s)	Potentially if linked with complementary action(s)	Potentially if linked with complementary action(s)	Affordability				
Regulatory Requirements or Policy	Affirmative Marketing Requirement	Require new developments that receive an incentive to review or assist support participants in a program to affirmatively market available units to members of protected classes, to help ensure these households are aware of affordable housing units when they become available. This	New	IC	Access	N/A	N/A											

RB-3	Reduce Regulatory and Permitting Barriers	Upzone residential land	Rezone buildable residential land or modify existing zoning regulations (including maximum density, height limits, allowed housing types, minimum lot sizes, maximum lot coverage, and floor area ratio, as applicable) to allow, encourage, or require undersupplied housing types and/or higher intensity residential development	A28, B5		Production	Yes	Yes	N/A	N/A	N/A	Yes if focused	Yes if focused	May not be appropriate to focus in these areas unless paired with complementary strategies	May not be appropriate to focus in these areas unless paired with complementary strategies						
RB-8	Reduce Regulatory and Permitting Barriers	Expand residential options in commercial zones	Allow mixed use residential in commercial zones where residential uses are appropriate, allow stand-alone residential use in commercial zones or areas where commercial use is not essential to meeting local goals and land needs	A14		Production	Potentially if implemented broadly	Yes if focused	Yes if consistent with or exceeding state law (Covered by state law, but helpful to adopt in local code)	Potentially if focused	Yes if consistent with or exceeding state law (Covered by state law, but helpful to adopt in local code)	Yes if focused	Yes if focused	May not be appropriate to focus in these areas unless paired with complementary strategies	May not be appropriate to focus in these areas unless paired with complementary strategies						
RB-6	Reduce Regulatory and Permitting Barriers	Permitting outcomes review / audit	Analyze the share of development applications that were reviewed through a discretionary vs. clear and objective process, and the share that were approved, approved with conditions, or denied through each process. For applications that were reviewed through a discretionary process, determine which clear and objective standard(s) the applicants were seeking to deviate from by taking a discretionary process.	B19		Production	Yes	Yes if focused	Yes if focused	Potentially if focused (information on presence of accessibility features may not be available for all applications)	Potentially if focused (information regarding tenure may not be available for all applications)	Yes if focused	Yes if focused	Yes if focused	Yes if focused						
Z-1	Zoning or Regulatory Incentives	Development Intensity Bonuses	Use incentive zoning that provides more height, density, floor area ratio, and/or building footprint (as applicable) for qualifying housing development.	A03, A23, A35, A17, A25		Production	Limited	Potentially if focused (for middle housing, bonuses would be relative to the minimum standards in middle housing rules)	Yes if consistent with or exceeding state law (Covered by state law, but helpful to adopt in local code)	Yes if focused	Yes if consistent with or exceeding state law (Covered by state law, but helpful to adopt in local code)	Yes if focused	Yes if focused	May not be appropriate to focus in these areas unless paired with complementary strategies	May not be appropriate to focus in these areas unless paired with complementary strategies						
Z-2	Zoning or Regulatory Incentives	Parking Reductions	Offer lower parking ratios for qualifying housing development	B02, A15		Production	Potentially if implemented broadly	Potentially if focused (for middle housing, reductions would be relative to the minimum standards in middle housing rules)	Yes if focused	Yes if focused	Yes if focused	Yes if focused	Yes if focused	May not be appropriate to focus in these areas unless paired with complementary strategies	May not be appropriate to focus in these areas unless paired with complementary strategies						
Z-3	Zoning or Regulatory Incentives	Design and Development Standard Flexibility	Offer additional flexibility on design and development standards other than those listed for development intensity (such as setbacks, landscaping or open space requirements, articulation or entrance requirements) for qualifying housing development.	A03, A23, A35, B07		Production	Limited	Yes if focused	Yes if consistent with or exceeding state law (Covered by state law, but helpful to adopt in local code)	Yes if focused	Yes if consistent with or exceeding state law (Covered by state law, but helpful to adopt in local code)	Potentially if focused	Potentially if focused	May not be appropriate to focus in these areas unless paired with complementary strategies	May not be appropriate to focus in these areas unless paired with complementary strategies						



OREGON HOUSING NEEDS ANALYSIS: HOUSING ACTION WORK GROUP

Adoption Ready Actions

June 30, 2025

This memorandum advances seven Adoption Ready Actions (ARAs). It builds on the information shared in the [Draft Adoption Ready Actions packet](#), updated on May 15, 2025, and shared with the Housing Actions Work Group (HAWG) in advance of the May 21, 2025, meeting (#9). Feedback received from HAWG members at that meeting has been incorporated into the ARAs in this document.

As noted in prior documents, an ARA, as defined by the Department of Land Conservation and Development (DLCD), is an action (a specific policy, code, program, investment, administrative measure, advocacy effort, or other tool included in a housing production strategy in alignment with ORS 197A.100(3) and (4), which commits to implementation) that is partially or fully developed and implementable. An ARA is designed to reduce development resource needs while supporting the principles of Goal 10 - Housing. The actions require some elements of universal applicability, but the level of adoption readiness may vary. They are grouped into three levels of adoption readiness:

- a) Level 1: Partially developed but requires substantial local preparation like the development of partnerships;
- b) Level 2: Largely developed but requires some sensitivity, feasibility, and applicability testing; and
- a) Level 3: Immediately adoptable and implementable - requires little or no analysis or design before adoption into local plans, policies, or ordinances.

This memorandum advances seven ARAs representing all three levels of readiness.

#	ARA	Components
1 / 3A	Nonprofit Low Income Housing Property Tax Exemption	• Model ordinance & municipal code • Example letter to overlapping taxing districts • Model application form
2 / 2A	SDC exemption for Affordable Housing	• Model Municipal Code
3 / 2B	SDC deferral for housing	• Model Municipal Code
4 / 2C	Multiple Unit Property Tax Exemption	• Model Municipal Code
5 / 1I	Rental Housing License Program	• Model Municipal Code



6 / 1E	Affirmative Marketing Requirement for City-Funded Units	• Templates (Program Description, Letter of Intent to Implement Affirmative Marketing, Affirmative Marketing Outreach Instructions and Notice, Affirmative Marketing Report)
7 / 1A	Land Disposition for Affordable Housing	• Model RFP for land for development for affordable housing • Model long-term ground lease for affordable housing

As with the May 15th packet, topics that could be covered by the in-progress model code by housing type and city size directed by SB 1654 (2024) are not listed in this document.

HOW TO READ THIS DOCUMENT

All ARAs include:

- **Summary:** The first page for each ARA is an action sheet summary that provides a description, notes on impact and applicability, relevance to specific housing needs, and level of customization required.
- **Case Studies & Evaluation:** A summary of available examples from Oregon and (where applicable) other states; and a summary of any available studies evaluating impacts or effectiveness of the action
- **Customization & Implementation Considerations:** Areas where local tailoring, analysis, or decisions are needed.

Additional information on these actions can be found in the Housing Production Strategy Menu of Actions.

Text that will need to be inserted by each jurisdiction are found in [brackets and highlighted in grey]. There are some aspects of each adoption ready action that are limited statutorily. This text is written in blue font.

Example affordability covenants and other documents used to ensure affordability for locally supported affordable housing projects are included in Appendix A beginning on page 72. ***These are intended for guidance only and staff should consult legal counsel to draft legal documents for local use.***

**3A) NONPROFIT LOW-INCOME HOUSING TAX EXEMPTION**

Completeness	ARA Components	Key Needs Addressed
Level 3: Can be used with little local customization	• Model ordinance & municipal code based on statute • Example letter to overlapping taxing districts • Model application form	• Characteristic: affordability
Description	Property tax exemption enabled under state law and adopted locally for regulated affordable housing owned and operated by a nonprofit as well as land held by a nonprofit for future affordable housing development. Nearly all program parameters are established in statute, with few set locally. Eligible properties must be offered to low-income persons (with incomes at or below 60% of the area median income for the initial year, and at or below 80% of the area median income for subsequent years) or held for the purpose of developing low-income housing. The housing may be new development or existing housing acquired by a nonprofit for the purpose of converting it to income-restricted affordable housing. Applicants must renew their tax exemption applications annually. As long as the housing remains affordable to low-income residents, there is no time limit to the tax exemption.	
Impact	Medium. Reduces operating costs for affordable housing, potentially allowing for deeper affordability or less subsidy required. Many affordable housing developers partner with the local Housing Authority to obtain tax-exempt status, but some have indicated that this program provides a simpler alternative that reduces the complexity of development arrangements.	
Applicability	High. Could work for any jurisdiction. Some have already implemented, others have not.	



Case Studies & Evaluation

Oregon Examples

This program has been adopted in a number of Oregon cities, including [Newport](#), [Beaverton](#), [Portland](#), [Tigard](#), [Forest Grove](#), [Cornelius](#), and [Wilsonville](#).

Available Research and Evaluation

Research indicates a significant correlation between tax exemptions and an increase in the development of affordable housing. The research suggests that tax incentives make development financially viable for developers in areas where they otherwise would not pursue affordable housing projects. Various studies indicated that the correlation is stronger when tied to the following factors:

- High demand for housing in the area and significant development activity
- Rising land prices
- Combined with other tools and regulatory measures (e.g., regulatory bonuses, inclusionary zoning, or LIHTC)

Several published studies have evaluated the development impacts of tax abatement programs and whether they have a measurable effect on the number of affordable housing projects built. These studies often compare outcomes in cities that have implemented such programs to those in cities that have not or assess the effectiveness of various incentives in increasing affordable housing production. Tax abatement programs generally increase the development of affordable housing, particularly in high-demand areas where development might otherwise focus on market-rate housing. The effectiveness of these programs tends to be higher in cities with robust development activity and significant demand for housing.

In some cases, tax incentives combined with other regulatory measures (e.g., inclusionary zoning or LIHTC) were found to have an even greater impact on the quantity of affordable units produced. These studies provide useful insights into how tax incentives and abatements can drive affordable housing development, especially when they are part of a broader set of policy tools.

A few example studies include:

- "The Effectiveness of Property Tax Abatement Programs in Affordable Housing Development" (Urban Institute, 2017): This study examined the effectiveness of property tax abatement programs across a range of U.S. cities, including Seattle, Chicago, and New York. It compared cities with and without such programs to assess whether tax incentives contributed to an increase in affordable housing units. The study found that property tax abatements were effective in increasing the number of affordable housing projects in areas with high demand for housing and significant development activity. The study found that in cities like Chicago and Seattle, tax abatement programs were strongly associated with a higher number of affordable housing developments. However, the impact was less clear in cities with lower development activity or without strong regulatory support for affordable housing.
- "The Impact of Property Tax Incentives on Housing Development" (Journal of Housing Economics, 2019): This peer-reviewed journal article analyzes property tax incentives (including abatements) and their effects on housing development across multiple cities in the U.S. It evaluates whether such incentives increase the number of affordable housing projects relative to what would have been built without the incentives. The study found a clear correlation between the implementation of property tax abatements and an increase in affordable housing production, especially in high-demand urban markets where land prices



were pushing affordable housing out of reach. The research suggests that tax incentives make development financially viable for developers in areas where they otherwise would not pursue affordable housing projects.

- "Incentives for Affordable Housing Development: An Evaluation of Local Programs" (National Low Income Housing Coalition, 2015): This report evaluates the effectiveness of several local tax incentives and abatement programs in increasing affordable housing across the U.S. It compares cities that use these incentives (like San Francisco and Portland) with those that rely solely on market-driven development. The study found that tax incentives were critical in helping to develop affordable housing, particularly in gentrifying areas. Cities with tax abatement programs produced more affordable units than cities without such programs, with some cities achieving significant success in low-income housing production due to these policies.
- "The Effects of Tax Incentives on Affordable Housing Production: Evidence from the Low-Income Housing Tax Credit" (The Journal of Urban Economics, 2018): While this study primarily focuses on the Low-Income Housing Tax Credit (LIHTC), it includes analysis on the role of tax exemptions and abatements in supporting affordable housing production. It compares the outcomes of cities that used both LIHTC and additional property tax incentives versus cities that used LIHTC alone. The study concluded that the combination of tax credits and property tax abatements significantly boosted the construction of affordable rental housing. Cities that employed both mechanisms saw higher numbers of affordable units being built compared to cities with only LIHTC.

Customization & Implementation Considerations

Because the parameters are laid out in statute, there is little need for local customization, though jurisdictions may adopt additional eligibility criteria that do not conflict with the statutory criteria. Codes, ordinances, and application forms are similar across most examples.

Note that some cities have approved the exemption for specific projects, rather than adopting a blanket exemption. If approval of the exemption requires action by City Council every year (due to the annual renewal process embedded in statute), this can increase administrative effort for both the City and the property owner/manager and can decrease certainty about whether the exemption will continue to be granted going forward. It is preferable to set up the program so that confirming eligibility year to year is a simple staff decision based on review of a standardized application form.

There is one program element that jurisdictions could modify if desired (an optional limit on how long the exemption may apply to land held for future affordable housing development). The Model Code for ARA 3A does not set a limit, but includes a 5-year limit with option to extend as an optional component.

Without the cooperation of overlapping taxing districts, a jurisdiction can only adopt an exemption for its own tax levy. Applying the exemption to all taxing districts would require the support of districts representing at least 51% of the total tax rate (including the adopting jurisdiction). Alternatively, an applicant can seek other districts' support on a case-by-case basis.



Model Ordinance Language

Note: In order for this Adoption Ready Action to be helpful to jurisdictions, the state has developed model ordinance language and a model municipal code based on statute.

[JURISDICTION]

ORDINANCE NO. [X]

AN ORDINANCE AMENDING TITLE [X] OF THE

[JURISDICTION] MUNICIPAL CODE RELATING TO AN AFFORDABLE HOUSING

TAX EXEMPTION PROGRAM FOR NON-PROFIT HOUSING PROVIDERS

WHEREAS, State of Oregon statutes ORS 307.540 through 307.548 authorize cities to establish a process for exemption from property tax for non-profit corporation low income housing; and

WHEREAS, [Goal X] is “[applicable Goals supporting the development of affordable housing, including funding and land use tools for the facilitation of this development from the Comprehensive/General Plan]”; and

WHEREAS, [title, date, and relevant findings on low-income housing needs from most recent Contextualized Housing Needs assessment]; and

WHEREAS, the latest [U.S. Census or American Community Survey] data calculate that [relevant data on renter occupied housing and average renter housing income in comparison to countywide median income]; and

WHEREAS, area non-profit housing providers fulfill a critical role in building and maintaining housing which, due to subsidy stipulations contained within their financing framework, are restricted to specifically serve low-income households that need them; and

WHEREAS, Provision of a property tax exemption enabled through Oregon Revised Statutes (ORS) 307.540-548, which applies specifically to non-profit organizations that own or purchase property for use as low-income housing, will encourage further development of much needed low-income housing units in [Jurisdiction]; and

[OPTIONAL: WHEREAS, ORS 307.540 to 307.548 provides that if jurisdictions or special district service providers representing more than 51 percent of a property's total tax obligation resolve to exempt the property from taxation, then the remainder of those taxing districts must follow suit; and]

WHEREAS, [relevant stakeholder discussions and support for the program received during the development of this ordinance]; now therefore



[JURISDICTION] ORDAINS AS FOLLOWS:

Section 1. [Jurisdiction] Municipal Code [Chapter X], Non-Profit Corporation Low Income Housing Tax Exemption, is hereby established as illustrated in Exhibit "A."

Section 2. This ordinance shall take effect 30 days after passage.

Date adopted and read by title only: [X].

Signed by the [Respective Authority, e.g., Mayor] on [X].

X

Mayor

ATTEST:

X

City Recorder

APPROVED AS TO FORM:



Model Municipal Code

Note: Model code based on examples from Forest Grove, Newport, Beaverton, and Cornelius.

Note: Much of this model code is already incorporated into statute, [ORS 307.450 to 307.458](#).

Notes, optional items, and text to be filled in by the jurisdiction are shaded in gray and in [brackets].

Chapter [X]

NONPROFIT CORPORATION LOW-INCOME HOUSING TAX EXEMPTION

Sections:

- [X].010 Definitions
- [X].020 Non-profit corporation low-income housing exemption; criteria
- [X].030 Application for exemption
- [X].040 Determination of eligibility for exemption; notice to County Assessor
- [X].050 Governing Body approval for an extension of time
- [X].060 Termination of exemption
- [X].070 Delegation of administrative authority

[X].010 Definitions.

As used in this Chapter:

- A. "Governing Body" means: [Respective Decision-making body for the Jurisdiction, i.e. City Council, Board of Commissioners, etc.]
- B. "Low-income" means:
 - 1. For the initial year that persons occupy property for which an application is filed under ORS 307.545, income at below 60 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United State Department of Housing and Urban Development; and
 - 2. For every subsequent consecutive year that the persons occupy the property, income at or below 80 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development.

[X].020 Eligibility Criteria.

- A. Property that meets all of the following criteria shall be exempt from taxation as provided in this section:
 - 1. The property is owned or being purchased by a corporation described in Section 501(c)(3) or (4) of the Internal Revenue Code that is exempt from income taxation under Section 501(a) of the Internal Revenue Code.
 - 2. Upon liquidation, the assets of the corporation are required to be applied first in payment of all outstanding obligations, and the balance remaining, in cash and in kind, to be



distributed to corporations exempt from taxation and operated exclusively for religious, charitable, scientific, literary or educational purposes or to the State of Oregon.

3. The property is:

- a. Occupied by low-income persons; or
- b. Held for the purpose of future development of low-income housing [for a period of not more than 5 years. If the corporation requires additional time to develop the property for low-income housing and still seeks an exemption under this chapter, the corporation shall seek approval from the governing body for an extension of time in the manner described in Section [X].050.].

4. The property or portion of the property receiving the exemption is actually and exclusively used for the purposes described in Section 501(c)(3) or (4) of the Internal Revenue Code.

5. [Optional:] The corporation:

- a. Is not presently debarred, suspended, proposed for debarment, or declared ineligible by any Federal or state agency;
- b. Has not, within the three-year period preceding the application, been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract under a public transaction; or been convicted of any Federal or state statutes of embezzlement, theft, forgery, bribery, falsification, destruction of records, making false statements, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty; and
- c. Is not presently indicted for or otherwise criminally or civilly charged by a Federal, state, or local government entity with commission of any of the offenses enumerated in division (A)(5)(b) of this section.

B. For purposes of subsection (A)(1) of this section, a corporation that only has a leasehold interest in property is deemed to be a purchaser of that property if:

- 1. The corporation is obligated under the terms of the lease to pay the ad valorem taxes on the real and personal property used in this activity on that property; or
- 2. The rent payable by the corporation has been established to reflect the savings resulting from the exemption from taxation.

C. For purposes of subsection (A) of this section, a partnership shall be treated the same as a corporation to which this section applies if the corporation is:

- 1. A general partner of the partnership; and
- 2. Responsible for the day-to-day operation of the property that is the subject of the exemption.

**[X].030 Application for Exemption**

- A. To seek the exemption provided by Section [X].020, the corporation shall file an application for exemption with the governing body for each assessment year the corporation wants the exemption.
- B. The application shall be filed on or before March 1 of the assessment year for which the exemption is applied for, except that when the property designated is acquired after March 1 and before July 1, the claim for that year shall be filed within 30 days after the date of acquisition.
- C. The application shall include the following information, as applicable.
 - 1. A description of the property for which the exemption is requested;
 - 2. A description of the charitable purpose of the project and whether all or a portion of the property is being used for that purpose;
 - 3. A certification of income levels of low-income occupants;
 - 4. A description of how the tax exemption will benefit project residents;
 - 5. A description of the development of the property if the property is being held for future low-income housing development;
 - 6. A declaration certifying that the corporation has been granted exemption from income taxation under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code; and
 - 7. A certification that the corporation meets the criteria provided in Subsection [X].020(A)(5).
- D. The applicant shall verify the information in the application by oath or affirmation.

[X].040 Determination of Eligibility for Exemption; Notice to County Assessor.

- A. Except as otherwise provided in subsection (B) of this section, within 30 days of the filing of an application under Section [X].030, the governing body shall determine whether the applicant qualifies for the exemption granted under Section [X].020. If the governing body determines the applicant qualifies, then the governing body shall certify to the County Assessor that all or a portion of the property shall be exempt from taxation under the levy of the certifying governing body.
- B. If the governing body has previously determined that the applicant qualified for the exemption granted under this chapter, then the governing body shall use the criteria that were in place when the applicant was first granted the exemption for the property each year the applicant reapplies for the exemption.
- C. Upon receipt of certification under Subsection (A) of this section, the County Assessor shall exempt the property from taxation to the extent certified by the governing body.

[X].050 Governing Body approval for an extension of time.



- A. If a corporation requires additional time to develop the property for low-income housing beyond the time frame provided in Section [X].020(A)(3)(b), and seeks to extend the property tax exemption previously approved by the governing body, then it shall provide a written request to the governing body and include supporting documentation with the request. The written request shall be on a form supplied by the City.
- B. If the corporation submits a written request with supporting documentation, the governing body shall review the request. The governing body may use any of the following factors to determine whether to grant or deny an extension to the corporation including, but not limited to:
1. Whether the corporation has created any designs for the proposed development of low-income housing on the property;
 2. Whether the corporation has applied for, or received, any permits relating to development of low-income housing on the property;
 3. Whether the corporation has applied for, or received, any private or public funding for development of low-income housing on the property, including any tax credits;
 4. Whether the corporation has contracted with another party to begin development of low-income housing on the property;
 5. Whether the corporation has made any site improvements towards development of low-income housing on the property; or
 6. Whether there was any uncontrollable or unforeseeable act or circumstance beyond the corporation's reasonable control that caused or is causing the delay in developing the low-income housing on the property.
- C. The governing body shall determine whether to grant or deny an extension within 30 days of receiving the written request and supporting documentation from the corporation.

[X].060 Termination of Exemption.

- A. If the governing body determines that property that has received an exemption under this chapter in anticipation of future development of low-income housing is being used for any purposes other than the provision of low-income housing, or that any provision of this chapter is not being complied with, the governing body shall give notice of the proposed termination of the exemption to the owner by mailing the notice to the last known address of the owner, and to every known lender by mailing the notice to the last known address of every known lender. The notice shall state the reasons for the proposed termination and require the owner to appear at a specified time, not less than 20 days after mailing the notice, to show cause, if any, why the exemption should not be terminated.
- B. If the owner fails to appear and show cause why the exemption should not be terminated, the city shall notify every known lender, and shall allow any lender not less than 30 days after the date the notice of failure to appear and show cause is mailed to cure any noncompliance or to provide adequate assurance to the governing body that all noncompliance shall be remedied.



- C. If the owner fails to appear and show cause why the exemption should not be terminated, and the lender fails to cure or give adequate assurance of the cure of noncompliance, the governing body shall adopt an [ordinance or resolution] stating its findings that terminate the exemption. A copy of the [ordinance or resolution] shall be filed within ten days after its adoption with the County Assessor, and a copy shall be sent to the owner at the owner's last known address and to the lender at the last known address of the lender within ten days of its adoption.
- D. Upon the County Assessor's receipt of the governing body's termination findings:
1. The exemption granted to the housing unit or portion under this chapter shall terminate immediately, without right of notice or appeal;
 2. The property shall be assessed and taxed as other property similarly situated is assessed and taxed;
 3. Notwithstanding ORS 311.235, there shall be added to the general property tax roll, for the property in question, for the tax year next following the presentation or discovery, to be collected and distributed in the same manner as other real property tax, an amount equal to the difference between the taxes assessed against the property and the taxes that would have been assessed against the property had it not been exempt under this chapter for each of the years, not to exceed the last ten years, during which the property was exempt from taxation under this chapter.
- E. The assessment and tax rolls shall show potential additional tax liability for each property granted an exemption under this chapter because the property is being held for future development of low-income housing.
- F. Additional taxes collected under this section shall be deemed to have been imposed in the year to which the additional taxes relate.

[X].070 Delegation of Administrative Authority.

The governing body hereby delegates to the [chosen Authority, e.g. City Manager, Mayor, etc.], or designee, all authority necessary to make all determinations and otherwise administer the provisions of this chapter, excepting determinations and actions required to be made or taken by the governing body pursuant to Section [X].060.

**Example Letter**

Note: Example based on letter from City of Scappoose to overlapping taxing districts.

DATE: [xxxx]

TO: [taxing districts]

CC: xxx, City

FROM: xxx

SUBJECT: Request for support of nonprofit affordable housing tax exemption

One of the actions the City is implementing as part of its Housing Production Strategy is a property tax exemption program for non-profit affordable housing, the Nonprofit Low-Income Rental Housing Tax Exemption. To implement this program fully, the City needs the support of several of the overlapping taxing districts. This memo provides additional information about the tax exemption program, including its expected benefits and foregone revenue impacts. The City is requesting support for this proposal from impacted taxing districts.

How it Works

This tax exemption program would apply to rental housing for low-income persons that is owned, being purchased, and/or leased and operated by a nonprofit. It would also apply to land held by a nonprofit for affordable housing development. Land and improvements are exempt for as long as the property meets the criteria, but property owners must reapply every year (using a simple application form) to show that they continue to meet the program criteria.

This program would assist nonprofits providing affordable housing in the community by lowering operating costs. It would also lower holding costs for land intended for future affordable housing development, providing the nonprofit developers more time to arrange funding for development. Affordable housing provided by the Housing Authority is already exempt. Some existing nonprofit affordable housing developments qualified for a tax exemption as charities; however, this option is no longer available for new developments.

To enact this program, the City would need to adopt the provisions of ORS 307.540 to 307.548 to establish the program locally. Governing boards representing 51% of the combined tax rate must agree to the policy of exemption in order for the exemption to apply to all taxing districts. This could be met by the City in combination with [identify other taxing districts whose rate would sum to 51%].

Program Beneficiaries

[Optional: provide examples of entities or projects that could benefit from exemption]

Foregone Revenue by Taxing Districts



[Add estimated impact of foregone revenue from existing example projects expected to benefit from the exemption based on current property tax payments or estimate foregone taxes from a hypothetical future development]

Exhibit 1. Estimated Annual Foregone Revenue, FY XXXX

Entity	Property Taxes
Taxing District	\$XX
Taxing District	\$XX
Taxing District	\$XX
Taxing District	\$XX
....	\$...
....	\$...
....	\$...

Source: xxx analysis based on county tax records

**Note that the state's education funding formula allocates funding to schools on a per-pupil basis, so foregone property tax revenue to the School District is absorbed at the state level and replaced by additional state funding.*

**Model Application Form**

Note: Example based on [City of Portland application form](#).

**NON-PROFIT CORPORATION LOW-INCOME HOUSING TAX
EXEMPTION APPLICATION**

SECTION A - INFORMATION of APPLICANT/NON-PROFIT ORGANIZATION		
PROPERTY TAX EXEMPTION FOR LOW-INCOME HOUSING HELD BY NON-PROFIT ORGANIZATIONS – [FISCAL YEAR] TAX YEAR		
APPLICATION DUE DATE: JANUARY 31, [YEAR]		
ORGANIZATION INFORMATION		
Applicant/Sponsor *Only submit one application per Non-Profit*		
Non-Profit Applicant Name:		Tax ID:
Address:	City/State:	Zip:
Contact Person:	Phone:	Fax:
Email:	Additional Contact Information (if applicable):	
Applicant Type (check one)	Entity Type (check one)	
☐ Not-for-Profit	☐ 501(c)(3)	
☐ Not-for-Profit Community Based Development Organization (CBDO)	☐ Partnership	
☐ Not-for-Profit Community Housing Development Organization (CHDO)	☐ Limited Partnership	
☐ Other (specify)	☐ Corporation	
	☐ Limited Liability Corp. (LLC)	
	☐ Community Development Corp. (CDC)	
	☐ S-Corporation	
	☐ Other (specify)	



SECTION B – PROPERTY TO BE CONSIDERED FOR TAX EXEMPTION

[Provide relevant documentation related to the eligibility of the applicant, property, and proposal] and submit with this document.

Applicants should only submit one packet that contains the required information for all associated properties. If properties that the Non-Profit Applicant is not sure should be included, or may be purchased before July 1, [year], it is best practice to include them as part of the initial Section B submittal with a note of the expected acquisition date.

SECTION C – ELIGIBLE PROPERTY SUPPLEMENTAL QUESTIONS

Instructions: For each relevant property, begin with its Tax ID # and then answer the question. If there are multiple properties for which the question needs to be answered, please create multiple lines allowing a new line for each property.

For example: (1) R292954- Applicant is the Managing Member of ABC, LLC which is the General Partner of ownership entity

(2) R678910- Applicant has a leasehold agreement.

1. For Non-Profit Applicants that are not the property owner, but have an ownership interest in, or are otherwise affiliated with any of the properties listed in Section B. Please describe the Non-Profit Applicant's affiliation:

Required Documentation: Provide an operating agreement, limited partnership agreement, or other documentation showing the Non-Profit Applicant's affiliation with the property owner and how the Non-Profit Applicant is meeting program requirements for any of the R numbers listed above.

2. For Non-Profit Applicants that have a leasehold interest in any of the properties listed in Section B. Please describe the Non-Profit Applicant's interest:

Required Documentation: Provide a current lease agreement describing how the non-profit Applicant, under the terms of the lease, is required to pay the ad valorem taxes on each property or any other contractual management such that the property tax exemption benefits accrue to the nonprofit agency and the residential tenants rather than the owner or corporation from whom you lease.

3. For each property identified in Section B as vacant land being held for the development of low-income housing for residents with incomes at or below 60%AMI, provide the below information and identify each property by Tax Record Number:

A. When did the Applicant originally purchase the land?



B. Describe in detail the plans for each property (identified by Tax Record Number) including the proposed income level restrictions and your estimated time frame for completion of this project. Include building permit application timelines, building permit numbers or any other pertinent information:

Tax ID	Proposed Income Level Restrictions	Estimated Timeframe for Completion	Building Permit #	Timelines & Other Information

If listing additional properties, please list below in the same format:

SECTION D – DECLARATIONS

Instructions: Please read carefully and sign before a notary.

1. I declare that my organization has been granted an exemption from income taxes under 26 U.S.C. Section 501(c)(3) or (4) as amended before December 1, 1984, and submit proof of that status with this application.
2. I have attached documentation as proof of the owner relationship to the name of the applicant.
3. I am aware that the income-qualifying tenants must meet the income guidelines in accordance with 42 U.S.S. Section 1447 (a)(b)(2) as amended. See [Income and Rent Limits chart from Jurisdiction's Housing Bureau or similar]



4. I am aware of all requirements for tax exemption imposed by ORS 307.540 – 307.548 (Chapter 660 Oregon Laws 1985, as amended by Chapter 756 Oregon Laws 1987), and implemented by Chapter [X] of the [Jurisdiction] Code.

5. The above-described properties qualify or will qualify upon completion of any rehabilitation improvement and subsequent occupancy by low-income residents for property tax exemption on or before June 30, [year].

6. All the information in this application is true to the best of my belief and knowledge and is for all purposes of determining eligibility for the tax exemption program authorized by Chapter [X] of the [Jurisdiction] Code.

For: _____

By: _____

Name of Non-Profit Organization

Name of Organization's Chief Executive Officer

X

Signature

Date:

☐ Select if Electronic Signature Used

SUBSCRIBED AND SWORN before me this ____ day of (month), (year).

Notary Public (signature): _____

My Commission Expires: _____



2A) SYSTEM DEVELOPMENT CHARGE EXEMPTION FOR AFFORDABLE HOUSING

Completeness	ARA Components	Key Needs Addressed
Level 2: Requires some sensitivity, feasibility, and applicability testing or customization for the local context	Model Municipal Code	Housing affordability
Description	Policy-based exemptions to SDCs (fees on development to recover a proportionate cost of the impact to local infrastructure) for regulated affordable housing projects.	
Impact	Medium. Reduces development costs for affordable housing, potentially allowing for deeper affordability or less subsidy required. The impact depends on the amount exempted and current SDC rates. This ARA has helped support many affordable housing projects. It shows local commitment to affordable housing and sometimes helps close a gap or reduce required subsidy per unit to an extent that makes affordable housing development viable. It is likely to be most valuable and effective where SDCs are highest and when financing costs are highest.	
Applicability	This ARA could work for any jurisdiction that has SDCs that they control.	

Case Studies & Evaluation

Oregon Examples

“Oregon communities that offer SDC exemptions for affordable housing include Portland, Bend, Tigard, Eugene, Salem, Lake Oswego, Ashland, McMinnville, Florence, Newberg, and Forest Grove. Most service providers that offer SDC exemptions/waivers for affordable housing limit it to regulated/income-restricted affordable housing. Some cities and service providers have set a cap on the number of waivers (number of units or dollar amount) they will issue for a given time period, but most do not backfill foregone revenue from other sources.” ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), page 117)

System Development Charges Survey Report (2023): Conducted by the League of Oregon Cities, this survey reported a substantial increase in the number of cities providing SDC exemptions for affordable housing—from 31% to 54% between 2016 and 2022. ([orcities.org](#))

Bend: “Since December 2017, the City of Bend has offered SDC exemptions to all rental and for-sale housing affordable to households making 80 percent or less of area median income (AMI) through a deed restriction.¹ The City’s Affordable Housing Advisory Committee has the authority to approve exemptions on City water, sewer, and transportation SDCs, and can also recommend exemptions for parks SDCs levied by the Bend Park and Recreation District. Upon approval, the exemptions are structured as a forgivable loan at 3 percent annual interest, with no payments due as



long as the property remains affordable for at least five years. If the affordability restrictions are removed within five years of the project's completion, the SDCs become payable, with interest, by the original applicant.² ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), pages 120-121; and [Bend Municipal Code 12.10.120](#))

Eugene: The City provides SDC exemptions for both rental and homeownership affordable housing projects. For rental developments, the income limit is set at 60% of the area median income (AMI), while for homeownership projects, it is 80% of the AMI. The affordability requirement must be maintained for a minimum of five years. The city utilizes a Request for Proposal (RFP) process to allocate these exemptions. ([Eugene Program Description](#) and [Eugene Municipal Code 7.725](#))

Portland: Affordable housing developments are exempt from all system development charges. To be eligible for the program, the applicant must have site control, and the proposed development must meet the affordability requirements. The terms and conditions are outlined in a recorded Regulatory Agreement (requirements differ for rental vs for sale units). (System Development Charge (SDC) Exemption Program | Portland.gov)

Salem: The City provides SDC waivers for affordable housing. Launched in 2019, the waivers for affordable housing have been used by approximately 14 projects that have included a total of nearly 800 housing units as of April 2024. (Existing Housing Policy Review, Potential Actions, Main Barriers, Salem HPS, EConorthwest, December 2024 and [Salem Municipal Code 41.150](#))

Tigard: The City allows for exemption of city transportation and park Systems Development Charges (SDCs) for regulated affordable housing (at or below 80% of median household income for a minimum of 20 years). SDCs for water, sanitary sewer, and stormwater systems are not exempt under this program. (<https://www.tigard-or.gov/home/showpublisheddocument/1410/638015990136470000>)

Available Research and Evaluation

The Oregon System Development Charges Study describes the extent to which SDCs impact the cost of building affordable housing:

- As of 2019, SDCs averaged more than \$8,000 per affordable housing unit on average across the state. (Blue Sky Consulting Group, "Affordable Housing Cost Study: Analysis of the Factors That Influence the Cost of Building Affordable Housing in Oregon" (Oregon Housing and Community Services, June 27, 2019).)
- "Over \$7 million of affordable housing funding has gone towards SDCs over the past 10 years for projects within the City of Hillsboro alone. This represents nearly 6 percent of the total development costs on average." ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), page 85)
- "SDCs represent a small share of overall affordable housing costs; however, given the number of new affordable housing units funded by OHCS each year, the total SDC-related expenditures associated with affordable housing development are likely substantial."

It also describes the benefits of exemptions ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), pages 118-119):

The Oregon System Development Charges Study (2022) identified "two main benefits of SDC exemptions, based on their reduction to development costs: Less funding from state, federal, or local sources is needed to make a given affordable housing development financially feasible. This can mean less time and effort spent securing gap financing, particularly for smaller projects and those



not using typical funding sources... [and] Lower costs help projects score better for competitive funding opportunities, which often score projects based, in part, on costs per unit.” ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), page 118) Additional specific impacts identified based on the funding source(s) and project scale include:

- “Low Income Housing Tax Credit (LIHTC) projects: SDCs are included as an eligible cost in calculating tax credit equity for a given project, which means that waiving SDCs reduces development costs but also reduces the amount of equity available to the project to some extent. (Tax credit equity typically covers roughly 30-70 percent of project costs depending on the specific tax credit program, with the balance coming from loans or gap financing.) While exemptions are still beneficial, and interviews with affordable housing developers suggest that they can make a difference in making projects work, only a portion of the savings translates into reduced need for gap financing or debt. However, some LIHTC funding that is awarded competitively includes a scoring system related to a project’s cost-effectiveness relative to similar projects, so reducing or eliminating SDC costs can help achieve a higher score by reducing the cost per unit.¹⁹⁹
- “Other competitive state funding sources: Many state funding programs for affordable housing have limits on the amount of funding per unit and projects needing less subsidy per unit are scored higher.²⁰⁰ For these projects, all cost reductions are helpful and benefit the project on a dollar-for-dollar basis.
- “Small projects and other funding sources: Smaller affordable projects that may have many smaller funding sources tend to be more sensitive to development cost per unit because of the difficulty of securing funding. This can include affordable middle housing development, some affordable homeownership projects, and other small, innovative projects. For these projects, the primary concern is closing the gap between project costs and what the affordable units will generate in revenue, and waiving SDCs can offer a substantial benefit.”

The study also notes potential drawbacks: “if the funding not provided for SDCs needs to be made up from other state, federal, or local sources, then exemptions shift that cost from one funding source to another. Funds for both affordable housing and local infrastructure investments are in short supply relative to needs.” ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), page 119)

Finally, the study provides examples of the impact of several jurisdictions’ exemption programs:

- “Between 2016 and 2021, Bend granted exemptions on 577 units of affordable housing, for a total value of \$5.2 million. Nearly all of these exemptions have been granted to nonprofit developers of affordable housing. ... For the few projects by market-rate developers in Bend that have been granted SDC exemptions to date, the program achieved only short-term affordability.” ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), pages 120-121)
- Portland’s HOLTE program and associated SDC exemption is noted to have helped deliver over 1,300 units at a range of affordability levels from its inception through 2018, with units from a mix of nonprofit and for-profit developers. The study notes examples of homes built by market-rate developers that have offered a lower price to qualifying buyers than to other buyers, passing on the SDC savings associated with the exemption directly. ([OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#), pages 122-123)

Customization & Implementation Considerations

Since SDC revenues are needed to expand or make infrastructure system improvements, some jurisdictions interpret SDC laws and ratemaking principles to require backfilling foregone revenue.



However, other jurisdictions have implemented SDC exemptions without explicitly backfilling. The Model Municipal Code language included herein only covers the exemption, not alternative sources to replace lost revenue.

To customize this ARA to reflect local needs and circumstances, a jurisdiction will need to make a number of program choices. Each is described below.

- The types of SDCs which are within the jurisdiction's control (e.g., parks, transportation, water, wastewater, and stormwater) and which will be subject to the exemption.
- Whether the jurisdiction will be offering a full exemption or a reduction (or both depending on the qualifications of the project).
- Whether the exemption will apply to all qualified projects (this is the approach taken in the attached Model Municipal Code) or whether the jurisdiction will be establishing a fixed budget (i.e., an annual cap) for its SDC exemptions (the City of Eugene uses this approach, [Eugene Program Description](#)).
 - Setting a "cap" allows a jurisdiction to control the overall financial impact of the exemption, but necessitates additional steps to ensure the equitable distribution of available funds, including:
 - Determining the budget available for the coming fiscal year.
 - Providing notice to affordable housing developers of available funds.
 - Establishing an open and competitive application process including specifying submittal materials, etc.
 - Establishing a selection process, including criteria by which to rank the applicants.
 - Setting a cap also decreases predictability and increases the effort required for applicants, making the program less valuable for affordable housing development.
- The types of projects that should qualify, including:
 - An "automatic" exemption for projects undertaken by the jurisdiction or housing authority or others.
 - Home ownership and/or rental housing (including lease-to-own, cooperative ownership models, or other tenure types).
 - Minimum level of affordability required to qualify for different types of projects.
 - Minimum duration of affordability (e.g., 5 years, 20 years, 30 years, 99 years, etc.).
- The steps that will be taken to ensure that the units remain affordable for the approved duration.
 - The structure of the obligation (e.g., Bend structures SDC exemptions as a forgivable loan, [Bend Municipal Code 12.10.120](#))
 - The covenants or deed restrictions that are needed for rental and ownership projects.

As part of implementing an SDC exemption program, cities should provide clear guidance on their priorities and process to provide developers more certainty on eligibility criteria and priorities if there is a discretionary process to allocate exemption funds.



Model Municipal Code

Note: Model municipal code draws primarily on examples from Bend, Eugene and Salem.

Notes, optional items, and text to be filled in by the jurisdiction are shaded in gray and in [brackets].

Municipal Code Amendments

Amend chapter related to System Development Charges. NOTE: revisions to the SDC methodology may also be required.

XX.XXX Exemptions

The system development charge[s] imposed under this chapter shall not apply to the following:

- A. [Any [affordable housing] development which is, or by agreement will be undertaken by, the City, Oregon; the Housing Authority of the City.]
- B. A unit of [rental or owner-occupied] housing located in a housing project of one or more housing units that meets the following standards:
 1. The housing unit is affordable to households as follows:
 - a. Rental housing units (including lease-to-own) must be affordable to households with an income at or below [insert number] percent of the area median income as determined by the State Housing Council based on information from the United States Department of Housing and Urban Development.
 - b. Owner-occupied housing units (including cooperative ownership models) must be affordable to households with an income at or below [insert number] percent of the area median income as determined by the State Housing Council based on information from the United States Department of Housing and Urban Development.
 2. Eligible units shall meet the criteria in this subsection for a minimum period of [number] years from the date the Certificate of Occupancy is issued.
 3. A deed restriction is recorded that maintains affordability of the property as required in this subsection for not less than the specified number of years [elected for exemption]; and
 4. In the event that the project or portion of the development subject to this subsection is no longer affordable as required in this subsection, the exemption shall terminate, and the City shall make due and payable all previously exempt portions of the system development charges based on rates in effect on the date of submittal of a complete building permit application, plus accrued interest from the date of issuance of the building permit to the date of the termination of the exemption. The City may collect reinstated system development charges by filing a lien in the City's lien docket, or by recording a lien in the lien records of the applicable county.
 5. Upon satisfaction of the covenant for the full duration, continued residential use will be considered an "existing use" for purposes of calculating credits against future SDCs due. No credit for existing use will be provided on redevelopment to a nonresidential use, at any time following satisfaction of the covenant for the full duration.



2B) SYSTEM DEVELOPMENT CHARGE DEFERRAL FOR HOUSING

Completeness	ARA Components	Key Needs Addressed
Level 2: Requires some sensitivity, feasibility, and applicability testing or customization for the local context	Model municipal code	- Type—housing mix - Type—stock by tenure - Overall production - Affordability
Description	A System Development Charge (SDC) deferral would result in a jurisdiction collecting SDCs later in the development process. SDCs are most commonly collected at Building Permit issuance, but under statute they may be collected at “the time of increased usage of a capital improvement” or “connection to the capital improvement”, which allows flexibility to collect the fees when construction is complete, for example, at final inspection or at issuance of a Certificate of Occupancy. (Oregon System Development Charges Study)	
Impact	Medium. Reduces carrying costs for development, which can particularly benefit smaller developers (both market-rate and affordable). It is likely to be most valuable and effective where SDCs are highest and when financing costs are highest.	
Applicability	This ARA could work for any jurisdiction that has SDCs that they control.	

Case Studies & Evaluation

Oregon Examples

Tigard: SDCs are calculated when a permit application is submitted. Water SDCs are payable at purchase of a water meter; other SDCs are due prior to final inspection or issuance of an occupancy permit, whichever is the city’s final action. No special application or other guarantees are required. ([System Development Charges | City of Tigard](#) and [Tigard Municipal Code Section 3.24.080](#))

Portland: In April 2023, the Portland City Council approved a temporary ordinance allowing developers to defer SDC payments for new housing projects for up to 24 months from the date of permit issuance without interest. ([SDC Announcement | City of Portland](#))

Bend: Effective January 1, 2025, the City of Bend's SDC Deferral Program is available for all residential developments. This program allows developers to defer SDC payments until the Certificate of Occupancy is approved. For multi-family developments, Parks SDCs can be deferred, while for other residential developments, deferrals are available for all SDCs. ([SDC Deferrals | City of Bend](#))

Madras: Subject to the availability of City resources, the City Administrator may enter into an “SDC Deferred Payment Agreement.” Unless a different period is specified in a resolution adopted by the City Council, the deferment shall not exceed one year, issuance of a final certificate of occupancy,



actual occupancy, or initiation of use, whichever occurs first. [3.40.130 Collection of charge | Madras Municipal Code](#)

Sherwood: Provides a deferral only if the total City SDCs (Transportation and Parks) are more than \$50,000. Payment is due by Certificate of Occupancy. [Code of Ordinances | Sherwood, OR | Municode Library](#)

Medford: Single-family residential SDCs may be deferred until time of sale of the home, or time of actual occupancy, whichever is first. Multi-family residential SDCs may be deferred until issuance of certificate of occupancy, time of sale, or time of actual occupancy, whichever is first. For larger projects, there are limits on the amount that may be deferred.
<https://medford.municipal.codes/Code/3.739>

Available Research and Evaluation

The Oregon SDC study provides the following information about the impact and trade-offs associated with SDC deferral ([Oregon System Development Charges Study](#), pages 113-115):[OREGON SYSTEM DEVELOPMENT CHARGES STUDY](#):

- “Many service providers raised concerns about an increase in administrative costs and increased risk of nonpayment. Some testimony points to particular concerns around the potential for deferring SDCs until time of sale rather than certificate of occupancy, because local governments are not involved in the sale transaction.
- “The effort (and cost) required to collect SDCs varies with the public agency’s leverage at different points in the development process. For most public agencies, their moment of maximum leverage is when building permits are issued. If full payment of SDCs is a requirement for obtaining building permits, the public agency need not worry about enforcing payment, because developers are unlikely to begin work before building permits have been issued. While development is required to obtain a certificate of occupancy when the building is constructed prior to its use, some service providers expressed concern that the public agency’s leverage is greatly reduced at this stage, out of concern that some developers may forgo the certificate of occupancy in order to avoid the fee. Other service providers noted that they make scheduling a final inspection contingent on the SDCs being paid, which has avoided these issues.
- “deferral programs have had mixed results in different communities. All noted an increase in administrative effort, but the magnitude ranged from less than an hour of staff time per application to multiple hours for multiple staff, depending on permitting systems and deferral program requirements. The most challenging non-payment issues reported were linked to commercial development, though some reported needing to follow up with residential developers when payment was due (e.g., if there was a time limit on the deferral in addition to a trigger at certificate of occupancy). Several reported little use of the program, while others see (or saw) substantial usage.
- “When a developer must pay SDCs can impact financial feasibility, because SDCs add costs before the value of the development is fully realized. The earlier that SDCs are paid, the longer the developer must “carry” the costs. The total cost of SDCs to developers includes not only the SDC amount but also the added interest payments associated with it if it needs to be financed over the construction period.



- “A delayed or deferred payment of SDCs would reduce the carrying costs and reduce the total cost of housing development at the margin. The likely impact is greater for projects that take longer to build and greater for developers that are less creditworthy and would borrow at a higher interest rate. For developers who opt to pay SDCs from working capital rather than adding them to the construction loan, developer interviews suggest that there is still an opportunity cost associated with tying up the developer’s available funds. Some suggested that this up-front cost means less money is available to pay for other pre-development and early construction costs that can accelerate project delivery.
- “While many developers pointed to timing of SDC payment as a factor that impacts their developments, others expressed indifference at when the cost is paid and whether it is financed, given that the construction loan is generally capped at a fixed percentage of total project costs, and the same amount will need to be financed either way.

Customization & Implementation Considerations

To customize this ARA to reflect local needs and circumstances, a jurisdiction will need to make a number of program choices. Each is described below.

- The types of SDCs which are within the jurisdiction’s control (e.g., parks, transportation, water, wastewater, and stormwater) and which will be subject to the deferral.
- The types of projects that should be eligible for SDC deferrals (e.g., all residential projects, multi-unit projects over a certain number of units, or affordable housing, etc.) and whether all SDCs be available for deferral for all project types.
 - If choosing to limit deferrals to a subset of residential projects, then eligibility criteria will be needed. For jurisdictions that are also implementing ARA 2A, criteria for these two actions should be considered together.
- Whether payment of SDCs at certificate of occupancy will be the standard protocol (see **Model Municipal Code - Option 1**) or only available upon request (see **Model Municipal Code - Option 2**).
- If only available upon request:
 - The amount of time provided by the deferral. The deferrals could be “indefinite” (i.e., payment is due whenever the final approval is issued) or could be a time limit (e.g., 24 months).
 - The administrative fee and or “recovery fee,” if any, that will be charged. The City of Bend add a 2% recovery fee to the total due ([SDC Deferral Program | City of Bend](#)).
 - If deferral is for a limited time, the enforcement mechanism. In the City of Portland failure to pay system development charges in full within 24 months of the issuance of a qualifying building permit results in the accrual of interest at the City’s default interest rate. Penalties and collection charges may also accrue. ([SDC Ordinance | City of Portland](#))
- Whether modifications to the permit tracking procedures or systems are needed to allow for the later payment timeline.



Model Municipal Code

Notes, optional items, and text to be filled in by the jurisdiction are shaded in gray and in [brackets].

Amend chapter related to System Development Charges.

Option 1: Deferred Payment as Standard Protocol

Note: this option based on City of Tigard <https://ecode360.com/43649456#43649512>

XX.XXX **Payment.**

A. SDCs are calculated and are due and payable as follows:

1. Calculation. SDCs are calculated based on the fees in effect at the time of submission of the complete building or plumbing permit application to which the fees relate. If a building or plumbing permit is not required and a land use decision is required, SDCs are calculated based on the fees in effect at the time of submission of the complete land use application to which the fees relate.

2. Due and Payable.

a. [Water SDCs are due and payable upon purchase of a water meter.]

b. All other SDCs are due and payable prior to the earlier of:

i. Issuance of a temporary certificate of occupancy, if applicable; or

ii. Prior to final inspection or the issuance of a permanent certificate of occupancy, whichever is the city's final action on the building or plumbing permit to which the fees relate.

c. If a building or plumbing permit is not required and a land use decision is required, all other SDCs are due and payable upon issuance of the land use decision to which the fees relate.

B. The city may not issue any certificate of occupancy or final inspection approval or allow a connection to the city's systems until all applicable SDCs have been paid in full unless an exemption has been granted pursuant to Section [XXX] or installment payment arrangements have been made pursuant to Section [XXX].

C. If development commences or a connection is made to the city's [water, sanitary sewer, or stormwater] systems without the required building permit or land use approval, all applicable SDCs will be immediately due and payable



Option 2: Deferred SDC Payment by Request

Note: this example based on City of Bend (<https://bend.municipal.codes/BC/12.10.105>)

XX.XXX Payment Deferral.

A. The City may defer payment of SDCs from the time payment is otherwise due until the time a certificate of occupancy is issued, or final inspection is approved, or the City accepts public infrastructure, as applicable to the particular development for which SDCs are due, subject to the provisions of this section. Deferral is not available for development for which SDCs are applicable and no building permit, certificate of occupancy, or City acceptance of infrastructure is required.

B. The following type(s) of development are eligible for deferral:

1. [All residential development, and the residential components of mixed-use development]
2. [Affordable housing development, as defined in XXX]

C. An application for deferral must be submitted and the deferral approved by the City before the SDC is payable under Section [XXX] or before the building permit or other development approval is accepted. An application for a deferral under this section must be accompanied by and pay a fee established by Council resolution to cover all the City's costs associated with the deferral. The City may charge interest on deferred SDCs, at a rate established by resolution. No additional agreement is necessary to receive a deferral under this section.

D. All deferred SDCs must be paid before the City will issue an occupancy permit or final inspection.

E. Occupancy of the development before payment of the applicable SDCs is prohibited.

F. The amount of SDCs due is the amount due at the time the SDC became payable under Section [XXX], regardless of whether the SDC rates have increased by the time payment is due under a deferral under this section. The amount of SDCs due shall be determined as of the date the occupancy permit is applied for.



2C) MULTIPLE-UNIT PROPERTY TAX EXEMPTION

Completeness	ARA Components	Key Needs Addressed
Level 2. Requires some customization for the local context	• Model ordinance language • Model municipal code	• Characteristic: Accessibility (can also be applied to address other needs)
Description	The Multiple Unit Property Tax Exemption (MUPTE) is a tax exemption enabled under state law (ORS 307.600 – 307.637) and adopted locally. MUPTE provides a 10-year partial property tax exemption on new or rehabilitated multiple-unit housing (i.e., middle housing, multi-unit/multifamily housing) if the property meets criteria set by the jurisdiction related to design features or other public benefits. The exemption applies to 100% of the residential portion of the property's improvement value but does not apply to the land value. The exemption does not apply to any nonresidential portions of the development unless the nonresidential component is a required feature of the development to qualify for the abatement. The model language in this ARA establishes a property tax exemption (on the adopting jurisdiction's taxes only) for multiple-unit housing that exceeds building code accessibility requirements, with options for other ways to focus the incentive.	
Impact	Medium/High. Reducing property taxes increases the development's feasibility and can encourage more housing of this type to be built. In particular, reducing the property's tax burden can help lower operating costs for the development. MUPTE can provide a powerful financial incentive, depending on the extent of the tax abatement (city taxes only vs. all taxing districts). Depending on the costs associated with exceeding accessibility requirements in building code and how much of the total tax rate is controlled by the city, this could prove to be a valuable incentive for qualifying development. Effectiveness also depends on local market conditions for rental housing development.	
Applicability	High. This ARA could be implemented by both large and small cities. Several cities in Oregon have implemented tax exemption programs under the authorizing statutes, though the program names and requirements vary between jurisdictions.	



Case Studies & Evaluation

Oregon Examples

Several Oregon cities, including [Bend](#), [Salem](#), [Portland](#), [Newport](#), [Corvallis](#), and [Cottage Grove](#), have implemented MUPTe (or a differently named program under the same enabling legislation) in a flexible way that allows projects with a range of public benefits to qualify. Some have added specific provisions related to accessibility:

- [Cottage Grove](#) includes “Facilities for persons with disabilities” as an eligible public benefit in their program, among other features. As of 2022, the program had resulted in six projects (148 dwelling units), including a fourplex that provided a fully ADA accessible unit on the ground floor. (Cottage Grove Housing Implementation Plan Background Report by ECONorthwest, June 2022, page 5)
- [Salem’s MUHTIP](#) program includes “Facilities for the handicapped” as an eligible public benefit in their program, among other features. The program has been used by several developments in the downtown, though data on specific accessibility features of those developments is not readily available.

Available Research and Evaluation

In 2023, the Oregon Legislative Revenue Office released a review titled “Property Tax Exemption Review: 2025 Oregon Legislative Session.” ([Link](#)) This document examines the efficiency and impact of multi-year property tax exemptions, including those for housing. It notes that while these exemptions can make housing projects more financially feasible, there is limited data on their direct impact on the quantity of affordable housing developed. The review also highlights concerns about the potential loss of property tax revenue and the need for alternative funding sources to maintain infrastructure investments.

Customization & Implementation Considerations

To customize this ARA to reflect local needs and circumstances, a jurisdiction will need to make several program choices. Each is summarized below.

- **Eligibility Criteria.** The local jurisdiction determines what features allow multiple unit development to qualify for MUPTe and must specify a geographic area for eligible development.
 - *Geography* – MUPTe must be focused in “core areas” or areas adjacent to transit, but the jurisdiction can choose which specific areas are eligible. The jurisdiction could designate particular zoning districts or overlays, such as core/downtown areas, and/or properties within a certain distance of transit service. (ORS 307.606(2) allows MUPTe to be applied jurisdiction-wide but only when paired with certain affordability requirements.)
 - *Unit Count* – Jurisdictions must specify the minimum number of units in a qualifying structure. (The statute does not dictate minimums or maximums.) Several jurisdictions set the minimum at three dwelling units, thereby qualifying most middle housing types as well as multi-unit (multifamily) housing. Four or more units may be an appropriate threshold if the local focus is on accessible housing, since four units is the threshold for accessibility requirements under the Fair Housing Act (see Accessibility Requirements section below).



- **Specific Accessibility Requirements** – There are a range of possible approaches for required accessibility features. See the Accessibility Requirements and Options section below.
- **Other Public Benefits** – While this ARA targets the MUPTE program to encourage accessibility, jurisdictions could consider additional public benefits that could be required in addition to, or instead of, accessibility. Other potential public benefits include affordability at various income levels, ground-floor commercial space, open space or recreation facilities, child care facilities, transit amenities, pedestrian design elements, and sustainability features. In considering other public benefit criteria, the jurisdiction should consider the relative value of these factors (accessibility vs. other features), as developers may weigh them differently based on feasibility or cost. Offering too many options for public benefits can dilute the impact of the incentive by allowing developers to choose benefits that may not be the city's highest priority and also increases the level of discretion involved in making decisions about whether a given application is providing a sufficient benefit. Other examples of how MUPTE can be used in a focused way to support specific housing needs include:
 - To make mixed- income or fully regulated affordable housing anywhere in the jurisdiction financially feasible. If used for housing with affordability restrictions, the exemption can continue as long as the restrictions remain in place. The statute does not specify affordability criteria, so the jurisdiction has discretion to set the criteria it would use to enter into an affordability contract.
 - As an incentive for rehabilitating and preserving affordability in older multiple-unit housing. Jurisdictions have the option of offering MUPTE as an incentive to property owners of older low-cost market housing to rehabilitate properties and maintain some level of affordability or limit rent increases. This approach is not yet in use in Oregon.
- **Local vs. Overlapping Taxes.** This program applies only to the adopting jurisdiction's share of property taxes unless other taxing districts representing at least 51% of the combined levy (in combination with the adopting jurisdiction) agree to the exemption, in which case taxes from all districts are included. Even if districts representing less than 51% of the combined levy agree, other taxing bodies can choose to join. For example, if the county agreed to participate in the program, county taxes could also be included in the exemption even if it was insufficient to meet the threshold. For simplicity and ease of implementation, the model language in this ARA limits the exemption to the local jurisdiction's tax levy only.
- **Means of Adoption and Decision.** Statute specifies that MUPTE must be adopted by ordinance or resolution after a public hearing. Several of the example cities listed above also make decisions about individual MUPTE applications via resolution, though this is not required.

Context for Establishing Accessibility Requirements and Options

As summarized below, federal law and Oregon's state building code already require a certain number of units in multiple-unit housing and multifamily buildings to have accessibility features. ARA 2C focuses on encouraging housing that exceeds these accessibility requirements.



Existing Building Code Requirements

For multi-unit developments with more than 20 units, the building code requires at least 2% (but not less than one dwelling unit) to be designed as “Type A” units. Type A units are required to have certain features for wheelchair access, including accessible entrances and doorways, maneuvering clearances, and must have certain features that can be modified or added based on the tenants’ needs—such as reinforced walls for adding grab bars in bathrooms.

Multi-unit developments with four or more units are also subject to the Fair Housing Act, which has additional standards for adaptable (“Type B”) units. For buildings with an elevator (typically 4+ story buildings), all units must be Type B units, per the building code; for those without an elevator, all ground floor units must be Type B. (Note that multi-level units such as townhouses are excluded from these requirements.) Type B units are considered “adaptable,” in that they are usable by a person in a wheelchair but are not fully wheelchair friendly. For example, interior doors must allow clear widths for wheelchair access, but only the front door is required to meet the higher accessibility/maneuvering requirements. Other adaptability features must also be included.

Additionally, housing projects receiving public funding—i.e., income-restricted, subsidized housing—are subject to federal laws (Section 504 of the Rehabilitation Act of 1973 and/or Title II of the ADA), which require at least 5% of units to be mobility-accessible.

Exceeding Building Code

A jurisdiction could take various approaches when specifying how MUPTE-qualified developments must exceed the building code accessibility requirements:

- **More Type A units.** The jurisdiction could require more units to be Type A (vs. Type B) units to offer greater levels of accessibility for units that can be reached without stairs. Relying on these existing statewide code standards would be a relatively straightforward approach because the standards are already in place. This is the approach used in the ARA model municipal code, with a specific focus on the Type A standard.

For multi-unit development that is not subject to Fair Housing Act requirements or commercial building code requirements for Type A and/or B units (e.g., cottage housing where units are on a single lot and rented rather than for-sale, townhouse-style multiunit housing, or duplexes and triplexes), jurisdictions could consider alternative approaches to defining accessibility requirements, such as:

- **Meeting Type B standards on the ground floor,** with cooking, sleeping, and bathing facilities on the ground floor.
- **Universal Design.** Organizations such as AARP focus on encouraging “universal design,” which takes a more holistic approach to making housing work for a broad range of people and needs. Universal design is a more qualitative approach that is harder to regulate but could be used as a criterion for a discretionary program such as MUPTE. Also, certain organizations – such as the West Virginia Housing Development Fund – have developed their own [Universal Design Standards](#), which could serve as inspiration for local programs.



- **Visitability** is a design approach for housing that allows anyone who uses a wheelchair or other mobility device to visit the home. Some jurisdictions, such as the City of Portland, have requirements or incentives that focus on making more units (that are not covered by the Fair Housing Act or other code requirements) visitable by those with disabilities. A visitable home typically includes:
 - A zero-step entrance;
 - Wide interior doors; and
 - A half bathroom on the main floor.

The building code's "Type C" standards provide specifications for visitable units, which could be referenced by, or incorporated into, the MUPTE requirements.



Model Ordinance Language

Note: For this Adoption Ready Action to be helpful to jurisdictions, the state has developed model ordinance language and a model municipal code based on statute.

Notes, optional items, and text to be filled in by the jurisdiction are shaded in gray and in [brackets].

[JURISDICTION]

ORDINANCE NO. [X]

AN ORDINANCE AMENDING TITLE [X] OF THE [JURISDICTION] MUNICIPAL CODE REGARDING THE ESTABLISHMENT OF A MULTIPLE-UNIT PROPERTY TAX EXEMPTION PROGRAM WITH ACCESSIBILITY REQUIREMENTS

WHEREAS, State of Oregon statutes ORS 307.600 through 307.637 authorize cities to establish and design programs to attract new development of multiple-unit housing in core areas and in transit-oriented areas by means of a local property tax exemption; and

WHEREAS, statutes ORS 307.600 through 307.637 allow a jurisdiction to establish eligibility requirements based on design elements which benefit the general public; and

WHEREAS, [Jurisdiction] specifies with the passing of this ordinance that design elements benefitting the general public include housing with accessibility features above and beyond building code requirements; and

WHEREAS, [Goal / Policy X] is “[applicable Goals and Policies supporting the development of housing, multiple-unit housing, housing within the urban core and/or transit-oriented housing, and/or more accessible housing]”; and

WHEREAS, [title, date, and relevant findings on multiple-unit housing and accessible housing needs from most recent Contextualized Housing Needs assessment]; and

WHEREAS, [title, date, and relevant recommendations from the most recent Housing Production Strategy or other housing plan(s)]; and

WHEREAS, the latest [U.S. Census or American Community Survey] data calculate that [relevant data on disability rates, accessibility needs, and accessible housing stock]; and

WHEREAS, a Multiple-Unit Property Tax Exemption enabled through ORS 307.600 to 307.637 will encourage much-needed housing development in [Jurisdiction]; and

WHEREAS, after a public meeting held on [date], the [public hearing body] determined that multiple-unit housing meeting the qualifications of ORS 307.600 to 307.637 would not otherwise be constructed or created without the benefits of a Multiple-unit Property Tax Exemption; now therefore



[JURISDICTION] ORDAINS AS FOLLOWS:

Section 1. [Jurisdiction] Municipal Code [Chapter X], Multiple-Unit Property Tax Exemption, is hereby established as illustrated in Exhibit "A."

Section 2. This amendment is based on [decision-making body, e.g., City Council] determination, after a public hearing, that the adoption of the Multiple-Unit Property Tax Exemption, as detailed in Exhibit "A", is in compliance with ORS 307.600 to 307.637 and with the [Jurisdiction] Housing Element. Its adoption is therefore in the public interest and will serve in the health, safety, and welfare of the residents of [Jurisdiction].

Section 3. This ordinance shall take effect 30 days after passage.

Date adopted and read by title only: [X].

Signed by the [Respective Authority, e.g., Mayor] on [X].

X

Mayor

ATTEST:

X

City Recorder

APPROVED AS TO FORM:

X

City Attorney



Model Municipal code

Notes, optional items, and text to be filled in by the jurisdiction are shaded in gray and in [brackets].

Chapter [X] MULTIPLE-UNIT PROPERTY HOUSING TAX EXEMPTION

- [X].010 Purpose
- [X].020 Definitions
- [X].030 Duration of Exemption; Inclusions and Exclusions
- [X].040 Eligibility Criteria
- [X].050 Application Procedure
- [X].060 Change of Use
- [X].070 Review of the Application
- [X].080 Termination
- [X].090 Extensions

[X].010 Purpose.

- A. [Jurisdiction] adopts the provisions of Oregon Revised Statutes 307.600 through 307.637, and administers a property tax exemption program for multiple-unit housing development authorized under those provisions referred to as the Multiple-Unit Property Tax Exemption (MUPTE) program.
- B. [In addition to meeting the legislative goals set forth in ORS 307.600, the program also seeks to support the production of housing units that are accessible to individuals with disabilities in numbers that exceed those required by the building code].
- C. Provide transparent and accountable stewardship of public investments.

[X].020 Definitions.

As used in this Chapter:

- A. "Accessible unit" means a unit of housing that complies with the "Type A" requirements applicable to units as set forth in the Standard for Accessible and Usable Buildings and Facilities published by the International Code Council and as referenced by the state building code.
- B. "Applicant" means the individual or entity who is either the owner or a representative of the owner who is submitting an application for the tax exemption program.
- C. "Lender" means any person who makes a loan, secured by a recorded mortgage or trust deed, to finance the acquisition, construction, addition or conversion of multiple-unit housing.

**[X].030 Duration of Exemption; Inclusions and Exclusions.**

- A. Multiple-unit housing granted an exemption under this Chapter may be exempt from ad valorem taxation for up to 10 successive years.
- B. The first year of exemption is the assessment year beginning January 1 immediately following the calendar year in which construction, addition, or conversion is completed, determined by that stage in the construction process when, pursuant to ORS 307.330, the improvement would have gone on the tax rolls in the absence of the exemption.
- C. The exemption may not include the land, nor any improvements located thereon that are not a part of the multiple-unit housing but may include parking constructed as part of the multiple-unit housing construction, addition, or conversion.
- D. In the case of a structure to which stories or other improvements are added or a structure that is converted in whole or in part from other use to dwelling units, the entire multiple-unit housing, including the additions to the structure and converted structures, may be exempt from taxation.
- E. The exemption provided under this Chapter is in addition to any other exemption provided by law. However, no property may be exempt beyond 100 percent of its real market value.

[X].040 Eligibility Criteria.

To be eligible for the property tax exemption provided by this Chapter, multiple-unit housing must be a newly constructed structure(s), stories or other additions to existing structure(s), or structures converted in whole or in part from other uses to housing, and must meet the following criteria:

- A. *Number of Units.* The building must include a minimum of [four] housing units that are not used as transient accommodations rented for less than thirty consecutive days (i.e., excluding hotels, motels, and other transient accommodations).
- B. *Timing.* The construction, addition, or conversion of housing units must be completed on or before January 1, 2032, or as specified in ORS 307.637.
- C. *Location.* The property must be located in the designated area, as identified in Map [adopted map name/number]. [Instead of a map, this could also include a written description of the geographic boundaries, the applicable zoning designation(s), and/or description of a "light rail station area" or "transit-oriented area" as defined in ORS 307.603.]
- D. *Local Regulations.* The development must conform to the [jurisdiction's] applicable comprehensive plan and zoning regulations.
- E. *Accessibility.* At least [10 percent] of the units on the ground floor and on any upper floor served by an elevator, but no less than two units, must be accessible units.

**[X].050 Application Procedure.**

- A. [Optional:] *Preapplication conference*. The applicant shall request that the [applicable department(s) or director] schedule a preapplication conference no later than [date] of the calendar year immediately prior to the first assessment year for which the exemption is requested.
1. *Preapplication conference request*. Each applicant shall submit in writing, on forms furnished by the [applicable department(s) or director], the following information:
 - a. The applicant's name, address, and telephone number.
 - b. A preliminary sketch, drawn to an approximate scale of one-inch equals twenty feet, which shows the site plan and major features of the proposed development.
 - c. A written statement which generally describes the location of the proposed development; the number, size, and type of dwelling units; dimensions of structures; public and private access; parking and circulation plans; landscaping; uses; and a description of the public benefit(s) the applicant proposes to include in the project.
 2. Prior to the preapplication conference, the [applicable department(s) or director] shall review the information supplied by the applicant and contact, for purposes of facilitating the application process, advisory bodies, departments, or agencies which may be affected by or have an interest in the proposed development.
 3. The applicant shall meet with staff of the [applicable department(s)] in the preapplication conference and discuss the applicant's proposed development. After this conference, the [applicable department(s) or director] shall provide the applicant with a written summary of the meeting, including recommendations to inform and assist the applicant in preparation of the exemption application.
- B. *Application Contents*. The applicant shall apply to the [applicable department(s) or director] no later than [application deadline] of the year for which the exemption is requested. The applicant shall submit an application for exemption in writing on forms furnished by the [applicable department(s) or director] which must show:
1. The applicant's name, address, and telephone number.
 2. A legal description of the property and the assessor's property account number for the site, and indication of site control.
 3. A detailed description of the project, including the number, size, and type of dwelling units; other proposed uses, if applicable; dimensions of structures; parcel size; type of construction; the number, type, and location of accessible units; proposed rental rates or sale prices; and economic feasibility studies or market analysis when appropriate.



4. A description of the existing use of the property, including a justification for the elimination of existing sound or rehabilitable housing, if applicable.
 5. A site plan and supporting materials, drawn to a minimum scale of one-inch equals twenty feet, which shows in detail the development plan of the entire project, showing all structures and major features of the proposed development.
 6. A description and the monetary value of any other public assistance, including, but not limited to, grants, loans, loan guarantees, rent subsidies, fee waivers, or other tax incentives, which the property is receiving or which the applicant plans to seek.
 7. Applicant's sworn verification of application contents.
- C. *Application Fee.* At the time the application is submitted, applicants shall pay an application fee as prescribed by resolution of the [council/commission] after consultation with the county assessor.
1. If the application is approved, [jurisdiction] shall pay the application fee to the county assessor for deposit in the county general fund, after first deducting that portion of the fee attributable to its own administrative costs in processing the application.
 2. If the application is denied, [jurisdiction] shall retain that portion of the application fee attributable to its own administrative costs and shall refund the balance to the applicant.

[X].060 Change of Use [Optional].

Notwithstanding the zone of the property on which the proposed project is to be located, no change of occupancy permit or building permit for change of use of dwelling units constructed under the provisions of this Chapter will be issued unless specifically authorized by the [council/commission]. Such a change may be authorized by the [council/commission] on the basis of the owner's justification of the need to remove the housing resource. No such change of use will be considered within the exemption period approved under ORS 307.612.

[X].070 Review of the Application.

- A. The [council/commission] may approve the application if it finds, in accordance with standards and guidelines adopted by [ordinance or resolution] of the [council/commission], that:
1. The property meets all eligibility criteria as provided in Section [X].040; and
 2. The project is, or will be at the time of completion, in conformance with the comprehensive plan and zoning regulations.
- B. The [council/commission] shall review the application within 180 days of filing and approve, deny, or approve subject to reasonable conditions the application. Final action by the



[council/commission] shall be by resolution that shall contain the owner's name and address, a description of subject multiple-unit housing, either the legal description of the property or the assessor's property account number, and the specific conditions upon which the approval of the application is based. An application not acted upon within 180 days following the date of application shall be deemed approved.

- C. If the application is denied, the resolution and a notice of denial shall be sent to the applicant within 10 days following the denial. The notice shall state the reasons for denial.
- D. If the application is approved, on or before April 1 following approval, the [applicable department(s) or director] shall file with the county assessor and send to the applicant at the applicant's last known address a copy of the resolution approving the application. In addition, for each application which is approved, the [applicable department(s) or director] shall file with the county assessor, on or before April 1 following approval, a document listing the same information otherwise required to be in a resolution approving an application under this Chapter.

[X].080 Termination.

- A. If, after an application has been approved, the [applicable department(s) or director] finds any of the conditions in (a) through (c), the [applicable department(s) or director] shall send a notice of the proposed termination of the exemption to the owner, mailed to the owner's last-known address, and to any known lender, mailed to the lender's last-known address.
 - 1. Construction of eligible multiple-unit housing was not completed on or before January 1, 2032, or as specified in ORS 307.637;
 - 2. Any provision of this Chapter is not being complied with; or
 - 3. Any agreement made by the owner or requirement made by the [council/commission] is not being or has not been complied with.
- B. The notice of termination shall state the reasons for the proposed termination and shall require the owner to appear before the [council/commission] at a specific time, not less than 20 days after mailing the notice, to show cause, if any, why the exemption should not be terminated.
- C. If the owner fails to appear and show cause why the exemption should not be terminated, the [applicable department(s) or director] shall further notify every known lender and shall allow the lender a period of not less than 30 days, beginning with the date that the notice of failure to appear and show cause is mailed to the lender, to cure any noncompliance or to provide assurance that is adequate, as determined by the [applicable department(s) or director], to assure the [jurisdiction] that the noncompliance will be remedied.



- D. If the owner fails to appear and show cause why the exemption should not be terminated, and a lender fails to cure or give adequate assurance that any noncompliance will be cured, the [council/commission] shall adopt a resolution stating its findings and terminating the exemption. A copy of the resolution shall be filed with the county assessor and a copy sent to the owner at the owner's last known address, and to any lender at the lender's last known address, within 10 days after its adoption.
- E. Any exemption granted under this Chapter will terminate immediately, without right of notice or appeal, in the event the county assessor determines that a change of use to other than residential or housing has occurred for the multiple-use housing, or portion thereof. Termination will be in accordance with the provisions of ORS 307.627.

[X].090 Extensions.

Notwithstanding Section [X].080, if the [council/commission] finds that construction or addition of, or conversion to, the multiple-unit housing was not completed on or before January 1, 2032 or as specified in ORS 307.637, due to circumstances beyond the control of the owner, and that the owner has been acting and could reasonably be expected to act in good faith and with due diligence, the [council/commission] may extend the deadline for completion of construction for a period not to exceed 12 consecutive months.



1J) RENTAL HOUSING LICENSE PROGRAM

Completeness	ARA Components	Key Needs Addressed
Level 1: Requires Substantial Local Preparation	Model ordinance language	- Characteristic: affordability - Type-tenure (rental stock) - Could also address AFFH issues
Description	Jurisdictions could create a rental housing licensing program to license, register, and track the stock of rental housing. This type of program yields valuable data on the rental stock and can be customized to meet the needs of the jurisdiction. The breadth of data that could be included on the registry includes items such as including contact information for landlords, property or information, or information on rent / rent changes. The licensing program could be coupled with an inspection program, and the program could have a fee structure associated with it.	
Impact	Low. Can provide a city information to help track its housing stock and provide an avenue to identify and address housing condition issues but does not on its own materially impact housing needs or issues. However, having access to this information can put the City in a better position to implement other policies that may have greater impact (e.g., landlord education, tracking accessible and adaptable units, etc.).	
Applicability	Medium. Most relevant for medium and larger cities.	

Case Studies & Evaluation

Oregon Examples

[Portland](#) has a residential rental registration program that requires all landlords of residential rental properties to register their rentals annually. The registration must include the address of all residential rental units owned within the City. An annual registration fee is required for all units, except regulated affordable housing. This program does not include an inspection component.

[Eugene](#) has a rental housing code ([EMC 8.400 through 8.440](#)) that includes a requirement for registration as well as standards for health and safety of rental units, information and education requirements, requirements related to screening charges and security deposits, and other renter protections.

[Gresham, Oregon](#) requires a rental housing license to maintain or operate a residential rental property in the city. The program includes licenses for mobile homes, rental homes, duplexes, apartments, condominiums or rooms in a lodging house. Gresham charges a rental license fee instead of its business license fee. The registry of rental housing licenses is used to conduct



random, mandatory inspections as well as complaint-based inspections to ensure that the city's stock of residential rental properties are in good shape. (Gresham Revised Code [Article 9.55](#))

[Tualatin](#) requires a rental housing license for all rental housing, including manufactured dwellings covered by a rental agreement. The city also has rental housing maintenance standards (Municipal Code [Chapter 06-13](#)) and requires landlords to provide information about those standards to tenants.

[Corvallis](#) requires owners of residential rental units to register units and pay a per-unit fee (Municipal Code section [8.03.300.065](#)). Certain deed restricted affordable units and units for specific populations (seniors, people with disabilities) are exempt from the fee.

[Salem](#) requires a license to operate multifamily dwellings (SRC [59.420](#)). This applies to properties with three or more dwelling units in a structure or on a lot (or contiguous lots) with units or bedrooms offered for rent ([SRC 59.010](#)). Housing owned by certain nonprofit organizations that is inspected by HUD is exempt, along with nursing homes, adult foster homes, and certain other types of housing. Units are subject to inspection at least once every five years for compliance with a broader set of housing code requirements ([SRC Chapter 59](#)).

Other National Examples

[Renton WA](#) requires all landlords to annually register their residential rental property and self-certify that their units meet the required standards. The city does not require a license.

[Tacoma WA](#) requires owners of rental housing to secure a business license for all properties in the city. The license fee funds issues like crime prevention training, education, inspection and code enforcement services related to rental properties. Landlords must self-certify that their units meet the required health and safety standards.

Available Research and Evaluation

A study called "Rental Registries and the Business of Providing a Home" by Jane Rongerude found that rental registries can be a useful tool for local governments to monitor their rental housing stock. The information provided in rental registries can help provide transparency about who owns rental housing, increase communication between regulators (cities) and property owners, and can help promote market stability. The study found that registry programs can also be adapted or expanded upon to support a range of housing policy objectives, such as inspections programs to ensure housing meets life, safety, and health standards. (<https://doi.org/10.1080/01944363.2024.2373918>)

The nonprofit Local Housing Solutions also highlights a few studies that demonstrate how the data provided by rental registries can be useful for studying other housing policies. It highlights work by Kuhlmann et al. (2023) and de la Campa et al. (2021) showing how local governments used rental registry data during the COVID-19 pandemic, work by Garboden and Newman (2012) relating to efforts in Baltimore to preserve low-cost rental housing, as well as a study by Preis (2023) examining the locations that landlords live in comparison to the properties they own.



A Health Impact Assessment of the City of Portland's rental housing inspection program compared two inspection models: a standard inspection and an enhanced model piloted in East Portland. The study found that rental housing inspections improved the health of rental housing residents, and that the enhanced inspection program had greater potential to contribute to improved health and health equity. (Rental Housing and Health Equity in Portland, Oregon: A Health Impact Assessment of the City's Rental Housing Inspections Program. Prepared by Oregon Public Health Institute. No date. Available at: <https://www.pewtrusts.org/~media/assets/2012/08/ophihiafinalreport829.pdf>)

An article published by the Network for Public Health Law notes that enforcement of habitability standards for rental housing through an inspection program can be beneficial for tenant health, but that if it reaches the point of condemnation it can contribute to displacement of tenants. ("[Avoiding Condemnation of Rental Housing: Alternative Strategies to Prevent Displacement of Tenants While Protecting Health](#)," May 16, 2022, by Colleen Healy Boufides.)

A study by the Pew Charitable Trusts of rental code enforcement in Philadelphia and comparable policies in other cities found that Philadelphia's program included minimal inspections or other enforcement, and that one of the challenges is a high share of rental housing in single-family structures where there is no visible indication that the units are rented rather than owner-occupied. The study identified potential promising practices from other cities' programs including periodic proactive inspections, inspecting all of an owners' properties if major violations are found at any of the units, and using public funds or private receivers to make repairs for noncompliant owners. ("[Rental Code Enforcement in Philadelphia: How it works, and what other cities are doing](#)," November 18, 2021.)

[A Guide to Proactive Rental Inspections](#) by Change Lab Solutions (2022) highlights the importance of proactive rental housing inspections in improving housing quality, offers guidance to develop such a program, as well as guidance for equitable enforcement.

Customization & Implementation Considerations

Many rental housing licensing programs include a fee to cover administrative costs and/or the cost of inspections or other program requirements. Some cities exempt affordable housing from the fee, even if the housing is subject to the licensing requirements.

Cities will need to determine:

- How much information to collect and what information is most important.
 - Note that cities may not want to collect rent data. Property managers may not want to reveal this information. If collected, the data should be anonymized or should not be made publicly available to improve confidentiality.
- If, when, and in what circumstances to require inspections:
 - What maintenance or quality standards to require (if any)
 - Whether to allow less frequent inspections for those who have a solid track record of passing inspections / no complaints
 - How inspections will be conducted (e.g., providing a list of third-party inspectors)
 - How frequently will inspections occur



- Whether inspections are on a schedule or random (e.g., a lottery)
 - What share of units will be inspected
 - Whether complaints trigger additional inspections
 - Whether to exempt certain types of housing such as those supported with vouchers (which are already subject to inspection) or other affordable housing development
- See studies listed above for additional considerations and cautions related to inspection requirements.



Model Municipal Code

This example is drawn largely from the municipal codes of Eugene, Gresham, and Salem.

Notes, optional items, and text to be filled in by the jurisdiction are shaded in gray and in [brackets].

Rental Housing Code

Xxx.010 Registration

- 1) All rental housing not excluded under xxx.010(3) shall be registered with the city on a form and in a manner to be determined by the [city manager/Director].
- 2) Such application shall include the following information:
 - a) The applicant's name;
 - b) The names and residence addresses of all persons who are principals, partners, and corporate officers for any applicant that is not a natural person;
 - c) The address to which all mail concerning the license may be sent;
 - d) All business addresses maintained or to be maintained by the applicant in the State;
 - e) Telephone number(s) and email address(es) of the applicant;
 - f) If the applicant has a property manager or other registered agent, the property manager or registered agent's name, address, and all contact information;
 - g) A local emergency contact for the property (emergency contact must live within 75 miles of the property);
 - h) A description of the property to be licensed, including the following:
 - i) Its physical address;
 - ii) Total number of rental units on the property;
 - iii) [The number of Type A units as set forth in the Standard for Accessible and Usable Buildings and Facilities published by the International Code Council and as referenced by the state building code on the property;]
 - iv) [The number of units meeting Type B adaptability requirements on the property;]
 - v) Whether the owner or designated agent resides in the residential rental property;
 - vi) The name of property (if applicable);
 - i) The signature of the applicant, if a natural person, or the signature of an authorized agent of the applicant, if the applicant is other than a natural person; and
 - j) Such other information as the [city manager/Director] may require.
- 3) The following are not subject to the requirements of xxx.010 through xxx.030:
 - a) Transient lodging;
 - b) Hospitals and other medical facilities;
 - c) Residential care facilities licensed by the State;
 - d) Institutions providing educational, counseling, religious or similar service, but not including residence in off-campus, non-dormitory housing;



- e) Occupancy in a dwelling occupied for no more than 90 days by a purchaser prior to the scheduled closing of a real estate sale or by a seller following the closing of a sale, as permitted under the terms of an agreement for sale of a dwelling unit or the property of which it is a part;
 - f) Occupancy by a member of a fraternal or social organization in a structure operated for the benefit of the organization;
 - g) Occupancy in a dwelling by a squatter;
 - h) Occupancy in a vacation dwelling;
 - i) Occupancy in a dwelling by an employee of a landlord whose right to occupancy is conditional upon employment in and about the premises;
 - j) Occupancy by an owner of a condominium unit or holder of a proprietary lease in a cooperative;
 - k) A person who rents a space for a manufactured dwelling, recreational vehicle, or moorage space for a floating home, but does not rent the actual manufactured dwelling, recreational vehicle, or floating home
 - l) Adult foster homes (any family home or facility in which residential care is provided for five or fewer adults who are not related to the care provider by blood or marriage)
 - m) Homeless shelters (a facility operated by a nonprofit corporation where residence is provided to persons needing emergency shelter on a daily or weekly basis, and where individual bath and cooking facilities may be provided)
 - n) Residential homes (a facility that provides, for five or fewer unrelated individuals with developmental or physical disabilities, residential care in one or more residential structures on contiguous properties)
 - o) Retirement apartments to be occupied by persons 65 years of age or older.
 - p) Approved accessory dwellings, sleeping units, or rooming units, occupied by a person or persons from whom the owner does not collect any monetary or other compensation.
- 4) The owner or designated agent must certify the truthfulness and accuracy of the information that is provided in the residential rental property license application.
 - 5) The application shall be accompanied by a nonrefundable application fee.
 - 6) A license issued under xxx.010 is transferable to a new owner after receipt of the handling fee established by council resolution. The handling fee shall be accompanied by a new rental property license application. The new owner will retain the old license number, transferred to the new owner's name, if applicable.
 - 7) The owner or designated agent must inform the manager of any change concerning the information contained in the residential rental property license application within 30 calendar days of such change.

xxx.020 License term and renewal

- 1) Unless voided, revoked or otherwise suspended, the residential rental property license term shall be for a one-year period commencing from the license issuance date. Upon expiration of the license term or following revocation or suspension of the residential rental property license, the license must be renewed or reinstated, as appropriate, to be effective.



- 2) An application for license renewal shall be accompanied by a nonrefundable license renewal fee and shall include the following information:
 - a) The applicant's name;
 - b) The physical address of the property to be licensed;
 - c) Any changes concerning the registered agent of the applicant or any property manager acting on the applicant's behalf;
 - d) The signature of the applicant, if a natural person, or the signature of an authorized agent of the applicant, if the applicant is other than a natural person.
- 3) An application for license renewal shall be approved and a renewal license issued following receipt of the application unless:
 - a) Any licensing fees for the subject property have not been paid in full;
 - b) The applicant provided any untrue or incomplete information on the application for license renewal; or
 - c) The subject property is in violation of any federal, state, or local law or regulation.

Xxx.030 Fees

- 1) Any person that owns or operates residential rental property shall pay an annual fee set by council resolution. The fee shall be based on the total number of residential rental units.
- 2) The revenues generated by the fee may be used for:
 - a) Offsetting the costs to the city associated with the enforcement of this Rental Housing Code; and
 - b) Costs associated with providing services to tenants and owners and managers of rental housing, including but not limited to a rental housing navigator position, rental housing data collection, tenant support services, and landlord and tenant education services.
- 3) The following unit types shall be exempt from the fee payment requirements:
 - a) Rentals subject to a federal, state, or local affordability agreement with a recorded deed restriction requiring the units to be rented affordably to households at a defined income level; and
 - b) Rentals that have been approved by the city for an exemption from property taxes pursuant to [reference any applicable local tax abatements for rental housing] or that are recognized by the city as exempt from property taxes pursuant to ORS 307.092.
- 4) No refunds will be provided after fees are paid if a dwelling unit:
 - a) Ceases to be a rental; or
 - b) Changes ownership.
- 5) For each month in which the fee is not paid by the date specified in the written notice of payment, a penalty shall be assessed to the owner or the owner's agent. The amount of the penalty shall be set by council resolution.
- 6) The [city manager/Director] may initiate appropriate action to collect the fees due. All costs associated with these actions, including attorney fees, may be assessed to the owner or the owner's agent.

**1E) AFFIRMATIVE MARKETING REQUIREMENTS FOR CITY-FUNDED UNITS**

Completeness	ARA Components	Key Needs Addressed
Level 1: Actions that are partially developed at the state level but require substantial local customization.	• Guidance • Templates	• Expanding housing access and choice across housing characteristics, including: ○ Wealth-building opportunities ○ Affordability ○ Accessibility • Expanding housing access and choice across locational barriers
Description	Cities can take extra steps to ensure that members of protected classes are aware of affordable housing units when they become available at initial lease-up of new rental developments or sale of lower-cost homes. This could involve partnering with community organizations such as churches, cultural groups, social services organizations, and Head Start Programs. This action requires developers who receive financial incentives (like property tax exemptions, grants, or loans) or direct support (like infrastructure improvements, land) to conduct outreach to help ensure that low-income residents, people of color, people with disabilities, people with limited English proficiency, and others facing challenges when seeking housing have a fair opportunity to apply for it. This approach taps into local social networks and information sources trusted by people who need housing to help get the word out about new housing opportunities. Affirmative marketing typically only applies to the initial lease up of new rental projects and the sale of lower-cost homes. Note that it does not require developers to make units available earlier or to prioritize specific applicants, only to ensure the units are marketed in ways that will reach a range of audiences.	
Impact	Medium. This action helps ensure that new development projects produce fair housing benefits through outreach to organizations serving low-income residents, people of color, people with disabilities, and others seeking housing. This is not a stand-alone action. Instead, it is intended to be paired with other actions that provide direct support or financial incentives that promote the financial viability of a project.	

**Applicability**

Applicable to jurisdictions providing direct support (provision of land, provision of infrastructure improvements, etc.) or financial incentives (loans, grants, property tax exemptions, etc.) for the development of new projects providing needed housing.

Case Studies & Evaluation*National Examples*

The City of Seattle Office of Housing requires certain properties benefiting from local affordable housing incentives to have an Affirmative Marketing Plan. At least two weeks before advertising vacancies to the general public, landlords of participating properties must provide notice to the Seattle Housing authority, advertise on the city sponsored portal, and connect with at least three community-based organizations to solicit applications from potential residents who might otherwise be unlikely to apply for these units. [Mandatory Housing Affordability - Housing | seattle.gov](#)

- **Program Website:** The City of Seattle Office of Housing has an easy-to-understand website that provides information to developers about the program: [Mandatory Housing Affordability - Housing | seattle.gov](#)
- **List of Outreach Partners:** The City of Seattle maintains a list of agencies for developers to choose from in selecting their three Outreach Partners: [Affirmative Marketing - Organization List.xlsx](#)

Available Research and Evaluation

Accessing Opportunity: Affirmative Marketing and Tenant Selection in the LIHTC and Other Housing Programs (Poverty & Race Research Action Council): The 2012 report explains the practice and effectiveness of affirmative marketing efforts. It also makes recommendations for improving these efforts including more precise targeting to underrepresented groups and those least likely to apply.

Customization & Implementation Considerations

Because so much about the success and ease of implementing this action depends on local context, cities will need to make a number of program design choices. The principal ones are described below.

Triggers for Affirmative Marketing

Cities will need to decide which of its incentives trigger Affirmative Marketing requirements for a project. At a minimum, financial incentives and direct support should trigger Affirmative Marketing because they represent significant contributions by the city to the viability of a project. Examples include:

- Public land disposition
- Local grants
- Local long-term loans
- Local short-term loans or revolving loan fund for pre development assistance
- Local infrastructure support
- Down Payment assistance programs
- Tax exemptions, abatements, and reductions
- SDC exemptions and reductions
- Permit fee reductions and waivers



Cities may want to also consider other actions as potential triggers, such as:

- Negotiated affordability requirements for new urban areas
- Upzoned residential land
- Inclusionary zoning
- Incentive zoning
- Parking reductions
- Design and development standard flexibility
- Priority permit review
- Development intensity bonuses

Which Units?

Cities will also need to decide what kind of units in a development should be included in an Affirmative Marketing listing. The City of Seattle only requires that affordable units be included in its Affirmative Marketing Program. Other options include some combination of the following:

- All units
- All rent-restricted units for rental housing
- All price-limited or income-limited units for homebuyer properties
- All units with rents below a city-determined threshold (such as affordable to households earning 80% MFI or less)
- All accessible units (Type A)
- All homebuyer units with accessibility features, such as: at least one zero-step entrance; clear, wide circulation paths; at least one accessible bathroom and bedroom on the main floor; and an adaptable kitchen.
- All units with other specified characteristics, such as those having 3 or more bedrooms.

Cities should consider exempting units already subject to affirmative marketing requirements as part of state or federal funding programs.

Outreach Partners

The city should start by identifying which organizations and entities might be interested in helping to get the word out about new housing opportunities. This might include organizations such as Community Action Agencies, Head Start programs, agencies serving people with disabilities, culturally-specific organizations, tribal organizations, the local housing authority, senior centers, Habitat for Humanity chapters and other organizations serving potential first-time homebuyers. Depending on local circumstances, local employers, faith-based entities, and school guidance counselors could also play a role.

The city should provide materials to Outreach Partners that describe the program, the kinds of information that they may receive from developers, and what the city is asking them to do when they receive that material. The city should also confirm the following information for each Outreach Partner:

- Entity name
- Phone number
- Mailing address
- Website address



- Contact person (or how to direct communications)
- Email address for transmitting information electronically
- Population served

The city will use this information to generate a list of Outreach Partners that it can provide to developers. See the City of Seattle's list of Outreach Partners here: [Affirmative Marketing - Organization List.xlsx](#). The city should refresh its list of Outreach Partners at least annually.

Information Provided by Developers to Outreach Partners

Cities can customize the kind of information that cities provide to marketing partners. It could be as simple as an overall description of the project. However, the more information provided—number of units, number of bedrooms, accessibility features, rent, key application criteria—the more likely Outreach Partners are to send developers appropriate applicants.

Forms that Developers Submit

The proposed approach includes a program description plus three documents that developers submit. Templates for the following documents are attached:

- Program Description
- Letter of Intent to Implement Affirmative Marketing: Submitted to the city when the developer applies for the incentive
- Special Outreach for Affirmative Marketing: Sent to selected Outreach Partners at least two weeks before general marketing for rental housing and at least 90 days before general marketing for homeowner projects. The developer must keep a record demonstrating that the information was sent, such as copies of emails.
- Affirmative Marketing Report: A short summary sent to the city before requesting a final Certificate of Occupancy. This provides a way to ensure that the developer followed through on the Affirmative Marketing commitment.

Smaller cities with fewer qualifying projects may find ways to streamline this process further. Optionally, larger cities may want to request that developers collect anonymized demographic data about occupants of included units to evaluate the effectiveness of the program overall.

If cities do not exempt units subject to state or federal affirmative marketing requirements, they should try to use consistent forms, so developers do not have to submit different documents.

Methods of Ensuring Compliance

Developers should provide evidence that they followed through on their commitment to undertake affirmative marketing. This model suggests that the developer submit a report before receiving a final Certificate of Occupancy for the project. Cities may find another point in the process (such as release of funding or final award of tax exemption or abatement) that may work as well as the final Certificate of Occupancy for submission of the report.



Templates

The following templates are modeled on those of the City of Seattle Office of Housing [Mandatory Housing Affordability - Housing | seattle.gov](#)

1. Program Description
2. Letter of Intent to Implement Affirmative Marketing
3. Affirmative Marketing Outreach Instructions and Notice
4. Affirmative Marketing Report



Program Description: [Your City] Affirmative Marketing Requirements for Housing Incentive Programs

Do these requirements apply to your property?

Properties participating in the [name the incentives or programs that trigger affirmative marketing] are required to implement Affirmative Marketing. See Triggers for the Affirmative Marketing section of Guidance.

Why is this required?

Individuals of similar economic levels in the same housing market should have available to them a similar range of housing choices regardless of their race, color, religion, sex, national origin, familial status, disability, or other protected class status. The Affirmative Marketing requirements detailed in this document are consistent with state and federal fair housing laws.

What is an Affirmative Marketing Plan?

Successful implementation of Affirmative Marketing will help individuals and households otherwise unlikely to apply for housing:

- Know about rental vacancies and affordable homes for sale;
- Feel welcome to apply; and
- Have the opportunity to rent units and purchase affordable homes.

Participation Requirements

Program participation begins with the submission of a Letter of Intent - Affirmative Marketing form, which includes a declaration of intent to implement affirmative marketing requirements and comply with record-keeping standards. This form must be submitted with the developer's application for [the incentives or programs which trigger Affirmative Marketing].

Requirements Due at Least Two Weeks Before Lease-Up for Rental Properties

At least two weeks prior to lease-up for the general public, participating properties are required to conduct special outreach as follows:

1. Complete the Outreach for Affirmative Marketing Notice. This form includes information on the number of relevant units at the property, features of those units; leasing and tenant selection criteria; and how the property intends to advertise vacancies;
2. Identify [insert number; Seattle uses three plus the Housing Authority] Outreach Partners to help spread the word and encourage applications from households who otherwise might be unlikely to apply for housing at the property. A list of Outreach Partners is available at [insert link to list of Outreach Partners].



3. After identifying [insert number] entities, send them information about vacancies and the leasing process using the Special Outreach for Affirmative Marketing form at least two weeks before marketing to the general public;
4. Document your efforts using the Affirmative Marketing Report. Note this report requires records of your email correspondence. The Affirmative Marketing Report is a required attachment to the [Final Certificate of Occupancy or other way the city would like to ensure compliance].

Requirements Due 90 Days Before Sale for Affordable Homeownership Properties

1. Complete the Affirmative Marketing Outreach Notice. This form includes information on the number of participating units at the property and [the income- and rent-restrictions on those units and home buyer criteria or other information the city specifies];
2. Identify [number or a specific Outreach Partners] to encourage applications from households who otherwise might be unlikely to apply for housing at the property.
3. Supply [Outreach Partners] with information about available homes using the Special Outreach for Affirmative Marketing form at least ninety days before you make the homes available to the general public;
4. Document your efforts using the Affirmative Marketing Report. Note this report requires records of your email correspondence. The Affirmative Marketing Report is a required attachment to the [Final Certificate of Occupancy or other way the city would like to ensure compliance].

Record Keeping Standards

Owners of participating properties must record dates and retain documentation showing that special outreach was performed in advance of general marketing for both rental and homeownership properties.

Where can I learn more about fair housing laws?

- [Fair Housing Council Of Oregon - Home - Fair Housing Council of Oregon](#) has a wealth of information about fair housing in Oregon in a variety of formats and languages. Search for resources here: [Resources - Fair Housing Council of Oregon](#)
- [Insert information about local resources and websites here.]

Contact

Whom may I contact if I have questions about Affirmative Marketing for Affordable Housing Incentive Programs?

[Insert local contact information here].

**[City Name] Letter of Intent to Implement Affirmative Marketing**

Developers seeking to utilize the following programs or incentives must submit this form to [city department] before [deadline, such as issuance of first building permit or perhaps simultaneously with the application for the program or incentive]:

- [Incentive 1]
- [Incentive 2, etc.]

Please return this form to [insert return information].

If you have any questions, please contact [city contact].

Owner Information	
Name of Owner	
Address	
Phone	
E-mail	
Owner's representative, if applicable:	
Address	
Phone	
E-mail	
Property Information	
County Assessor's Parcel Number	
Street Address	
Project Information	
Project Name	
Estimated Construction Start Date	
Estimated Completion Date	
Incentives applied for (check all that apply)	[List "triggering" programs and incentives here]
Anything else you'd like us to know about this project?	



Certifications

1. Special Outreach and Advertising in Advance of General Marketing

I/we hereby indicate by my/our initials below that, prior to initiating any advertising or marketing efforts to solicit applications from the general public, I/we will:

- Contact [number] Outreach Partners from a list provided by the [city department] to inform and solicit applications from households who otherwise might be unlikely to apply for housing at the property but some of whom could reasonably be expected to meet our applicant requirements. This outreach will occur at least two weeks before general marketing for initial lease-up of rental properties and ninety days before general marketing for homeownership projects.
- [If applicable: Contact specific agency, such as housing authority]
- Document this effort using the Affirmative Marketing Report, which must be submitted prior to receiving [final Certificate of Occupancy or other permit from the city] for this project.

Owner's initials _____

2. Record Keeping

I/we hereby indicate by my/our initials below that I/we will document our Affirmative Marketing efforts and submit copies with the Affirmative Marketing Report.

- My/our records shall include documentation showing that [number] Outreach Partners [and any designated agency from above, such as housing authority, if applicable] were contacted and provided notice of vacancies via a completed Affirmative Marketing Outreach form at least two weeks prior to general marketing for rental properties and 90 days prior to general marketing for homeownership properties.
- Documentation may consist of a copy of dated emails sent to the Outreach Partners, which will be submitted with a copy of the completed Outreach for Affirmative Marketing form.

Owner's initials _____

[Optional Certification, should city choose to include this step in their process.]

3. Resident Demographic Information

I/we hereby indicate by my/our initials below that I/we will offer each resident the opportunity to disclose demographic information on the Resident Demographic Form prior to the point of move-in for rentals or at sale of unit. We will retain those forms for a period of [two years] and make them available at the city's request.

Owner's initials _____]



Declaration of Intent to Implement

As owner(s) of the property described in this Letter of Intent, I/we declare our intent to implement the Affirmative Marketing Requirements, as stated above.

Owner's Signature

Date

Printed Name

Owner's Signature

Date

Printed Name



[City] Instructions for the Affirmative Marketing Outreach Notice

Rental Property Leasing Agents: The attached Affirmative Marketing Outreach Notice must be completed and sent to the following parties **at least two weeks** prior to marketing the units to the general public:

- [Number] local Outreach Partners chosen from the list provided by [city department] and found here [link to website to access the list].
- [If relevant, any entity that must be contacted, such as the housing authority]

If you have any questions about completing this form or complying with affirmative marketing requirements, contact [contact].

Be sure to keep a copy of the completed Affirmative Marketing Outreach Notice and dated emails that document which Outreach Partners were selected and that the materials were sent by the deadline. These materials will be submitted with an Affirmative Marketing Report prior to issuance of [final certificate of occupancy or other relevant permit].

Developers and/or Marketing Agents of Homebuyer Projects: The attached Affirmative Marketing Outreach Notice must be completed and sent to the following parties **at least 90 days** prior to marketing the units to the general public:

- [Number] local Outreach Partners chosen from the list provided by [city department] and found here [link to website to access the list].
- [If relevant, any entity that must be contacted for homebuyer projects, such as the local Habitat for Humanity program or an agency providing homebuyer assistance].

General Information: If you have any questions about completing this form or complying with affirmative marketing requirements, contact [contact].

Be sure to save a copy of the completed Affirmative Marketing Outreach Notice and dated emails that document which Outreach Partners were selected and that the materials were sent by the deadline. These materials will be submitted with an Affirmative Marketing Report prior to issuance of [final certificate of occupancy or other relevant permit].

***Affirmative Marketing Outreach Notice***

Date _____

Greetings, Outreach Partner:

You are receiving this form because your [agency/business/place of worship] agreed to help spread the word about new housing opportunities to your [customers, clients, congregation, employees] before the information is available to the general public. We encourage you to get information about this opportunity out as quickly as possible to households who may possibly meet the selection criteria and who are looking for housing like this. Please also share this information through your networks and colleagues.

Thank you for your assistance.

Property Information

Property Name:

Property Address:

Date Applications Will First be Accepted:

Projected Opening Date for Project:

Total Number of Units to Be Available:

Contact Information

Property Leasing Manager or Sales Representative:

Company:



Email:

Contact for Program at City of [xx]:

Email:

Overview of Available Units by Type

Unit Type	Number of Units	Income Limit	Minimum Income, if Relevant	Approximate Monthly Rent or Sales Price

Unit type includes [number of bedrooms, level of accessibility to people experiencing mobility impairments or other specified disabilities, or Permanent Supportive Housing. Example: 1 BR, Type A Accessible, PSH]



Tenant/Home Buyer Selection Criteria

1. What criteria will be used to screen applicants or prospective home buyers? What is the minimum standard an applicant will need to meet to move forward in the screening process?
2. What information, documentation, and submissions must applicants provide to determine whether they meet the criteria above?
3. How can applicants obtain a copy of the application? Attach a copy or link to a relevant website, if available.

Attach copies of relevant marketing materials.



Affirmative Marketing Report

Instructions for Developers: This report documents how you fulfilled your commitments as stated in your Letter of Intent to Undertake Affirmative Marketing. Submit this report to [city contact] by [when due, such as prior to anticipated issuance of final certificate of occupancy]. If you have questions, please contact [contact information].

Property Information

Property Name:

Property Address:

Date Project Began General Public Marketing Efforts:

Date Applications Became Available:

Date of Submission of this Affirmative Marketing Report

Affirmative Marketing Documentation

Did you provide notice of new affordable homes to [three] Outreach Partners using the Affirmative Marketing Outreach Form in advance of general marketing to the public?

☐ Yes ☐ No

Copy of Affirmative Marketing Outreach Form attached (required)? ☐ Yes ☐ No

Organization 1:

Contact Person and/or E-Mail Address: _____

Date Contacted: _____

E-mail correspondence attached to this (required)? ☐ Yes ☐ No

Organization 2:

Contact Person and/or E-Mail Address: _____

Date Contacted: _____



E-mail correspondence attached to this (required)? ☐ Yes ☐ No

Organization 3:

Contact Person and/or E-Mail Address: _____

Date Contacted: _____

E-mail correspondence attached to this (required)? ☐ Yes ☐ No

Documentation Submitted by:

Name: _____

Company: _____

E-mail: _____

Phone: _____

I attest that the information submitted in this document is accurate and true, to the best of my abilities.

Signature _____

Date _____

Approval of this document by [city department] indicates City acknowledgement of fulfilment of commitments made by the Developer in the Letter of Intent to Implement Affirmative Marketing.

**1A) LAND DISPOSITION FOR HOUSING**

Completeness	ARA Components	Key Needs Addressed
Level 1: Requires Substantial Local Preparation	• Model RFP for land for development for affordable housing • Model language addressing specific needs to respond to, including accessibility, affirmative marketing, etc. • Model long-term ground lease for affordable housing	• Characteristic: affordability • Location: high opportunity area
Description	Establish a policy to prioritize disposition of surplus land for affordable housing, so long as it is suitable, identify suitable sites, and make them available for affordable housing development through a Request for Proposals (RFP) or similar process. Cities can transfer full ownership or enter into a ground lease. Oregon Revised Statute 221.725-729 establishes procedures for cities to sell their land for a variety of purposes; ORS 221.729 specifically addresses sale of land for affordable housing. ORS 271.330 authorizes local governments to relinquish title to surplus properties without payment (rather than selling them) for specific purposes provided the property is no longer needed by the locality. This statute authorizes political subdivisions to relinquish the title of any of their properties to a municipal corporation or qualifying nonprofit corporation for use as low-income housing, social services, or childcare services. However, cities can prioritize affordable housing above other uses, either on a case-by-case basis, or through a more formalized policy. Tribal governments do not appear to be eligible for public land disposition ORS 271 but could be buyers under ORS 221. Oregon Revised Statute 457.230 authorizes urban renewal agencies to transfer land for broader uses by public agencies or private enterprises, in accordance with the urban renewal plan.	
Impact	High: Strategy can be highly impactful, if available land is suitable for housing and does not require costly infrastructure investments or environmental remediation prior to development. It can have particular benefit in high-opportunity areas and areas of concentrated affluence where land costs may be higher. Regardless of location, it can be an effective	



	strategy for increasing the overall supply of affordable housing or other types of housing.
Applicability	Could work for any jurisdiction that has surplus property. Some have already implemented, others have not.

Case Studies & Evaluation

Oregon Examples

Several cities in Oregon have used surplus land for affordable housing:

- Following a competitive RFP process, the City of Tigard transferred surplus land to a nonprofit developer through a ground lease to develop an [affordable senior housing development](#).
- Hillsboro donated six acres of land for a bond-supported [affordable housing community](#) geared for immigrant farmworkers.
- Beaverton sold a vacant parcel to a developer to construct a mixed-use complex adjacent to a light-rail station. The subsequent [230-unit apartment community](#), with 15 affordable units, opened in 2019.
- Cottage Grove worked with the school board to transform a [former elementary school](#) into apartments.
- In April 2025, Hood River closed on a deal to develop [130-units of affordable housing](#), along with a public park, on a seven-acre city-owned site.

Other Oregon jurisdictions have taken steps to identify and make land available for housing, or established policy intention to do so:

- In 2022, the City of Portland issued a [resolution](#) to establish key strategies to increase affordable housing construction, which included building a landbank of up to 400 publicly-owned sites that could be suitable for multifamily housing with minimal investment or legislative action.
- In 2023, Clatsop County prepared an inventory of surplus County-owned property, conducted preliminary evaluation of suitability for housing development, and established a process for expressions of interest in developing the properties.
<https://www.clatsopcounty.gov/county/page/clatsop-county-frees-surplus-land-housing>

Other National Examples

San Francisco [requires](#) surplus city-owned land to be considered for affordable housing development before it is offered to private developers for other uses. The city's Affordable Housing Requirements Ordinance mandates that affordable housing be prioritized when surplus public lands become available (San Francisco Administrative Code, Section 23.A).

Seattle [employs](#) a Request for Proposals (RFP) process for the disposal of surplus land. The city prioritizes developers who propose affordable housing projects, offering financial incentives such as reduced land prices. This approach is designed to make affordable housing projects more financially feasible for developers.



Washington DC [requires](#) residential developers who purchased land -owned by the city to reserve up to 20 to 30 percent of units for low and very low-income residents.

Available Research and Evaluation

A 2019 [report](#) from Enterprise Community Partners presents the prospects of utilizing publicly owned land for affordable housing. It provides examples of several existing programs administered by cities and public transit agencies. After thoroughly assessing benefits and challenges, the report concludes with several recommendations for identifying sites, soliciting developers, structuring agreements, and providing additional tools as necessary. The authors also suggest that jurisdictions can explore options for co-locating affordable housing with community facilities.

Customization & Implementation Considerations

The League of Oregon Cities provides general [guidance on land disposition](#) as part of its Oregon Municipal Handbook, as well as an [FAQ document](#) on land disposition and a Model Policy for Public Contracting & Purchasing that includes a section on dealing with surplus property.

Local governments can inventory all property owned by the jurisdiction to determine suitability of affordable housing, then prioritize which properties to make available. They can also assess development readiness for potential buyers including Level 1 environmental review. Cities should provide available documentation about land readiness, such as environmental assessments, hazardous materials, or geotechnical reports, with any RFPs or other land disposition activities.

This policy could be paired with predevelopment assistance, SDC waivers, and other housing incentives and programs. In addition, jurisdictions should consider inventorying properties owned by other public entities within their boundaries.

Some land disposition deals will need to be structured carefully for tax purposes. For example, for development using low-income housing tax credits (LIHTCs), properties should be directly transferred to the nonprofit who would then sell or donate it to the limited partnership so as not to be subject to gift taxes.



Model request for proposals for land disposition for housing development

Note: Model RFP draws primarily on examples from Metro and the City of Beaverton as well as Deschutes County.

A jurisdiction looking to dispose of land for housing development would typically create a request for proposals (RFP) for development. The RFP would describe the program under which development is authorized, the site, and desired outcomes. A typical RFP might have the following content sections.

1. Introduction, Purpose, and Goals
 - a. Dates and timeline (including date issued, due date for questions, and due date for submissions)
 - b. Contact information for the issuer (including name, phone, email, and the website where more information can be found)
 - c. Entities involved (including who is disposing of the land, partners, or other stakeholders with interest or rights to the site)
 - d. Purpose of the development solicitation (including the intention of the land disposition, goals for the site, and other relevant context)
2. Program Description
 - a. Program information (including the authority to dispose of the land, program that the land disposition fits into, funding sources, etc.)
 - b. Affordability requirements (if required, depth and number of units set aside, terms, etc.)
 - c. Development vision (including populations intended to be served, development goals such as height, unit count / density, parking,
3. Neighborhood context
 - a. Description of the city (including its geographic location, population characteristics, development context, and proximity to relevant features such as major arterials, (air)ports, recreation areas, or metropolitan areas)
 - b. Neighborhood context (including nearby amenities such as transit type and frequency, parks, employers, grocery stores, schools, etc.)
4. Site information
 - a. Site map and conditions (including property boundaries, slopes, wetlands, adjacent properties or developments)
 - b. Zoning (including general information as well as bonuses and incentives)
 - c. Access and connectivity (including cross streets, authority of cross streets, access by different modes of transportation, sidewalk information, etc.)
 - d. Development constraints (including rights-of-way, easements, access requirements, turning restrictions, power lines, etc.)
 - e. Environmental information (including results of any phase 1 or phase 2 environmental assessments and required actions)
5. Financial incentives (if any)
 - a. Existing funding commitments (if applicable)
 - b. Additional funding opportunities (if applicable and the development is eligible)



- c. Requirements (including affordability requirements, public use requirements such as plazas, or size and type requirements)
- 6. Solicitation process
 - a. Where to find information (including registration, addendums, questions and answers, etc.)
 - b. Detailed timeline (including questions deadline, submission deadline, deadline to appeal, review period, interviews if planned, expected date of MOUs or negotiating agreements, expected funding cycles, etc.)
 - c. Submission requirements (including submission sections, team composition, qualifications, format, page limits, etc.)
 - d. Submission scoring (including scoring criteria, review process, interviews/advisory committees, total scores, priorities etc.)
 - e. Other information (including right to appeal, confidentiality, disclaimers, etc.)



Model long-term ground lease for affordable housing

Note: Language is based on agreements from the Cities of [Tigard](#) and [Milwaukie](#).

Disposition and Development Agreement

THIS DISPOSITION AND DEVELOPMENT AGREEMENT ("Agreement") is made and entered this ___ day of _____, 20xx (the "Effective Date"), by and between the [city], a municipal corporation of the State of Oregon ("City") and [developer], an Oregon nonprofit corporation ("Developer"). City and Developer may be referred to jointly in this Agreement as the "Parties" and individually as a "Party."

- A. City owns property at [address], referred to as "the Property"
- B. The city wants to facilitate the development of affordable housing and has determined that the Property can accommodate the development of such housing
- C. In furtherance of this development objective, City issued [title] Request for Information issued on [date] ("RFI").
- D. Pursuant to the RFI, City selected Developer to develop and operate such senior affordable housing on the Property, and City and Developer entered into negotiations for conveyance of a ground lease in a portion of the Property as agreed upon by City and Developer (the "Site") for Developer's development and operation of such affordable housing.
- E. The Parties have completed their negotiations and now desire to enter into this Agreement setting forth the terms and conditions under which City will convey a leasehold interest in a portion of the Property to Developer for development of the Project as further described in Exhibit.
- F. The completion of the Project according to the terms of this Agreement, including the Project Plan, Development Budget and the Development Timeline is a material inducement to City to enter into this Agreement;
- G. City finds that the fulfillment of this Agreement, and the intentions set forth herein, is in the vital and best interest of the City and the health, safety, and welfare of its residents, and is in accord with the public purposes and provisions of applicable state and federal laws

I. Table of Contents

- 1) General Terms of Conveyance
- 2) Representations and Warranties
- 3) Conditions Precedent to Closing
- 4) Infrastructure, Utilities, and Land Condition
- 5) Development
- 6) 6 Environmental Conditions and Developer Indemnity
- 7) Assignment and Transfer Provisions
- 8) Subleasing Requirements and Restrictions
- 9) Post-Closing Obligations
- 10) Continuing Covenants Surviving Termination of Agreement or Completion of Construction
- 11) Mortgagee Protection Provisions



- 12) Default and Remedies
- 13) Miscellaneous Provisions

Executed in multiple counterparts as of the day and year first above written.

CITY:

CITY OF (CITY NAME)

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

City Attorney

DEVELOPER:

NAME,

By: _____

Name: _____

Title _____



Appendix A: Templates and Example Supporting Documents

DLCD to add supporting documents as desired, many are listed here:

<https://drive.google.com/drive/u/0/folders/1acYGUJnuoSc-V8JT3i6BGsavhZavOfVy>

REPEAL: 660-008-0210

RULE SUMMARY: This rule directs the Land Conservation and Development Commission to adopt adoption-ready actions in 2025. This rule was temporary in nature and is being executed by this rulemaking. The role of adoption-ready actions in the Housing Production Strategy and Housing Acceleration programs is made clear by the rules regulating those programs. This rule no longer serves a unique purpose and is recommended for repeal.

CHANGES TO RULE:

~~660-008-0210~~

~~Adoption Ready Actions~~

~~The department must adopt adoption ready actions in 2025 for use in guidance, safe harbors, or minimum standards.~~

~~Statutory/Other Authority: ORS 197.040~~

~~Statutes/Other Implemented: ORS 197A.025~~

AMEND: 660-008-0230

RULE SUMMARY: This rule describes the midpoint reporting requirements and Department review regarding the Housing Production Strategy's implementation.

CHANGES TO RULE:

660-008-0230

Midpoint Reporting on Housing Production Strategy Implementation

(1) Cities required to adopt a housing production strategy under ORS 197A.100(1), must submit a midpoint report to the department for review and comment based on the following schedule:¶

(a) For cities that are within Metro, no later than December 31st three years after the city adopted a housing production strategy; or¶

(b) For cities that are not within Metro, no later than December 31st four years after the city adopted a housing production strategy.¶

(2) The midpoint report a city submits under section (1) must include the following:¶

(a) A summary of the actions already taken by the city to implement the actions to meet current and future housing need adopted in the city's most recently adopted or amended housing production strategy and actions which were scheduled for implementation after the last midpoint report from the previous housing production strategy cycle, and¶

(b) A report illustrating the ongoing monitoring of any fair housing issue areas where no fair housing issues were identified in the most recent contextualized housing need as provided in OAR 660-008-0075(1)(d).¶

(3) Within ten days of receipt of the submission under section (1), the department must provide notice to persons as provided in ORS 197.615(3).¶

(4) If the city has not implemented any of the actions to meet current and future housing need ~~on per~~ the schedule in the city's most recently adopted or amended ~~for the current~~ housing production strategy ~~cycle or for~~ actions which were scheduled for implementation after the last midpoint report from the previous housing production strategy cycle, the midpoint report may include an explanation of the circumstances or factors that posed a barrier to implementation ~~and a~~. The city may also requested an implementation timeline extension for good cause for any late action that includes:¶

(a) A revised implementation date which does not extend beyond the city's subsequent housing production strategy deadline under OAR 660-008-0045(6); or¶

(b) A requested replacement action or actions that includes:¶

(A) A revised implementation date which does not extend beyond the city's subsequent housing production strategy deadline under OAR 660-008-0045(6);¶

(B) A demonstration that the replacement action addresses the same identified housing need as the replaced action,¶

(C) A demonstration that the anticipated magnitude of impact of the replacement action or actions is equivalent or greater than the anticipated magnitude of the replaced action,¶

(D) A resolution of support for this replacement from the governing body, and¶

(E) Notice to persons who participated in the proceedings that led to the adoption of the housing production strategy and requested notice in writing.¶

(5) Upon submittal of the midpoint report developed under section (1), the department will review the report for consistency with the housing production strategy approved under criteria provided in OAR 660-008-0215(6). The department will also evaluate requests for implementation timeline extensions and replacement actions as applicable.¶

(6) The department will issue midpoint review letters by May 1 of the year following the midpoint report deadline. Should the department find the midpoint report submitted under section (1) does not substantially comply with the criteria in OAR 660-008-0215(6) or should the department reject a request under section (4), the department may take action identified in OAR 660-008-0315.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.012, ORS 197.615, ORS 197A.015-197A.470

AMEND: 660-008-0310

RULE SUMMARY: This rule describes referral for noncompliance with adoption of a required Goal 10 product and includes actions the Department may take to remediate delinquency prior to referral, and process by which a city may be referred.

CHANGES TO RULE:

660-008-0310

Referral for Non-Compliance in Adoption of Housing Capacity Analysis and Housing Production Strategy

A city is required to adopt a housing capacity analysis and housing production strategy under OAR 660-008-0045. The department is required to annually refer to the housing acceleration program each city that has failed to adopt a housing production strategy under ORS 197A.130(3)(b). To minimize and remedy delinquency in completing these requirements by the prescribed deadlines, the department must refer a city for non-compliance in the adoption of a housing capacity analysis or housing production strategy via the following provisions:¶

(1) A city that determines it will be unable to adopt a housing capacity analysis, housing production strategy report, or midpoint report by the prescribed deadline may request that the department provide a time extension for good cause. The city must notify the department of the expected delinquency at least 60 days before the applicable deadline for a housing capacity analysis or housing production strategy. In response, the department may take any of the following actions:¶

(a) For a housing capacity analysis, provide written authorization for the city to adopt concurrently with a housing production strategy by the deadline provided in ORS 197A.100(1);¶

(b) Recommend an amended deadline to the commission for a housing capacity analysis or housing production strategy under OAR 660-008-0045;¶

(c) Review components of a housing capacity analysis, response to an identified deficiency, or housing production strategy under OAR 660-025-0185; or¶

(d) Within 90 days, enter into a voluntary agreement to remedy the delinquency outlining specific actions, timelines, and resources necessary to adopt a housing capacity analysis or housing production strategy.¶

(2) The department must refer a city that has ~~not~~¶

(a) Not adopted a housing capacity analysis or housing production strategy by the prescribed deadline, and not received a time extension for good cause under section (1), or¶

(b) Not fulfilled the actions and deadlines of a work plan or agreement under section (1) to the housing acceleration program.¶

¶

(c) Failed to enter into or fulfill the terms of a time extension or voluntary agreement under section (1);¶

(d) Missed deadlines, submitted incomplete or non-responsive materials, or has otherwise not made a good faith effort to adopt a housing capacity analysis or housing production strategy;(3) For cities referred to the housing

acceleration program under ~~sub~~section (2), the department must conduct an audit under OAR 660-008-0325 and enter into a housing acceleration agreement under OAR 660-008-0330 focused only on the local barriers to the adoption of a housing production strategy and all supporting documents.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.100, ORS 197A.130

AMEND: 660-008-0315

RULE SUMMARY: This rule describes the conditions under which DLCD must refer cities to the Housing Acceleration program that fail to undertake an HPS Action by the adopted deadline and includes actions the Department may take to remediate delinquency prior to referral, and process by which a city may be referred.

CHANGES TO RULE:

660-008-0315

Referral for Non-Compliance in Undertaking Actions in a Housing Production Strategy

A city is required to undertake actions in a housing production strategy by the deadline under ORS 197A.100(4). The department is required to annually refer each city to the housing acceleration program at its midpoint that has not taken actions adopted in its housing production strategy under ORS 197A.130(3)(c).¶

(1) The department will not refer a city to the housing acceleration program under this provision if the city has received either or both:¶

(a) An extension for good cause under OAR 660-008-0230(4)(a)(A);¶

(b) Department approval to undertake a replacement action or actions in the housing production strategy under OAR 660-008-0230(4)(b)(B).¶

(2) The department must refer a city that has not undertaken the action by the revised deadline under OAR 660-008-0230(4) and is not exempt from referral under section (1) to the housing acceleration program pursuant to ORS 197A.130(3)(c).¶

(a) Referral under this section may only occur after the submittal and department evaluation of a midpoint report.¶

(b) The department will evaluate implementation of and progress on all actions included in an adopted housing production strategy since the previous midpoint report.¶

(3) For cities referred under section (2), the department must conduct an audit under OAR 660-008-0325 focused only on:¶

(a) The action or actions that the city has failed to undertake;¶

(b) The housing needs addressed by the action or actions;¶

(c) Other actions taken by the city to address the needs; and¶

(d) Any additional proportionate actions that may be necessary to address the needs, in lieu of the action or actions in subsection (a).¶

(4) A housing acceleration agreement developed under OAR 660-008-0330 to address failure of a city to undertake an action ~~may~~shall only include needed proportionate actions necessary to address an outstanding housing need resulting from the failure to undertake an action or actions under this rule.¶

(5) A city submitting materials to the department under OAR 660-008-0325(2), may provide the department the following materials for consideration in the audit:¶

(a) Any specific actions the city has taken to address the need in lieu of the action or actions proposed in the housing production strategy; and¶

(b) Any alternative actions the city could take to proportionately address the need.¶

(6) If a city is also referred to the housing acceleration program under OAR 660-008-0320, the department must consolidate the audit under section (3) and agreement under section (4) into a single process, consistent with the deadlines under ORS 197A.130.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130

AMEND: 660-008-0320

RULE SUMMARY: This rule sets out a framework by which DLCD determines the eligibility of cities for referral based on their progress towards housing production targets on OHCS' housing production dashboard, then prioritizes referral of cities up to DLCD's capacity.

CHANGES TO RULE:

660-008-0320

Referral based on Performance at the Housing Production Strategy Midpoint Report

The department is required to determine the lowest performing cities, if any, on an annual basis. To provide a consistent and predictable framework by which the department dedicates staff time and resources to implementing this rule, the department must refer any lowest performing city to the housing acceleration program via the following process:¶¶

(1) The department must annually determine the maximum number of both standard and comprehensive audits completed under this rule within a calendar year, in consideration of the following factors:¶¶

(a) The capacity of department staff to conduct audits under OAR 660-008-0325, develop housing acceleration agreements under OAR 660-008-0330, and support local implementation of housing acceleration agreements as specified in ORS 197A.130(7);¶¶

(b) The number of housing capacity analyses due under OAR 660-008-0045;¶¶

(c) The number of housing production strategies due under OAR 660-008-0045;¶¶

(d) The number of midpoint reports due under OAR 660-008-0230;¶¶

(e) The number of referrals to the housing acceleration program related to the implementation of housing production strategies made under OAR 660-008-0310 to OAR 660-008-0315, including its impact on subsection (a) of this section;¶¶

(f) The availability of funding to support the implementation of actions identified in a housing acceleration agreement developed in response to an audit;¶¶

(g) Whether the department or cities with a population of 10,000 or greater are subject to separate housing-related legislation, administrative rule, or orders that obligate capacity and funding for implementation, including but not limited to rulemaking or local comprehensive plan or development code amendments; and¶¶

(h) For audits requesting concurrent review under ORS 197A.205, the capacity of the Housing and Community Services Department to concurrently participate in and support audits. The department must consult with the Housing and Community Services Department in determining capacity under this section.¶¶

(2) The department must annually determine which cities, if any, are eligible for referral to the housing acceleration program. Eligible cities must meet the following criteria:¶¶

(a) The city was required to submit a midpoint report within the same year under OAR 660-008-0230; and¶¶

(b) The city is underperforming on its total housing production target or its housing production target for household incomes at or below 80 percent area median income, which includes:¶¶

(A) The city is not meeting its total housing production target and is performing below the 50th percentile in comparison to the region or market peers, as determined by the housing production dashboard; or¶¶

(B) The city is not meeting its housing production target for incomes at or below 80 percent area median income and is performing below the 50th percentile in comparison to the region or market peers, as determined by the housing production dashboard.¶¶

(C) For the purposes of determining comparative progress for referral under this section, the department will utilize a city's adopted housing production target and market peers determined for the adoption year of the housing production strategy under OAR 660-008-0045. Where a city does not have an adopted housing production target, the department will use the most recently published housing production target under ORS 184.455.¶¶

(3) Where a city does not have market peers for comparison as provided under ORS 456.601, the department will consider progress relative to the region only.¶¶

(4) Among eligible cities, the department must remove from consideration a city that had been referred to the housing acceleration program under this section at the previous midpoint report. ¶¶

(5) The department must prioritize the referral to the housing acceleration program of cities determined eligible under section (2) and (3), up to the maximum number of audits determined under section (1), based on each of the following priority considerations:¶¶

(a) Severity of underproduction of total housing units, in comparison to the region and market peers as determined by the housing production dashboard;¶¶

(b) Severity of underproduction of housing affordable to households earning at or below 80 percent area median income, in comparison to the region and market peers as determined by the housing production dashboard. In

determining prioritization for referral to the ~~H~~ousing Acceleration program, the department will consider the severity of underproduction at each of the following income levels:¶

(i~~A~~) Housing affordable to households making less than 30 percent of area median income;¶

(ii~~B~~) Housing affordable to households making 30 percent or more and less than 60 percent of area median income; ¶

(iii~~C~~) Housing affordable to households making 60 percent or more and less than 80 percent of area median income; and¶

(iv~~D~~) Housing affordable to households making 80 percent or more and less than 120 percent of area median income.¶

(c) Housing equity indicators as they relate to fair housing issues identified under OAR 660-008-0075.¶

(6) The department shall prioritize comprehensive audits under OAR 660-008-0325(4) where the priority considerations in section (5) indicate a need for a contextual audit under OAR 660-008-0325 or coordinated action from multiple public bodies. Priority actions include one or more of the following:¶

(a) Removing barriers to the development of housing affordable to households earning at or below 80 percent area median income;¶

(A) For referrals of cities to the housing acceleration program under this subsection, the department must request concurrent review by the Housing and Community Services Department.¶

(B) Nothing in this subsection prohibits the department from coordinating with the Housing and Community Services Department for any referral to the housing acceleration program.¶

(b) Addressing or improving fair and equitable housing outcomes or addressing barriers to fair housing choice.¶

(7) The department may refer to the housing acceleration program less than the maximum number of audits determined under section (1) when the number of eligible cities determined under sections (2) and (3) is less than the maximum determined under section (1).

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130

AMEND: 660-008-0325

RULE SUMMARY: This rule sets out the process, inputs, and outputs of an audit conducted by DLCD for a city referred into the Housing Acceleration program.

CHANGES TO RULE:

660-008-0325

Department Audit for Cities Referred into the Housing Acceleration Program

For cities referred to the housing acceleration program under ORS 197A.130(3), within six months of issuance of public notice of referral under section (1), the department must, in cooperation with the city, complete an audit of specific housing barriers.¶¶

(1) The department must provide public notice of referral for each city referred to the housing acceleration program under OAR 660-008-0310 to OAR 660-008-0320, to notice recipients under OAR 660-008-0215, to all tribeal governments as identified under OAR 660-008-0075(5)(c)(B), and to affected public bodies by July 1 of each calendar year. The notice must include:¶¶

(a) Findings documenting the basis of referral for each city referred to the housing acceleration program, including one or more of the following:¶¶

(A) Failure to adopt a housing capacity analysis, housing production strategy, or midpoint report as provided under OAR 660-008-0310;¶¶

(B) Failure to undertake an action or actions in an adopted housing production strategy as provided under OAR 660-008-0315;¶¶

(C) Referral to the housing acceleration program by the commission under ORS 197A.130(3)(d); or¶¶

(D) Referral to the housing acceleration program based on city performance as provided under OAR 660-008-0320.¶¶

(b) A description of the housing acceleration program and procedures provided in this rule;¶¶

(c) Any required actions or materials that a referred city must complete or submit to the department under subsection (2) and how and where these materials may be freely obtained by the public;¶¶

(d) That the public may submit comment to the department within 45 days of notice provided under section (3); and¶¶

(e) That actions taken by the city or the department under the housing acceleration program are not land use decisions and are not subject to appeal or review.¶¶

(f) For notice to tribeal governments, specific and direct outreach to each of the tribeal governments as identified under OAR 660-008-0200(1)(c)(B) by inviting government-to-government consultation from tribal leadership and coordination from tribal staff regarding the identification of barriers to housing production in the audit.¶¶

(2) For all audits, within 45 days of public notice of referral to the housing acceleration program, a referred city must provide the notice of referral to the governing body of the city and submit to the department the following information, if available and relevant to the basis for referral:¶¶

(a) The adopted housing capacity analysis, housing production strategy, adoption record including all public testimony, and midpoint report, if not already submitted to the department. A city referred to the housing acceleration program under OAR 660-008-0310 may submit any available draft materials related to an impending housing production strategy;¶¶

(b) Information related to actions and inactions that impact local fair and equitable housing outcomes, environmental justice, climate resilience and location choice that is not otherwise captured in the housing production strategy;¶¶

(c) Any summary materials related to engagement conducted by the city that is not otherwise captured in the housing production strategy;¶¶

(d) Information related to current funding and staff capacity of the city, including publicly-available departmental budget and staffing information;¶¶

(e) Any localized information or studies related to housing market dynamics such as localized market pricing and rents, local housing development dynamics, or other market-related factors that are not otherwise captured by state data sources, if available;¶¶

(f) Information related to the local development of housing development at or below 80 percent of average median income, including local development contacts, local funding programs/investments, or recent development projects, if available;¶¶

(g) Information related to the local development of housing, including:¶¶

(A) Land use planning regulations, including zoning and development code;¶¶

(B) Permitting and approval processes relating to development of housing and infrastructure supporting housing;¶¶

(C) Required fees, exactions, and improvements; and¶¶

- (D) Any public facilities plans, capital improvement plans, or actions or investments to prepare land for residential development;¶
- (h) Any potential barriers or issues that the city requests consideration by the department in the audit, including but not limited to:¶
 - (A) Local resource deficiencies, including staffing, public facilities, capital improvements to infrastructure, availability of buildable lands, and actions or investments to prepare land for development;¶
 - (B) Specific additional state resources that could support housing production;¶
 - (C) Any state laws or rules or the regulations, policies, actions or inactions of any public body that could impact housing production; and¶
 - (D) Other factors limiting housing that are not within the city's control.¶
- (i) Where a city does not have access to or fails to provide suitable information under this section, the department may utilize best available information to support the findings of an audit;¶
- (j) Nothing in this section prohibits the department from utilizing other sources of relevant data or information, including but not limited to information collected under sections (3) and (4).¶
- (3) For all audits, within ten days of receipt of the submission under section (2), the department must compile submitted information and notify recipients under section (1) that public comment may be submitted to the department within 45 days of the notice date. The department must:¶
 - (a) Provide in a publicly available format any relevant audit materials, including the notice provided under section (1) and materials submitted under section (2)¶
 - (b) Instructions for delivering public comment to the department; and¶
 - (c) Append any comments submitted within 45 days to the audit published under section (6).¶
- (4) For comprehensive audits, in addition to public comment under section (3), the department must solicit and consider additional contextual information to support audit findings, which may include:¶
 - (a) In consideration of engagement summaries submitted under subsection (2)(c), supplemental equitable engagement and invited feedback from interested parties, including but not limited to:¶
 - (A) City staff and public officials;¶
 - (B) Local or regional market-rate housing developers;¶
 - (C) Local or regional subsidized affordable housing developers;¶
 - (D) Local or regional community-based and non-governmental organizations;¶
 - (E) Community members, including those described under OAR 660-008-0200(1) and (2)(b)(K); ¶
 - (F) Other relevant public bodies that affect housing production within the city; ¶
 - (G) Tribal governments within the region, if any; and¶
 - (H) Other relevant market or affordable housing-related actors that affect housing production within the city, including lenders, laborers, and occupants.¶
 - (b) Engagement and coordination with affected public bodies on barriers or issues that extend beyond a city's control, including:¶
 - (A) County or regional coordination as it relates to urbanization and regional programs and resources, including Metro for cities within Metro;¶
 - (B) Special district and utility coordination as it relates to the provision of public facilities to support housing production; and¶
 - (C) State agency coordination as it relates to policies and programs that affect housing production within a city.¶
- (c) For audits focused on affordable housing production, concurrent review with the Housing and Community Services Department. In addition to the materials submitted under section (2), the department may require the following additional information from a city, if available:¶
 - (A) Any contextual information related to affordability not reflected in statewide housing data, including but not limited to naturally occurring affordable housing, tenant assistance or vouchers, or homeownership programs; or¶
 - (B) Information related to subsidized affordable housing development proposals and inquiries, including any contact information, permitting information, and public record information relating to development application approvals or denials:¶
 - (i) For cities within Metro, the previous six calendar years.¶
 - (ii) For cities outside of Metro, the previous eight calendar years.¶
- (d) Nothing in this section prohibits the department from soliciting or considering additional contextual information or invited stakeholder feedback for audits that are not comprehensive audits.¶
- (5) In conducting the audit, the department must evaluate and prioritize the following, including the provision of resources and intergovernmental coordination to support local actions related to:¶
 - (a) Existing and expected barriers to fair housing choice, including barriers contributing to fair housing issues identified under OAR 660-008-0075 in the most recently adopted or amended housing production strategy;¶
 - (b) ~~Adoption-ready actions under OAR 660-008-0210 to address identified barriers to housing production, affordability, and choice.~~ Barriers to adoption or implementation of actions described in OAR 660-008-0200(3);¶

(c) Barriers to adoption or implementation of relevant adoption-ready actions.¶

(ed) Barriers to housing production in climate-friendly areas under OAR 660-012-0310;¶

(de) Acceleration of total production and production of housing affordable to households earning at or below 80 percent area median income, compared to the city's previous housing production strategy cycle and relative to the region and market peers as determined by the housing production dashboard. Pursuant to data availability, the department will consider acceleration of production at each of the following income levels:¶

(iA) Housing affordable to households making less than 30 percent of area median income;¶

(iiB) Housing affordable to households making 30 percent or more and less than 60 percent of area median income; ¶

(iiiC) Housing affordable to households making 60 percent or more and less than 80 percent of area median income; ¶

(ivD) Housing affordable to households making 80 percent or more and less than 120 percent of area median income.¶

(6) Within six months of public notice issued under section (1), the department must publish an audit of specific housing barriers, including those identified in the contextualized housing need under OAR 660-008-0075. The audit that must include an analysis of the factors provided in ORS 197A.130(4). For each identified barrier, the audit must contain:¶

(a) A description of the identified barrier, including a descrip. The department must consider existing and expected local barriers as they relate to identified fair housing issues in the contextualized housing need analysis under OAR 660-008-0075. This description must include:¶

(A) Explanation of how the barrier relates to the city's basis for referral to the housing acceleration program. The department must consider existing and expected local, and¶

(B) Identification of the barrier as one of the following key barriers as it relates to identified fair housing issues in the contextualized housing need analysis under OAR 660-008-0075, if applicable:¶

(i) Development or zoning code that does not meet the applicable standards represented in OAR 660-008-0200(3) per OAR 660-008-0425(5)¶

(ii) Non-adoption of applicable incentives in OAR 660-008-0200(3) or incentives that are of commensurate in impact.¶

(b) An evaluation of factors that may affect or relate to an identified barrier, including:¶

(A) Market conditions and factors related to or affecting the barrier;¶

(B) City context, including existing actions, investments, policies, or programs related to the barrier and an evaluation of city funding and staff capacity to undertake additional action;¶

(C) Regional context, including actions, investments, policies, or programs of relevant local or regional public bodies that affect the barrier, if applicable; and¶

(D) Statewide context, including actions, investments, policies, or programs of relevant statewide public bodies that affect the barrier, if applicable;¶

(c) Identified regional, state, and federal orders, agreements, actions, programs, or investments that could support or hinder local action to addressing the identified barriers, if any;¶

(d) An identification of relevant actions proposed in the existing housing production strategy and evaluation of the efficacy of the action or actions to address identified barrier;¶

(e) If the barrier can be partially or wholly addressed via city action, one or more alternative actions provided by the department that can address the identified barrier. Any action provided under this section must include:¶

(A) A description of the action, including any relevant case studies, resources, or adoption-ready policies furnished by the department;¶

(B) An evaluation of the approximate funding and staff capacity necessary to undertake the action;¶

(C) An evaluation of the city's proportionate financial resources and staff capacity to undertake an action;¶

(D) If the action requires multiple public bodies for implementation, a description of the public bodies and concurrent actions necessary for local implementation; and¶

(E) An evaluation of the approximate magnitude of impact that the action will likely have on the identified barrier.¶

(7) For each barrier identified in the audit, the department must determine whether the factors affecting housing production, affordability, and choice are a consequence of policies and practices that are directly within the city's control under ORS 197A.130(8)(a). Actions identified under subsection (6)(e) are directly within a city's control if the action:¶

(a) Is within the jurisdictional control of the city;¶

(b) Can reasonably be implemented with available city resources and staff capacity identified under paragraph (6)(e)(C), supported by technical and financial assistance provided by the department; and¶

(c) The department can sufficiently provide technical and financial assistance necessary to support city implementation.¶

- (8) Where the department concludes under section (7) that a city lacks reasonable existing resources and staff capacity to implement actions to address an identified barrier, the audit must also include and prioritize actions that build city capacity, including consideration of:¶¶
- (a) Any identified state or federal programs or investments that can increase local capacity; and¶¶
 - (b) Existing and projected city revenue that can increase local capacity, including actions that increase or stabilize local revenue or dedicate funds for increased local capacity.¶¶
- (9) After the department publishes an audit under section (6) it shall notify all parties described in section (1) through (4) and provide access to the published audit in a publicly available format. The city must provide the published audit to the governing body of the city.¶¶
- (10) Any local government may voluntarily request the department conduct an audit of local, regional, or state barriers.¶¶
- (a) A request by a local government or city may be submitted to the department at any time. The request must specify:¶¶
 - (A) The scope of issues or barriers the audit is intended to address;¶¶
 - (B) The preferred timeframe for an audit to occur;¶¶
 - (C) Any relevant local or regional governments or state agencies that relate to the identified issue or issues; and¶¶
 - (D) How the request relates to current or future work the local government or city will complete, including an adopted or future housing production strategy.¶¶
- (b) If the department accepts the request, the requirements of ORS 197A.130 and OAR 660-008-0325 to OAR 660-008-0335 do not apply, and the findings of the audit are non-binding on the department and the local government or city.¶¶
- (c) In considering whether to approve a request made under this section, the department must prioritize:¶¶
- (A) Mandatory referrals to the housing acceleration program made under OAR 660-008-0310 to 660-008-0320,¶¶
 - (B) Supporting the implementation of an existing or future housing production strategy under ORS 197A.100,¶¶
 - (C) Addressing substantial issues that inhibit housing production, affordability, and choice or best advances the purpose described in OAR 660-008-0000, and¶¶
 - (D) Issues or barriers that are most readily addressed by an audit or intervention by the department.¶¶
- (d) In lieu of an audit, the department may provide alternative options to a local government or city to address an identified issue or issues in an audit request, including the provision of technical or financial support, as available.¶¶
- (e) Nothing in this section prohibits the department from making mandatory referrals to the housing acceleration program under ORS 197A.130(3).¶¶
- (11) As part of the summary of housing production strategies under OAR 660-008-0215(9), the department will incorporate a summary of any state policies or programs identified in audits conducted under OAR 660-008-0325.¶¶
- (12) The department may grant limited extensions to any of the deadlines of this rule for emergencies, good cause, or other factors outside of the city's control. Upon a request for a timeline extension, the department must provide a written decision within 30 days of the request, including the rationale for the extension and a revised timeline.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130

AMEND: 660-008-0330

RULE SUMMARY: This rule sets out the framework, structure, and commitments outlined in a Housing Acceleration Agreement.

CHANGES TO RULE:

660-008-0330

Housing Acceleration Agreement

Within six months following an audit completed under OAR 660-008-0325, the city and the department must enter into a housing acceleration agreement that is based on and proportionate to the city's basis for referral to the housing acceleration program under OAR 660-008-0310 to OAR 660-008-0320.¶

(1) The director and the city must sign a housing acceleration agreement within six calendar months of the publication of the audit under OAR 660-008-0325.¶

(a) The governing body of a city may designate an authorized representative to sign the agreement.¶

(b) The department must ~~p~~.¶

(A) Provide for at least a 90-day period for city review of a draft agreement before the deadline under this section. The department must g¶

(B) Grant a time extension to provide a 90-day period for city review if the department does not provide a draft agreement as provided in this subsection.¶

(c) The city must adopt a housing acceleration agreement as an appendix to the consequent or subsequent housing production strategy adopted as provided in section (3) and (4). Nothing in this section prohibits a city from entering a housing acceleration agreement and amending a housing production strategy concurrently.¶

(2) The housing acceleration agreement must specify actions, parameters, and timelines by which the department and the city respond to barriers identified in the audit published under OAR 660-008-0325.¶

(a) The department must agree to provide the following as necessary to support the city in the implementation of an action or actions specified in an agreement:¶

(A) Technical assistance, regulatory support, and other assistance;¶

(B) Financial or funding support available to the department in consideration of city funding needs identified under OAR 660-008-0325(6); and¶

(C) Assistance in pursuing other state or public funds in consideration of city funding needs identified under OAR 660-008-0325(6).¶

(b) The city must agree to take actions specified in sections (3) and (4) that proportionally address each barrier within the city's control as identified in OAR 660-008-0325(6), which may include:¶

(A) One or more of the actions proposed in the existing housing production strategy as identified in OAR 660-008-0325(6)(d).¶

(B) One or more of the alternate actions identified in OAR 660-008-0325(6)(e) to address a barrier identified in an audit; or¶

(C) An alternate action or actions to those identified in OAR 660-008-0325(6)(e). The city must demonstrate that the alternate actions address the identified barrier or barriers on an equivalent and proportionate basis to actions identified in OAR 660-008-0325(6)(e).¶

(c) The department or the city may coordinate, mediate, or enter into agreements with other public bodies to fulfill actions included in a housing acceleration agreement.¶

(3) If the published audit conducted under OAR 660-008-0325(7) determines that the factors affecting housing production, affordability, and choice for an identified barrier are a consequence of policies and practices that are directly within the city's control, the city must adopt an amended housing production strategy within six months of the execution date of the housing acceleration agreement that includes:¶

(a) A timeline for performance under ORS 197A.100(4) of no less than one year;¶

(b) Specific city actions, which may include, but are not limited to:¶

(A) Actions under ORS 197A.100(3);¶

(B) Dedicating funds for increased local capacity to facilitate housing production, affordability and choice;¶

(C) Dedicating funds for public facilities and infrastructure necessary to support housing production;¶

(D) Taking measures that increase the availability of development-ready land;¶

(E) Amending the development code, approval criteria or procedures to reduce cost or delay to housing production; and¶

(F) Taking emergency temporary measures to support housing production;¶

(G) All actions that have not been completed on schedule or replacement actions that meet the same need and have commensurate or greater magnitude of impact; and¶

(H) Actions elevated by the program and department including actions under OAR 660-008-0200(4-5), relevant adoption-ready actions and other actions on the Housing Production Strategy Guidance for Cities, and other

department resources.

(c) For actions that require coordination with other public bodies, participation in any department-initiated mediation or coordination to identify policies and resources that would support housing production in the city.

(4) For actions other than those described in section (3), the city must include findings in its subsequent housing production strategy that the actions included address the barriers identified in the audit. For actions that require coordination with other public bodies, the city may request department coordination and mediation to support city implementation of a housing production strategy.

(5) A housing acceleration agreement must include timelines with clear deadlines for the amendment of a housing production strategy under section (3), actions undertaken in the agreement, and subsequent adoption of a housing production strategy.

(a) The subsequent deadline for a housing production strategy is the latter of:

(A) Three years following the amendment of a housing production strategy under section (3); or

(B) One year after the city's deadline for completing a housing capacity analysis under OAR 660-008-0045.

(b) The department may provide extensions to a city's subsequent housing production strategy deadline under OAR 660-008-0310(1).

(6) The department will review an adopted or amended housing production strategy under OAR 660-008-0215 for consistency with the actions, timelines, and parameters in an executed housing acceleration agreement.

(7) A city must implement actions identified in a housing acceleration agreement within the timeline and parameters specified in the executed agreement. The department will address non-compliance in abiding the terms of a housing acceleration agreement as specified in OAR 660-008-0335.

(8) The department may grant limited extensions to any of the deadlines of this rule for emergencies, good cause, or other factors outside of the city's control. The department must provide a written decision within 30 days of the city's request for a timeline extension, specifying the rationale for the extension and any revised timeline.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.130

ADOPT: 660-008-0400

RULE SUMMARY: This rule establishes model ordinances for housing with distinct statutory functions. This rule will contain an attachment including a model ordinance divided into distinct components or modules that facilitate adoption or application both “in whole or in part.”

CHANGES TO RULE:

660-008-0400

Purpose of Model Ordinances

For the purpose of assisting cities in complying with housing laws and facilitating housing production, affordability, and choice, consistent with the principles of ORS 197A.025, model ordinances adopted in this section may be applied to residential development as provided in this rule.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.335

ADOPT: 660-008-0405

RULE SUMMARY: This rule contains definitions specific to Model Ordinances.

CHANGES TO RULE:

660-008-0405

Definitions for Model Ordinances

As used in OAR 660-008-0400 to 0430, the definitions in ORS chapters 197 and 197A, and OAR 660-008-0005 apply. In addition, the following definitions apply:

(1) "Adopt" or "Adoption" means the approval of an ordinance described in ORS 197A.400(1)(b)(C) by the governing body of a local government.

(2) "Application" means utilization of a model ordinance or module as the basis for approval or denial of a development application as provided in ORS 197A.400(1)(b)(C).

(3) "Design Standard" has the meaning provided in OAR chapter 660, division 046.

(4) "Housing Law" has the meaning provided in Section 1, Senate Bill 1537 (2024 Session).

(5) "Model Ordinance" means a complete set of standards or procedures applied to development as provided in ORS 197A.400 (1)(b)(C) and this rule. "Model Ordinance" and "Model Code" are interchangeable.

(6) "Module" means a component proportion of a model ordinance that is fully implementable with a complete set of standards or procedures applied to development. A module includes all applicable standards contained within the module as well as references and citations to other modules or applicable local land use regulations. A model ordinance may contain one or more modules.

(7) "Recommended Standard" means standard contained within a model ordinance that represents promising practice but allows for optional deviation where applied by a city. Recommended standards are demarcated or otherwise explicitly identified as recommended within a model ordinance.

(8) "Siting Standard" has the meaning provided in OAR chapter 660, division 046. "Siting Standard" and "Development Standard" are interchangeable.

(9) "Violate a Housing Law" means local government nonconformance with a housing law, including via locally-adopted land use regulations or as applied to a residential development application.

(10) "Zoned for residential use" means land that:

(a) Is within an urban growth boundary;

(b) Has base zoning for, or is designated to allow, residential uses;

(c) Is not zoned primarily for commercial, industrial, agricultural or public uses; and

(d) Is incorporated or urban unincorporated land.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.335

ADOPT: 660-008-0410

RULE SUMMARY: This rule is where the model ordinances are adopted as an attachment to the rule. Additionally, the rule clarifies important technical considerations governing the application of model ordinances at the local level.

CHANGES TO RULE:

660-008-0410

Model Ordinances

The Commission adopts the following model ordinances:

- (1) A model ordinance targeted for cities with a population of less than 2,500;
 - (2) A model ordinance targeted for cities with a population of 2,500 or greater and less than 25,000;
 - (3) A model ordinance targeted for cities with a population of 25,000 or greater; and
 - (4) A model ordinance under this rule:
 - (a) Does not amend nor affect locally-adopted and acknowledged land use regulations;
 - (b) Is presumed to be clear and objective as provided in ORS 197A.400;
 - (c) May apply on lands zoned for residential use, including mixed-use residential; and
 - (d) May not apply on lands that are not zoned for residential use, except where otherwise required by a housing law;
 - (5) The adoption or application of a model ordinance:
 - (a) Does not require a local government to amend or repeal locally-applicable land use regulations;
 - (b) Does not prohibit a local government from amending locally-applicable land use regulations;
 - (c) Does not affect the applicability of protective measures adopted and applied pursuant to a statewide planning goal;
 - (d) Does not trigger a requirement that a local government consider or update an analysis under a statewide planning goal relating to economic development, transportation, or public facilities; and
 - (e) Does not trigger a requirement to adopt or update a housing capacity analysis or housing production strategy as provided in OAR 660-008-0045.
 - (6) Where one or more modules cite the following provisions, those provisions are applicable:
 - (a) Provisions contained within a separate module, including but not limited to measurements and definitions; and
 - (b) Locally-applicable land use regulations.
 - (7) Where a model ordinance, module, or modules are amended by subsequent rulemaking, those amended provisions are applicable as provided in ORS 227.178 and ORS 215.427
- Statutory/Other Authority: ORS 197.040
Statutes/Other Implemented: SB 1564 (2024 Session), ORS 197.335

RULE ATTACHMENTS MAY NOT SHOW CHANGES. PLEASE CONTACT AGENCY REGARDING CHANGES.

Notice: The Model Code is currently under refinement for inclusion in LCDC's October Meeting Packet. This version was originally published in June and is included in the Secretary of State's notice as a placeholder for the final rule attachment. You will be able to find the updated Model Code published alongside other LCDC meeting materials at the following link when it is published: <https://www.oregon.gov/lcd/Commission/Pages/Meetings.aspx>

Draft Housing Model Code

How to Read this Model Code

As described in the "Model Code Discussion Memo," DLCD is directed to produce Model Codes under SB 1564 for three city sizes: small cities (< 2,500), medium cities (2,500 - 25,000), and large cities (25,000+). Each Model Code must address four specific housing types: detached single-unit, accessory dwelling unit, middle housing, and multi-unit dwellings.

Since many of the draft standards are similar for all three city sizes, for ease of review and comparison, this draft consolidates code language for all three city sizes into a single document. Requirements that are unique to a city size are noted as such. This consolidation means the draft is lengthy, even though the regulatory standards applied to a given housing type in a given city size are relatively brief and simple. Ultimately, there will be three separate Model Codes (one for each city size), with separate sections for each housing type, which could be adopted separately by reference.

The draft Model Code is written as a regulatory document and may be challenging to navigate for non-code experts. The "Model Code Discussion Memo" helps explain how the code is intended to function. In addition, reviewers may benefit by reviewing Section 10.1 (Measurement Methodologies) before starting on the standards for each housing type. This will provide helpful context for the development standards.

Most importantly, this Model Code is a draft and intended as a starting point for discussion. Substantial refinement and calibration of the standards will occur prior to the final version, to ensure that the standards facilitate the policy objectives for the broader program. The Housing Action Work Group's input is an important part of that effort.

Formatting notes:

Gray highlighted text

Where commentary and background information about the standards are provided within the draft, they are highlighted in gray. This text is

[Text in brackets]

Text that could potentially be included in the final Model Code but that is not essential to the standards. In addition, there are a few numeric ranges that have yet to be specified that are also shown in brackets. Please keep in mind that most numeric standards are initial

Text noted as
"Recommended"

To help find a balance between promising practice and useability (especially for smaller cities where use of the Model Code will be optional), certain standards are noted as "recommended." In these cases, a city could specify alternative standards when adopting the Model Code by reference.

Table of Contents

Chapter 1 – General Provisions	4
1.1. Purpose	4
1.2 Applicability	4
1.3 Relationship to Other Regulations	5
1.4 Conversions	6
Chapter 2 – Detached Single-Unit and Duplex	7
2.1 Development Standards - Detached Single-Unit and Duplex	7
2.2 Design Standards - Detached Single-Unit and Duplex	11
2.2.1 Entry Orientation and Pedestrian Connectivity	11
2.2.2 Windows and Doors	13
2.2.3 Off-Street Parking Areas	13
2.2.4 Unit Configuration	14
Chapter 3 – Triplex and Quadplex	16
3.1 Development Standards	16
3.2 Design Standards - Triplex and Quadplex	19
3.2.1 Entry Orientation and Pedestrian Connectivity	19
3.2.2 Windows and Doors	21
3.2.3 Garages and Off-Street Parking Areas	21
3.2.4 Driveway Approach	22
3.2.5 Trash Storage	24
3.2.6 Unit Configuration	25
Chapter 4 – Townhouse	26
4.1 Development Standards	26
4.2 Design Standards - Townhouse	29
4.2.1 Entry Orientation and Pedestrian Connectivity	29
4.2.2 Unit definition	32
4.2.3 Windows and Doors	33
4.2.4 Driveway Access and Parking	33
4.2.5 Trash Storage	34
Chapter 5 – Cottage Cluster	36
5.1 Development Standards - Cottage Cluster	36
5.2 Design Standards - Cottage Cluster	38
5.2.1 Cottage Orientation	38
5.2.2 Common Courtyard Design Standards	39
5.2.3 Community Buildings	40
5.2.4 Pedestrian Access	41
5.2.5. Windows and Doors	41
5.2.6 Parking Design	41
5.2.7. Accessory Structures	42
5.2.8. Existing Structures	42

5.2.9	Trash Storage	43
Chapter 6 – Multi-Unit Housing		45
6.1	Development Standards	45
6.2	Design Standards – Multi-Unit	48
6.2.1	Entry Orientation	48
6.2.2	Pedestrian Connections	50
6.2.4	Windows and Doors	51
6.2.5	Required Outdoor Area and Usable Open Space	51
6.2.6	Parking Location and Design	53
6.2.7	Screening	53
6.2.8	Trash Storage	54
Chapter 7 – Accessory Dwelling Unit		55
7.1	Development Standards - Accessory Dwelling Unit	55
7.1.1	Development Standards, Generally	55
7.1.2	Number of Units	56
7.1.3	Maximum Floor Area	56
Chapter 8 – Bonuses		58
8.1	Bonuses, Generally	58
8.2	Bonuses by Housing Type	59
8.2.1	Bonuses for Detached Single-Unit or Duplex	60
8.2.2	Bonuses for Triplex or Quadplex	62
8.2.3	Bonuses for Townhouses	64
8.2.4	Bonuses for Cottage Cluster	66
8.2.5	Bonuses for Multi-Unit Housing	68
Chapter 9 – Procedures and Applications		70
9.1	Zoning Review	70
9.2	Limited Land Use Review	72
9.3	Middle Housing Land Divisions	72
Chapter 10 – Measurement Methodologies and Definitions		78
10.1	Measurement Methodologies	78
10.1.1	Minimum Size for New Lots	78
10.1.2	Floor Area Ratio	78
10.1.3	Height	80
10.1.4	Minimum Density	81
10.1.5	Building Setbacks	81
10.1.6	Required Outdoor Area and Usable Open Space	83
10.1.7	Vehicle Parking	85
10.1.8	Bicycle Parking	86
10.1.9	Windows and Doors	87
10.2	Definitions	89

I – General Provisions

Chapter I – General Provisions

Sections:

- I.1 Purpose
- I.2 Applicability
- I.3 Relationship to Other Regulations
- I.4 Conversions

I.1. Purpose

The Housing Model Code is intended to serve multiple functions:

- To provide guidance and promising practices to local governments in facilitating housing production, affordability, and choice under Goal 10.
- Fulfill statutory direction to provide model codes that local governments can adopt in full or in part, by reference. These codes must provide clear and objective standards for the development of the following housing types: detached single-unit (DSU) housing, middle housing (MH), accessory dwelling units (ADU), and multi-unit housing (MU). The code must be segmented by city population size, including cities with populations below 2,500, cities with populations between 2,500 and 25,000, and cities with populations greater than 25,000.
- Provide a compliance and regulatory tool that:
 - Establishes promising practices related to model codes by which local governments may comply with housing laws and to remedy identified violations of housing laws for use by the Housing Accountability and Production Office (HAPO).
 - Apply directly to residential development for cities with a population of 10,000 or greater that LCDC has issued an enforcement order for failure to enter or abide the terms of a housing acceleration agreement.

I.2 Applicability

- A. Applicability to Development.** The standards apply to new residential development in all zones that allow residential uses.
- B. Exceptions.** The standards in the Model Codes do not allow the following:
 - 1. The development of housing on Goal Protected Lands, unless otherwise permitted by a city's development code through clear and objective standards, criteria, and procedures.
 - 2. The development of housing on lands that do not allow residential uses unless otherwise allowed by statute.
- C. Adjustments.** An applicant may request an adjustment to any quantitative standard in this code in accordance with the applicable city procedures for adjustments or modifications. **Note, Mandatory Adjustments, per SB 1537, may be added as a future Model Code module.**

I – General Provisions

I.3 Relationship to Other Regulations

- Subsection (A)(2) is intended to allow applicants the option of choosing a city's existing development standard(s) if that would allow more housing (e.g., a city has smaller setbacks than specified in the Model Code). In order to encourage walkable design, this exception would not allow an applicant to opt out of the design standards in the Model Code even if a city does not have a similar requirement for that housing type.
- Subsection (B) recognizes the Model Code needs to be usable for cities adopting by reference – especially small cities. The provisions in (B) explain that certain standards are "recommended" which allows small cities to specify alternative standards when adopting code.
- The list in (C) clarifies the types of regulations that the Model Code does not supersede and is generally based on SB 1537 (Adjustments).

A. Conflicts.

1. Except as provided in subsections 2, below, in the event of a conflict between this Model Code and other development and design standards applicable to regulated housing, the standards of this Model Code control.
2. If a locally adopted land use development standard conflicts with this Model Code but it would allow the development of more housing (additional square footage and/or units), an applicant may comply with either the standard in this Model Code or the locally adopted standard.

B. Recommendations when Adopting Model Code by Reference. Where a code provision in this Model Code is identified as "recommended" a city may specify alternative standards when adopting and applying the Model Code by reference. Where the city does not specify an alternative standard, the "recommended" standard applies.

C. Additional Standards Applicable to Regulated Housing. In addition to the standards identified in this Model Code, a city may only apply the following locally adopted land use regulations to regulated housing:

1. Public works standards. Exceptions granted to single-unit dwellings shall also be granted to duplexes.
2. Protective measures (plans, policies, or regulations) adopted pursuant to statewide land use planning goals (e.g., environmental and natural hazard protections).
3. Regulations related to the following:
 - i. Tree protection, retention and planting.
 - ii. Landscaping design, installation and maintenance including, but not limited to, materials and planting requirements.
 - iii. Parking lot design and installation, including, but not limited to, shading, screening, materials, and layout.
 - iv. Sustainability and greenhouse gas reduction.

D. Exceptions. In no case shall the requirements of this Model Code supersede requirements related to:

I – General Provisions

1. Health and safety, including, but not limited to, fire ingress or egress and vehicle access.
2. Hazardous or contaminated site clean-up, wildlife protection, or statewide land use planning goals relating to natural resources, natural hazards, the Willamette River Greenway, estuarine resources, coastal shorelands, beaches and dunes or ocean resources.
3. Implementation of fire or building codes, federal or state air, water quality or surface, ground or stormwater requirements or requirements of any federal, state or local law other than a land use regulation.

I.4 Conversions

The Middle Housing Model Code allows conversions of a detached single-unit dwelling to a duplex, and conversion of a detached single-unit dwelling or a duplex to a triplex or quadplex. With the passage of HB 2138, this section will likely need to be updated to reflect the following requirements:

(4)(a) Each city required to allow middle housing under subsection (2) or (3) of this section, excluding urban unincorporated land not within Metro, shall allow the lot or parcel to include existing housing consisting of:

(A) One single-unit dwelling;

(B) One single-unit dwelling plus one accessory dwelling unit; or

(C) One duplex.

(b) The city may require only the new units, and not the existing units, to comply with siting and design standards adopted under subsection (5) of this section.

When these provisions are incorporated into the final Model Code, additional revisions to clarify the relationship of housing type definitions, development standards such as scaled FAR, and bonus provisions in Chapter 8 will also be made.

Additions to, or conversions of, an existing detached single-unit dwelling or duplex into a duplex, triplex, or quadplex is allowed, provided that the addition or conversion does not increase nonconformance with applicable standards of this Model Code, unless increasing nonconformance is otherwise permitted by the city's development regulations.

2 – Detached Single-Unit and Duplex

Chapter 2 – Detached Single-Unit and Duplex

Note, the Model Code is intended to be organized so that a city can adopt by reference the standards for a single type of housing. The final version of the code may need to break apart the single-unit and duplex provisions, or otherwise clarify how they can be adopted separately, by reference.

Sections:

2.1 Development Standards - Detached Single-Units and Duplex

2.2 Design Standards - Detached Single-Unit and Duplex

2.1 Development Standards - Detached Single-Unit and Duplex

The development standards in Table 2.1 apply to Detached Single-Unit and Duplex. Standards applicable to a lot (i.e., FAR, minimum density, setbacks, and outdoor area) apply to the parent lot, not child lots created by a Middle Housing Land Division. For qualified projects, the standards in Table 2.1 may be modified by the applicable bonuses in Chapter 8.

Large Cities:

TABLE 2.1 DEVELOPMENT STANDARDS - DETACHED SINGLE-UNIT AND DUPLEX: LARGE CITIES	
Minimum Size for New Lots (see Section 10.1.1) Section 10.1.1 includes details about how lot size is determined as well as exceptions. Minimum lot size would apply to the creation of new lots only (excluding through middle housing land divisions). Housing development on existing lots would not be subject to this standard, although minimum density and maximum FAR would still apply. Lot size averaging would also be allowed.	5,000 sf
Maximum Floor Area Ratio (FAR) (see Section 10.1.2) The draft approach increases FAR by the number of units on a site, creating more flexibility and effectively giving a bonus for more housing units. Note (1) allows up to 1,000 sf of floor area for an added unit (ADU or second unit in a duplex), even if maximum FAR is exceeded. Chapter 8 offers additional FAR bonuses for affordable and/or accessible projects. FAR includes area dedicated to garages. See Section 10.1.2 for additional details about how FAR is calculated as well as exceptions (e.g., accessory structures under a certain size.)	
1 total dwelling unit	0.6 to 1
2 to 3 total dwelling units (Duplex or DSU + up to 2 ADUs) (1)	0.9 to 1
Maximum Building/Structure Height (see Section 10.1.3) Section 10.1.3 includes details about how height is calculated (vertical distance from the grade plane to the average height of the highest roof structure) and well as alternative measurements for steeply sloped lots and exceptions for appurtenances such as roof mounted solar panels.	35 ft
Minimum Density (see Section 10.1.4) The minimum density shown is the equivalent of 8 units/net acre. In order to avoid penalizing sites with constrained lands minimum density is based on the net site area. Section 10.1.4 includes details about how minimum density is calculated. Affordable housing projects would have the option of calculating density on a “per bedroom” basis.	1 unit per 5,700 sf of net site area
Minimum Setbacks (see Section 10.1.5) Section 10.1.5 includes details about how setbacks are measured. Exceptions are provided	

2 – Detached Single-Unit and Duplex

TABLE 2.1 DEVELOPMENT STANDARDS - DETACHED SINGLE-UNIT AND DUPLEX: LARGE CITIES	
for a range of building elements (e.g., eaves, trim, bay windows, ramps, etc.) and could be provided for covered porches and entrances as well. To encourage alleys, where a rear lot line abuts an alley, one half of the width of the alley will count toward meeting the rear setback. Garage entrance setbacks apply to front and street side lot lines, not alley lot lines.	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
• Garage entrance setback	18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6) Section 10.1.6 includes details about how required outdoor area and usable open space are calculated. The intention is to keep the list very flexible. All areas not covered by building or vehicle parking/circulation could be counted toward required outdoor area. Useable open space is not required for detached single-unit dwellings and duplexes.	
• Required Outdoor Area	15% of lot area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7) Section 10.1.7 includes details about how off-street vehicle parking spaces are measured and calculated. For parking minimums (if any), there would be a credit for adjacent on-street spaces.	
• Minimum number of off-street spaces	None
• Maximum number of off-street spaces	2 spaces per unit
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
NOTES: (1) If an additional unit is added to a lot with an existing dwelling unit that has been in place for at least 5 years, and the existing unit will be retained, up to 1,000 square feet of floor area is permitted even if it exceeds the maximum FAR.	

2 – Detached Single-Unit and Duplex

Medium Cities: – Recommended for cities below 10,000 population

TABLE 2.1 DEVELOPMENT STANDARDS - DETACHED SINGLE-UNIT AND DUPLEX: MEDIUM CITIES	
Minimum Size for New Lots (see Section 10.1.1)	5,000 sf
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	
• 1 total dwelling unit	0.6 to 1
• 2 to 3 total dwelling units (Duplex or DSU + up to 2 ADUs)	0.8 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Minimum Density (see Section 10.1.4) Equivalent to 8 units / net acre	1 unit per 5,700 sf of net site area
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
• Garage entrance setback	18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
• Required Outdoor Area	15% of lot area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing, ADUs, and dwelling units 1,000 sf or less in size are exempt)	1 space per unit
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
NOTES: (1) If an additional unit is added to a lot with an existing dwelling unit that has been in place for at least 5 years, and the existing unit will be retained, up to 1,000 square feet of floor area is permitted even if it exceeds the maximum FAR.	

2 – Detached Single-Unit and Duplex

Small Cities: – Recommended

TABLE 2.1 DEVELOPMENT STANDARDS - DETACHED SINGLE-UNIT AND DUPLEX: SMALL CITIES	
Minimum Size for New Lots (see Section 10.1.1)	5,000 sf
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	
• 1 total dwelling unit	0.6 to 1
• 2 total dwelling units (Duplex or DSU + ADU)	0.7 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Minimum Density (see Section 10.1.4)	None
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
• Garage entrance setback	18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
• Required Outdoor Area	20% of lot area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing, ADUs, and dwelling units 1,000 sf or less in size are exempt)	1 space per unit
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
NOTES: (1) If an additional unit is added to a lot with an existing dwelling unit that has been in place for at least 5 years, and the existing unit will be retained, up to 1,000 square feet of floor area is permitted even if it exceeds the maximum FAR.	

2 – Detached Single-Unit and Duplex

2.2 Design Standards - Detached Single-Unit and Duplex

2.2.1 Entry Orientation and Pedestrian Connectivity

A. Standard. At least one main entrance for each residential structure must meet the following standards:

- I. Be no more than 8 feet further back, as measured from the front lot line, than the plane of the longest street-facing wall of the front facade of the structure, and must:
 - a. Face the street (see Figure 2.2.1.a);
 - b. Be at an angle of up to 45 degrees from the street (see Figure 2.2.1.b); or
 - c. Open onto a covered porch or patio (see Figure 2.2.1.c). The porch or patio must:
 - i. Be at least 25 square feet in area; and
 - ii. Have at least one entrance facing the street; and
 - iii. If a covered patio is used to meet this standard, it must be at-grade and barrier-free and access must be available via an accessible pathway.
2. Connect to the sidewalk by a hard-surfaced pathway other than a driveway. Where there is no sidewalk abutting the property, the pathway may terminate at the street lot line.

B. Exceptions.

1. Any detached structure for which more than 50 percent of its street-facing facade is separated from the street property line by a dwelling or buildable lot is exempt from meeting these standards.
2. Accessory dwelling units are exempt from meeting these standards.

2 – Detached Single-Unit and Duplex

Note, in the final Model Code, steps will be removed from all diagrams to avoid implying that stairs are encouraged or required.

Figure 2.2.1.a. Main Entrance Facing the Street

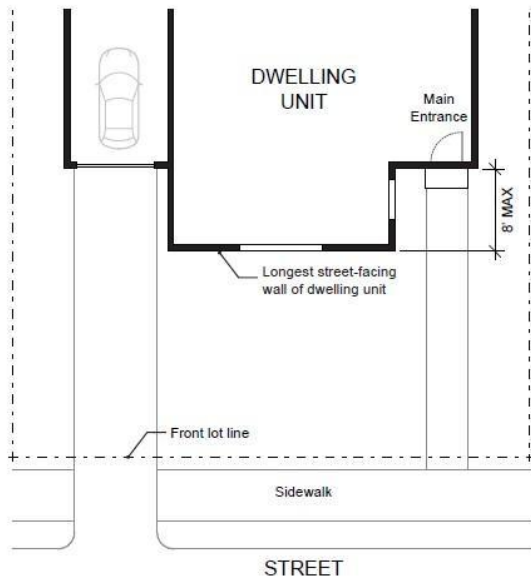


Figure 2.2.1.b. Main Entrance at 45° Angle from the Street

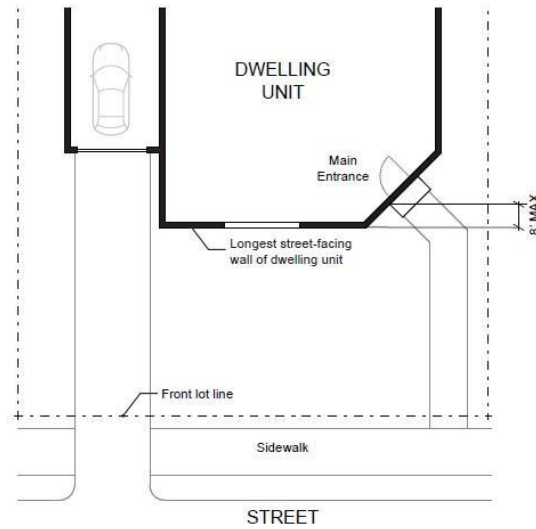
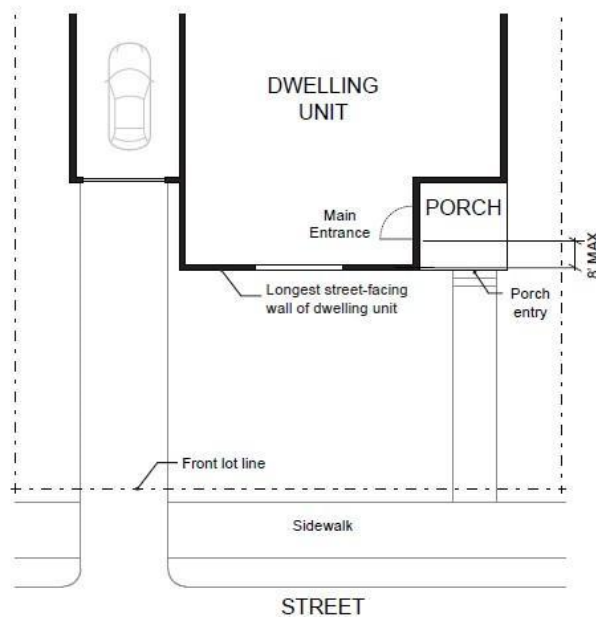


Figure 2.2.1.c. Main Entrance Opening onto a Porch



2 – Detached Single-Unit and Duplex

For discussion – additional standards from Climate-Friendly & Equitable Communities (CFEC) Walkable Design Standards.

[X.X.X Transitions to Residential Entrances. The following standards apply to each main entrance that is 10 feet or closer to a street lot line and provides direct access to a dwelling unit. The main entrance must be set back at least 5 feet from the street lot line and have at least two of the following within the setback:

1. A wall or fence that is 18 to 36 inches high;
2. Landscaping that meets the [local planting standard];
3. For each street-facing entrance, one small canopy tree between 1.5 and 6 inches in diameter, that will achieve a mature canopy spread of at least 10 feet;
4. Common or private open space outdoor area of at least 48 square feet designed so that a 4-foot by 6-foot dimension will fit entirely within it.]

2.2.2 Windows and Doors

- A. Standard.** A minimum of 15 percent of the area of all street-facing facades (other than those facing an alley) must include windows or entrance doors. See Section 10.1.9 for measurement methodology.
- B. Exceptions.** Facades separated from the street property line by a dwelling or buildable lot are exempt from meeting this standard.

2.2.3 Off-Street Parking Areas

A. Standards.

1. Garages and off-street parking areas shall not be located between a building and a public street (other than an alley), except in compliance with the standards in subsections (a) or (b).
 - a. The garage or off-street parking area is separated from the street property line by a dwelling; or
 - b. The combined width of all garages and outdoor on-site parking and maneuvering areas does not exceed a total of 50 percent of the street frontage (see Figure 2.2.3.a).
2. The total width of all driveway approaches must not exceed 32 feet, as measured at the property lines.

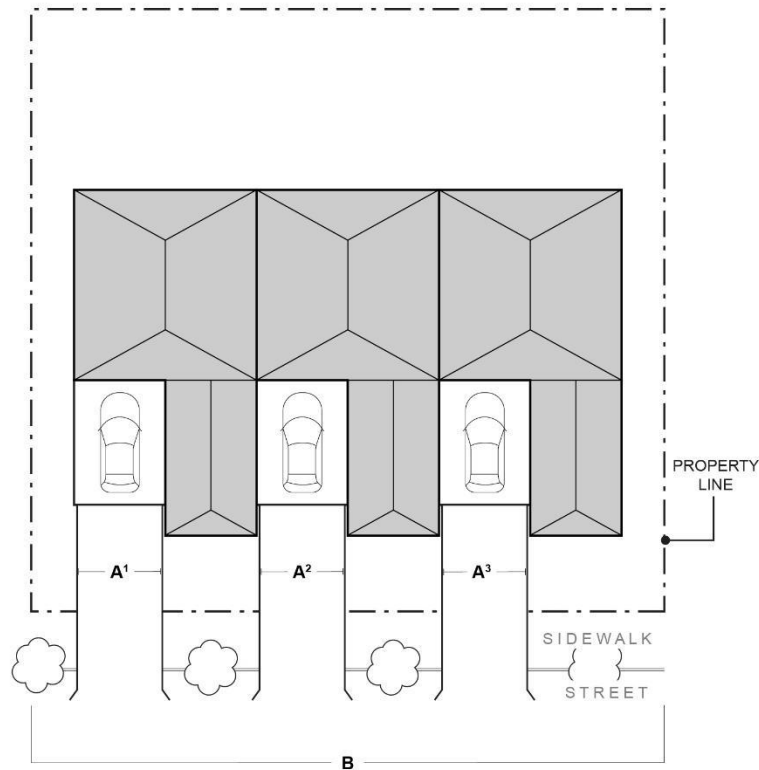
B. Exceptions.

1. Accessible or adaptable dwellings are exempt from Standard (A)(1). This exemption allows accessible or adaptable dwellings to have wider driveways to accommodate vans and loading space.
2. Alley-access lots or parcels are exempt from Standard (A)(2).

2 – Detached Single-Unit and Duplex

Figure 2.2.3.a. Width of Garages and Parking Areas

Note, an updated figure will be needed if the final Model Code includes this standard for DSU and duplex.



- (A) Garage and on-site parking and maneuvering areas
- (B) Total street frontage

$$\frac{A^1 + A^2 + A^3}{B} \leq 50\%$$

2.2.4 Unit Configuration

The Model Code enables additional flexibility to allow detached duplex configurations where certain size, affordability, or adaptability standards are met. The current draft allows one detached unit (an ADU or duplex unit) provided it's a small unit under 1,000 sf. Larger detached units are allowed if they are affordable or accessible, per bonus options in Chapter 8.

A. Standard.

- I. Duplex units must be attached to each other except as provided in subsection (B).

2 – Detached Single-Unit and Duplex

2. Accessory dwelling units may be attached to a single-unit dwelling or detached in accordance with Chapter 7.

B. Exceptions. Detached duplex units are permitted only where:

1. No more than one detached unit on the lot exceeds 1,000 square feet; or
2. The unit(s) are qualified projects in accordance with the bonus provisions in Chapter 8.

3 – Triplex and Quadplex

Chapter 3 – Triplex and Quadplex

Note, the Model Code is intended to be organized so that a city can adopt by reference the standards for a single type of housing. The final version of the code may need to break apart the Triplex and Quadplex provisions, or otherwise clarify how they can be adopted separately, by reference.

Sections:

3.1 Development Standards – Triplex and Quadplex

3.2 Design Standards – Triplex and Quadplex

3.1 Development Standards

The development standards in Table 3.1 apply to Triplexes and Quadplexes. Standards applicable to a lot (i.e., FAR, minimum density, setbacks, and outdoor area) apply to the parent lot, not child lots created by a Middle Housing Land Division. For qualified projects, the standards in Table 3.1 may be modified by the applicable bonuses in Chapter 8.

Large Cities:

TABLE 3.1 DEVELOPMENT STANDARDS - TRIPLEX AND QUADPLEX: LARGE CITIES	
Minimum Size for New Lots (see Section 10.1.1)	
Triplex or Quadplex	5,000 sf
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	
3 total dwelling units (Triplex) On a 5,000 sf lot, this translates to an average unit size of ~1,833 sf	1.1 to 1
4 total dwelling units (Quadplex)	1.4 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Minimum Density (see Section 10.1.4) This is the equivalent of approximately 16 units / net acre	1 unit per 2,720 sq ft. of net site area
Minimum Setbacks (see Section 10.1.5)	
Front building setback	5 ft
Side building setback	5 ft
Rear building setback	5 ft
Garage entrance setback	5/18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
Required Outdoor Area	15% of lot area
Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
Minimum number of off-street spaces	None
Maximum number of off-street spaces	2 spaces per unit

3 – Triplex and Quadplex

TABLE 3.1 DEVELOPMENT STANDARDS - TRIPLEX AND QUADPLEX: LARGE CITIES	
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None

Medium Cities: – Recommended for cities below 10,000 population

TABLE 3.1 DEVELOPMENT STANDARDS - TRIPLEX AND QUADPLEX: MEDIUM CITIES	
Minimum Size for New Lots (see Section 10.1.1)	
• Triplex or Quadplex	5,000 sf
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	
• 3 total dwelling units (Triplex)	1.1 to 1
• 4 total dwelling units (Quadplex)	1.2 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Minimum Density (see Section 10.1.4) This is the equivalent of approximately 12 units / net acre	1 unit per 3,630 sf of net site area
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
• Garage entrance setback	18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
• Required Outdoor Area	15% of lot area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt) This is generally aligned with the Middle Housing Model Code.	1 space per triplex 2 spaces per quadplex
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None

3 – Triplex and Quadplex

Small Cities: - Recommended

TABLE 3.1 DEVELOPMENT STANDARDS – TRIPLEX AND QUADPLEX: SMALL CITIES	
Minimum Size for New Lots (see Section 10.1.1)	
• Triplex or Quadplex	5,000 sf
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	
• 3 total dwelling units (Triplex)	1.0 to 1
• 4 total dwelling units (Quadplex)	1.1 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Minimum Density (see Section 10.1.4)	None
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
• Garage entrance setback	18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
• Required Outdoor Area	20% of lot area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt)	1 space per triplex 2 spaces per quadplex
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None

3 – Triplex and Quadplex

3.2 Design Standards - Triplex and Quadplex

3.2.1 Entry Orientation and Pedestrian Connectivity

A. Standard. At least one main entrance for each residential structure must comply with all the following standards:

1. Be no more than 8 feet further back, as measured from the front lot line, than the plane of the longest street-facing wall of the front facade of the structure.
2. Be oriented to:
 - a. Face the street (see Figure 3.2.1.a),
 - b. Be at an angle of up to 45 degrees from the street (see Figure 3.2.1.b);
 - c. Face a common open space that is adjacent to the street and is abutted by dwellings on at least two sides (see Figure 3.2.1.c) or
 - c. Open onto a covered porch or patio (see Figure 3.2.1.d). The porch or patio must:
 - i. Be at least 25 square feet in area; and
 - ii. Have at least one entrance facing the street; and
 - iii. If a covered patio is used to meet this standard, it must be at-grade and barrier-free and access must be available via an accessible pathway.
3. Connect to the sidewalk by a hard-surfaced pathway other than a driveway. Where there is no sidewalk abutting the property, the pathway may terminate at the street lot line.

B. Exceptions.

1. Any detached structure for which more than 50 percent of its street-facing facade is separated from the street property line by a dwelling or buildable lot is exempt from meeting these standards.

3 – Triplex and Quadplex

Note, in the final Model Code, steps will be removed from all diagrams to avoid implying that stairs are encouraged or required.

Figure 3.2.1.a. Main Entrance Facing the Street

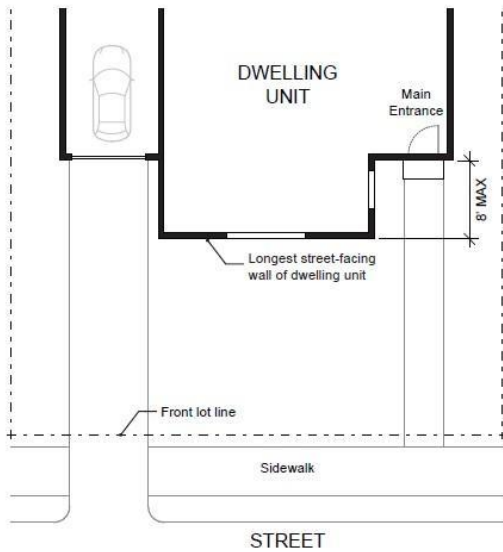


Figure 3.2.1.b. Main Entrance at 45° Angle from the Street

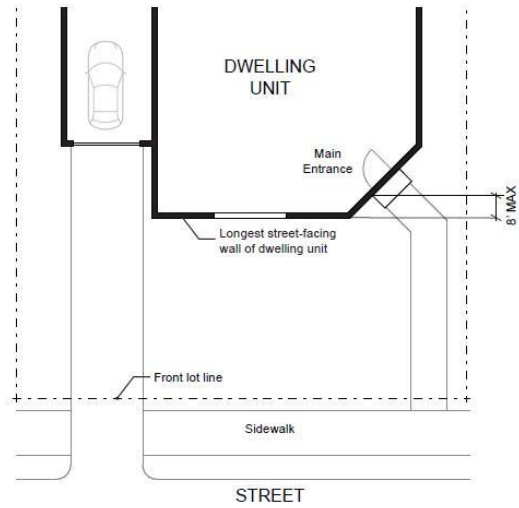


Figure 3.2.1.c. Main Entrance Opening onto a Porch

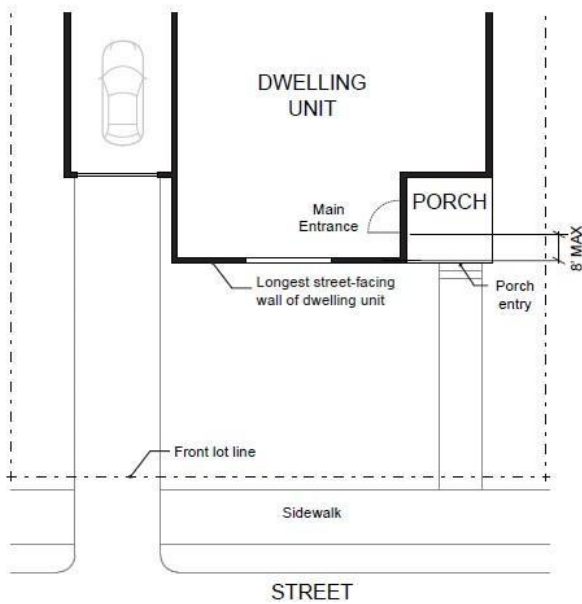
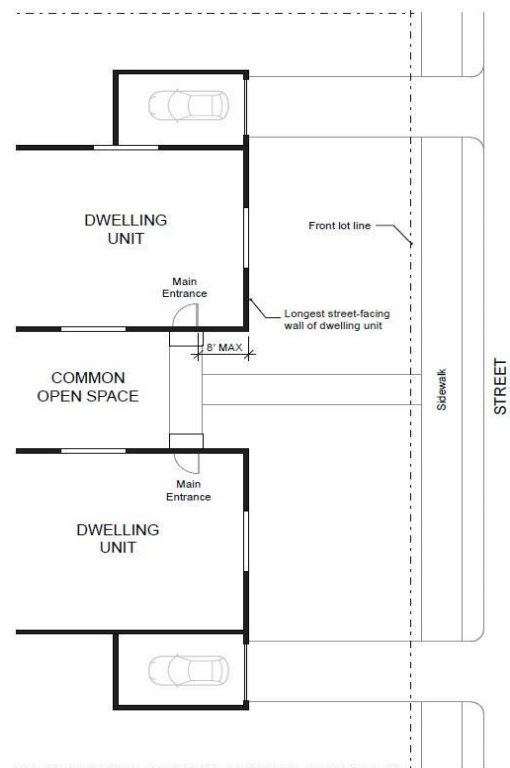


Figure 3.2.1.d. Main Entrance Facing Common Open Space



3 – Triplex and Quadplex

For discussion – additional standards from CFEC Walkable Design Standards Model Code.

[X.X.X Transitions to Residential Entrances. The following standards apply to each main entrance that is 10 feet or closer to a street lot line and provides direct access to a dwelling unit. The main entrance must be set back at least 5 feet from the street lot line and have at least two of the following within the setback:

1. A wall or fence that is 18 to 36 inches high;
2. Landscaping that meets the [local planting standard];
3. For each street-facing entrance, one small canopy tree between 1.5 and 6 inches in diameter, that will achieve a mature canopy spread of at least 10 feet;
4. Common or private open space outdoor area of at least 48 square feet designed so that a 4-foot by 6-foot dimension will fit entirely within it.]

3.2.2 Windows and Doors

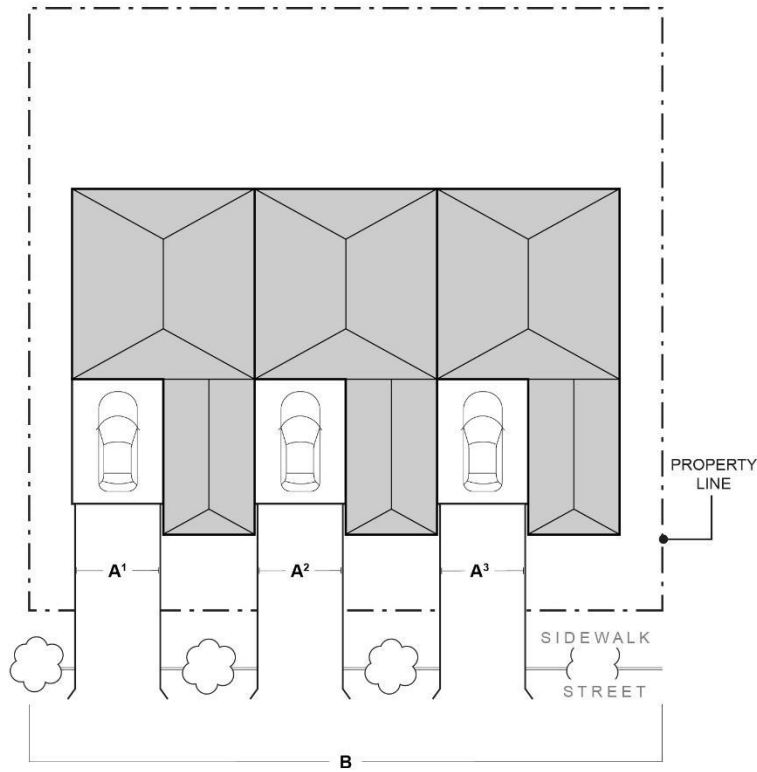
- A. Standard.** A minimum of 15 percent of the area of all street-facing facades (other than those facing an alley) must include windows or entrance doors. See Section 10.1.9 for measurement methodology.
- B. Exceptions.** Facades separated from the street property line by a dwelling or buildable lot are exempt from meeting this standard.

3.2.3 Garages and Off-Street Parking Areas

- A. Standard.** Garages and off-street parking areas shall not be located between a building and a public street (other than an alley), except in compliance with the standards in subsections (1) or (2).
 1. The garage or off-street parking area is separated from the street property line by a dwelling; or
 2. The combined width of all garages and outdoor on-site parking and maneuvering areas does not exceed a total of 50 percent of the street frontage (see Figure 3.2.3.a).
- B. Exceptions.**
 1. Accessible dwellings are exempt from meeting this standard.

3 – Triplex and Quadplex

Figure 3.2.3.a. Width of Garages and Parking Areas



- Ⓐ Garage and on-site parking and maneuvering areas
- Ⓑ Total street frontage

$$\frac{A^1 + A^2 + A^3}{B} \leq 50\%$$

3.2.4 Driveway Approach

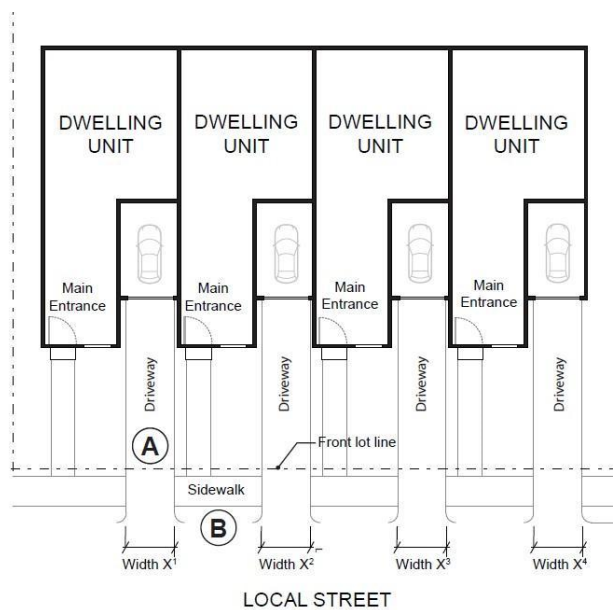
A. Standard. Driveway approaches must comply with the following:

1. The total width of all driveway approaches must not exceed 32 feet per frontage, as measured at the property line (see Figure 3.2.4.a). For lots or parcels with more than one frontage, see subsection (3).
2. Driveway approaches may be separated when located on a local street (see Figure 3.2.4.a). If approaches are separated, they must meet the jurisdiction's driveway spacing standards applicable to local streets.
3. In addition, lots or parcels with more than one frontage must comply with the following:

3 – Triplex and Quadplex

- a. Lots or parcels must access the street with the lowest transportation classification for vehicle traffic. For lots or parcels abutting an improved alley (defined as an alley that meets the jurisdiction's standards for width and pavement), access must be taken from the alley (see b).
- b. Lots or parcels with frontages only on collectors and/or arterial streets must meet the jurisdiction's access standards applicable to collectors and/or arterials.
- c. Triplexes and quadplexes on lots or parcels with frontages only on local streets may have either:
 - i. Two driveway approaches not exceeding 32 feet in total width on one frontage; or
 - ii. One maximum 16-foot-wide driveway approach per frontage (see Figure 3.2.4.c).

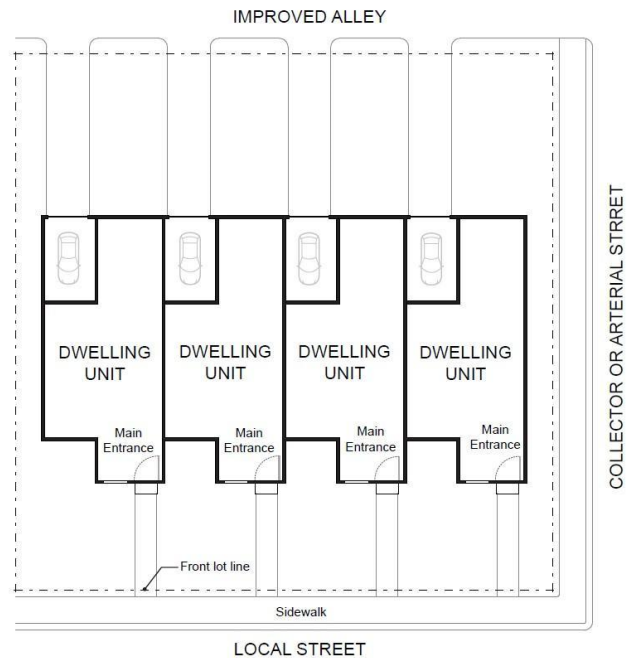
Figure 3.2.4.a. Driveway Approach Width and Separation on Local Street



(A) $X^1 + X^2 + X^3 + X^4$ must not exceed 32 feet per frontage,

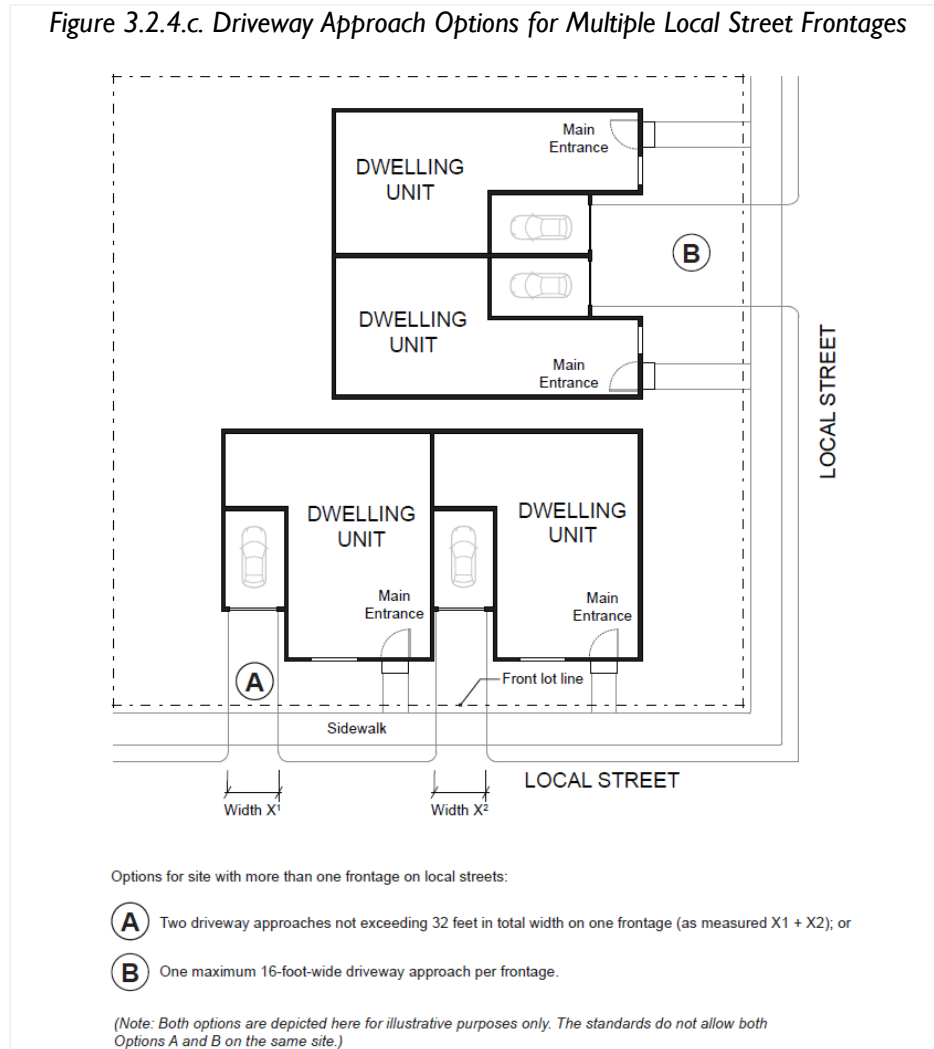
(B) Driveway approaches may be separated when located on a local street

Figure 3.2.4.b. Alley Access



3 – Triplex and Quadplex

Figure 3.2.4.c. Driveway Approach Options for Multiple Local Street Frontages



B. Exceptions.

- I. Accessible dwellings are exempt from meeting the standards in subsections I and 3.c.

3.2.5 Trash Storage

A. Standard.

- I. Unless stored within a building, shared storage facilities for trash receptacles and recycling shall be oriented away from building entrances, separated from residences on abutting properties by at least 5 feet, and shall be screened with an evergreen hedge or solid fence or wall of not less than 5 feet in height.

B. Exceptions. None.

3 – Triplex and Quadplex

3.2.6 Unit Configuration

- A. Standard.** The units in a triplex or quadplex must be attached to each other except as provided in subsection (B).
- B. Exceptions.** Detached triplex or quadplex units are permitted only where:
 - 1. No more than one detached unit on the lot exceeds 1,000 square feet; or
 - 2. The unit(s) qualify for a bonus in accordance with the provisions in Chapter 8.

4 – Townhouse

Chapter 4 – Townhouse

Sections:

4.1 Development Standards – Townhouse

4.2 Design Standards – Townhouse

4.1 Development Standards

The development standards in Table 4.1 apply to Townhouses. FAR, minimum density, and outdoor area standards are calculated based on the entire townhouse project (not each townhouse lot). For qualified projects, the standards in Table 4.1 may be modified by the applicable bonuses in Chapter 8.

Large Cities:

TABLE 4.1 DEVELOPMENT STANDARDS - TOWNHOUSE: LARGE CITIES	
Minimum Size for New Lots (see Section 10.1.1) See allowances for lot size averaging in 10.1.1	1,250 sf
Minimum Street Frontage for Townhouse Lots with Individual Driveway Access onto a Public Street (see Section 4.2.4)	15 feet
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	1.4 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Maximum Number of Attached Townhouses per Structure	6 Townhouses
Minimum Density (see Section 10.1.4) This is the equivalent of approximately 16 units / net acre	1 unit per 2,720 sq ft. of net site area
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback (common wall lot line where units are attached is 0 feet)	0 / 5 ft
• Rear building setback	5 ft
• Garage entrance setback	5/18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
• Required Outdoor Area	15% of site area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces	None
• Maximum number of off-street spaces	2 spaces per unit
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None

4 – Townhouse

TABLE 4.1 DEVELOPMENT STANDARDS - TOWNHOUSE: LARGE CITIES

Areas Owned in Common

Common areas must be maintained by a homeowners association or other legal entity. Such legal entity may also be responsible for exterior building maintenance. A copy of any applicable covenants, restrictions and conditions must be recorded and provided to the jurisdiction prior to issuance of a building permit.

Medium Cities: – Recommended for cities below 10,000

TABLE 4.1 DEVELOPMENT STANDARDS - TOWNHOUSE: MEDIUM CITIES

Minimum Size for New Lots (see Section 10.1.1)	1,500 sf
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	1.2 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Maximum Number of Attached Townhouses per Structure	6 Townhouses
Minimum Density (see Section 10.1.4) This is the equivalent of approximately 12 units / net acre	1 unit per 3,630 sf of net site area
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback (common wall lot line where units are attached is 0 feet)	0 / 5 ft
• Rear building setback	5 ft
• Garage entrance setback	5/18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
• Required Outdoor Area	15% of site area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt)	1 space per unit
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
Areas Owned in Common	
Common areas must be maintained by a homeowners association or other legal entity. Such legal entity may also be responsible for exterior building maintenance. A copy of any applicable covenants, restrictions and conditions must be recorded and provided to the jurisdiction prior to issuance of a building permit.	

Small Cities: – Recommended

TABLE 4.1 DEVELOPMENT STANDARDS – TOWNHOUSE: SMALL CITIES

Minimum Size for New Lots (see Section 10.1.1)	1,800 sf

4 – Townhouse

TABLE 4.1 DEVELOPMENT STANDARDS – TOWNHOUSE: SMALL CITIES	
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	1.0 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 ft
Maximum Number of Attached Townhouses per Structure	4 Townhouses
Minimum Density (see Section 10.1.4)	None
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback (common wall lot line where units are attached is 0 feet)	0 / 5 ft
• Rear building setback	5 ft
• Garage entrance setback	18 ft
Required Outdoor Area and Usable Open Space (see Section 10.1.6)	
• Required Outdoor Area	20% of site area
• Usable Open Space	None
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt)	1 space per unit
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
Areas Owned in Common Common areas must be maintained by a homeowners association or other legal entity. Such legal entity may also be responsible for exterior building maintenance. A copy of any applicable covenants, restrictions and conditions must be recorded and provided to the jurisdiction prior to issuance of a building permit.	

4 – Townhouse

4.2 Design Standards - Townhouse

4.2.1 Entry Orientation and Pedestrian Connectivity

A. Standard. The main entrance of each townhouse must comply with the all the following standards:

1. Be no more than 8 feet further back, as measured from the front lot line, than the plane of the longest street-facing wall of the front facade of the structure.
2. Be oriented to:
 - a. Face the street (see Figure 4.2.1.a),
 - b. Be at an angle of up to 45 degrees from the street (see Figure 4.2.1.b);
 - c. Face a common open space that is adjacent to the street and is abutted by dwellings on at least two sides (see Figure 4.2.1.c); or
 - d. Open onto a covered porch or patio (see Figure 4.2.1.d). The porch or patio must:
 - i. Be at least 25 square feet in area; and
 - ii. Have at least one entrance facing the street.
 - iii. If a covered patio is used to meet this standard, it must be at-grade and barrier-free and access must be available via an accessible pathway.
3. Connect to the sidewalk by a hard-surfaced pathway other than the driveway. Where there is no sidewalk abutting the property, the pathway may terminate at the street lot line.

B. Exceptions.

1. Townhouses on lots that do not have public street frontage are exempt from meeting these standards.

4 – Townhouse

Note, in the final Model Code, steps will be removed from all diagrams to avoid implying that stairs are encouraged or required.

Figure 4.2.1.a. Main Entrance Facing the Street

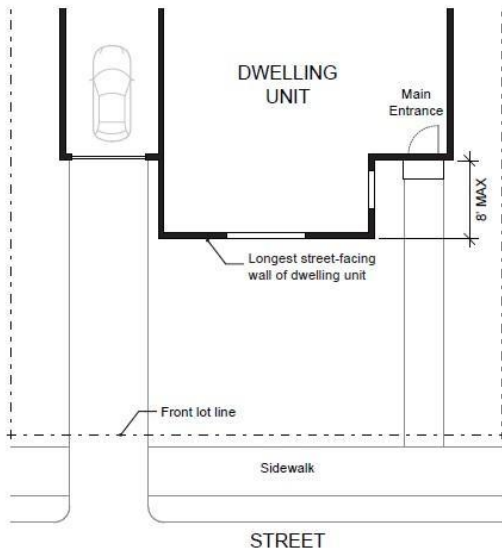
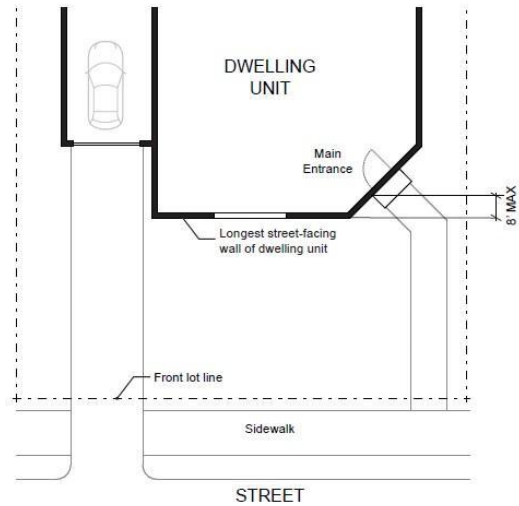


Figure 4.2.1.b. Main Entrance at 45° Angle from the Street



4 – Townhouse

Figure 4.2.1.c. Main Entrance Opening onto a Porch

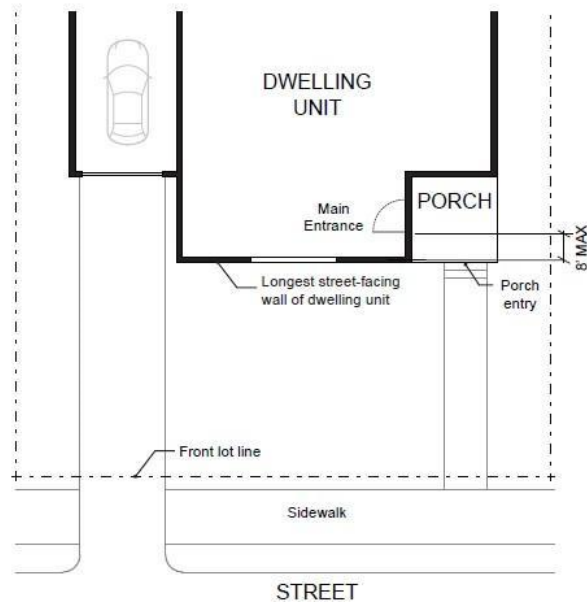
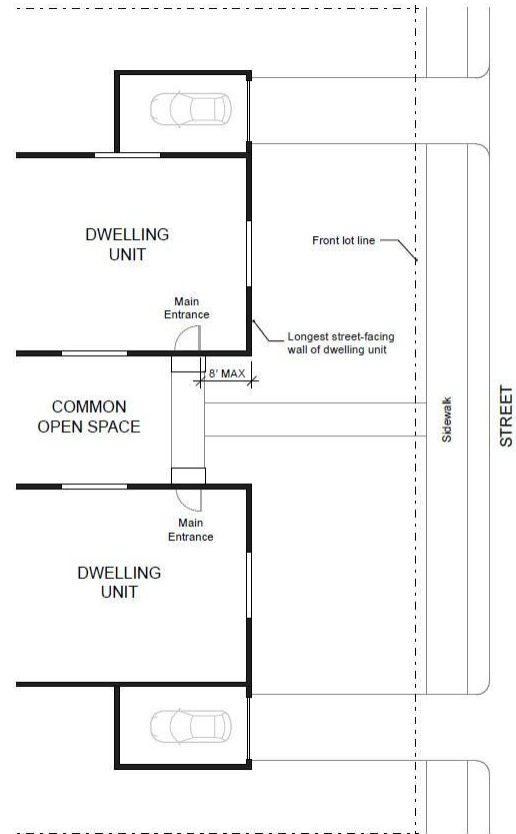


Figure 4.2.1.d. Main Entrance Facing Common Open Space



For discussion – additional standards from CFEC Walkable Design Standards.

[X.X.X Transitions to Residential Entrances. The following standards apply to each main entrance that is 10 feet or closer to a street lot line and provides direct access to a dwelling unit. The main entrance must be set back at least 5 feet from the street lot line and have at least two of the following within the setback:

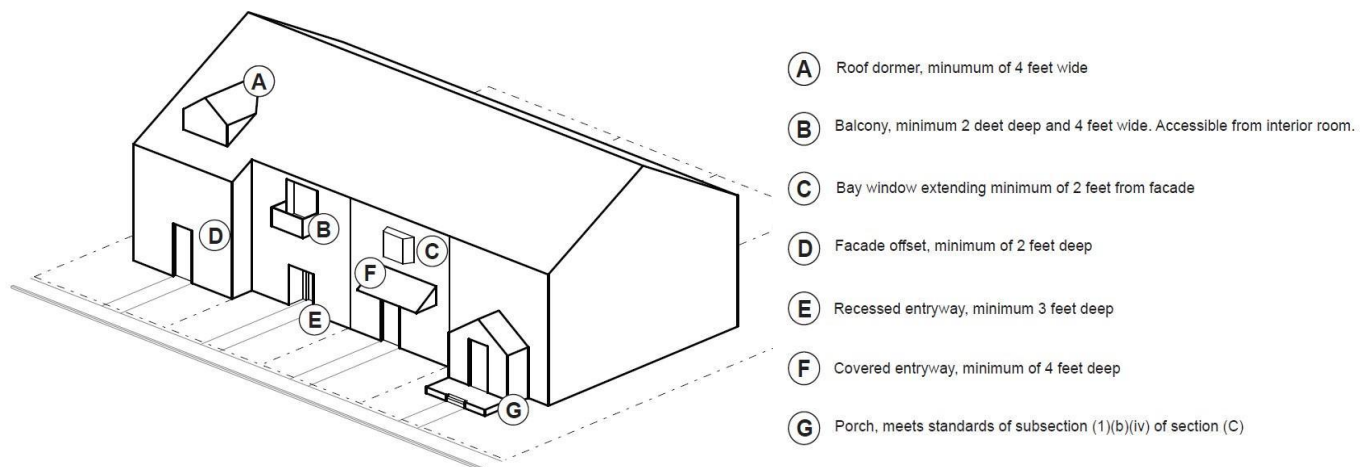
1. A wall or fence that is 18 to 36 inches high;
2. Landscaping that meets the [local planting standard];
3. For each street-facing entrance, one small canopy tree between 1.5 and 6 inches in diameter, that will achieve a mature canopy spread of at least 10 feet;
4. Common or private outdoor area of at least 48 square feet designed so that a 4-foot by 6-foot dimension will fit entirely within it.]

4 – Townhouse

4.2.2 Unit definition

- A. Standard.** Each townhouse must include at least one of the following on at least one street-facing façade (see Figure 4.2.2.a):
1. A roof dormer a minimum of 4 feet in width.
 2. A balcony a minimum of 2 feet in depth and 4 feet in width and accessible from an interior room.
 3. A bay window that extends from the facade a minimum of 2 feet.
 4. An offset of the facade of a minimum of 2 feet in depth, either from the neighboring townhouse or within the façade of a single townhouse.
 5. An entryway that is recessed a minimum of 3 feet.
 6. A covered entryway with a minimum depth of 4 feet.
 7. A porch meeting the standards of subsection 4.2.1(A)(2)(d).
- B. Exceptions.** Facades separated from the street property line by a dwelling are exempt from meeting this standard.

Figure 4.2.2.a. Townhouse Unit Definition



4 – Townhouse

4.2.3 Windows and Doors

- A. Standard.** A minimum of 15 percent of the area of all street-facing facades (other than those facing an alley) on each individual unit must include windows or entrance doors. See Section 10.1.9 for measurement methodology.
- B. Exceptions.** Facades separated from the street property line by a dwelling or buildable lot are exempt from meeting this standard.

4.2.4 Driveway Access and Parking

The standards in this section are adapted from the Middle Housing Model Code. However, other model codes and locally-adopted standards may also provide acceptable approaches for driveway width and spacing.

- A. Standard.** Townhouses with frontage on a public street shall either meet the standards in subsection (1) or subsection (2).
 - 1. Where garage entrances, off-street parking areas and driveways are located on the front façade, in the front yard, or in front of a townhouse the following standards shall be met (see Figure 4.2.4.a).
 - a. Each townhouse lot shall at least 15 feet of street frontage on a local street, as designated in the city's adopted Transportation System Plan.
 - b. A maximum of one driveway approach is allowed for every townhouse. Driveway approaches and/or driveways may be shared.
 - c. Outdoor on-site parking and maneuvering areas shall not exceed 12 feet wide on any lot.
 - d. The garage width shall not exceed 12 feet, as measured from the inside of the garage door frame.
 - e. This standard does not supersede a city's local driveway separation standards.
 - 2. For all other configurations of driveway access and parking, the following standards shall be met.
 - a. Off-street parking areas shall be accessed on the back façade or located in the rear yard. No off-street parking shall be allowed in the front yard or side yard of a townhouse.
 - b. A townhouse project that includes a corner lot shall take access from a single driveway approach on the side of the corner lot. See Figure 4.2.4.b.
 - c. Townhouse projects that do not include a corner lot shall consolidate access for all lots into a single driveway. The driveway and approach are not allowed in the area directly between the front façade and front lot line of any of the townhouses. See Figure 4.2.4.c.
 - d. A townhouse project that includes consolidated access or shared driveways shall grant access easements to allow normal vehicular access and emergency access.

4 – Townhouse

- B. Exceptions.** Townhouse projects in which vehicular access for all units is exclusively from a rear alley are exempt from compliance with this standard.

4.2.5 Trash Storage

A. Standard.

- I. Unless stored within a building, shared storage facilities for trash receptacles and recycling shall be oriented away from building entrances, separated from residences on abutting properties by at least 5 feet, and shall be screened with an evergreen hedge or solid fence or wall of not less than 5 feet in height.

- B. Exceptions.** None.

4 – Townhouse

Figure 4.2.4.a. Townhouses with Parking in Front Yard

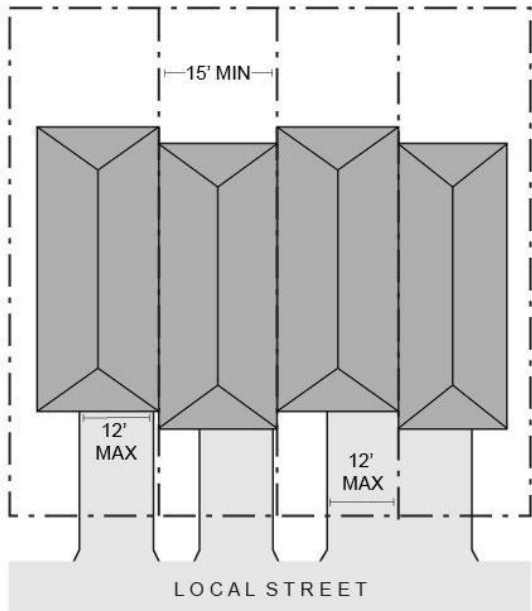


Figure 4.2.4.b. Townhouses on Corner Lot with Shared Access

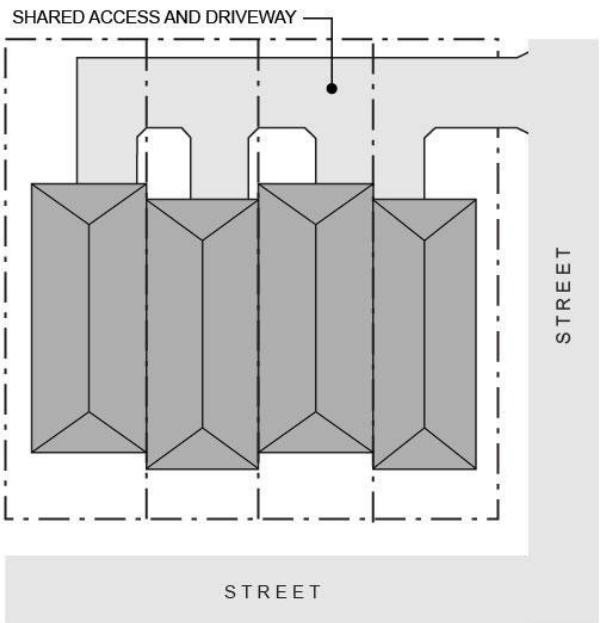
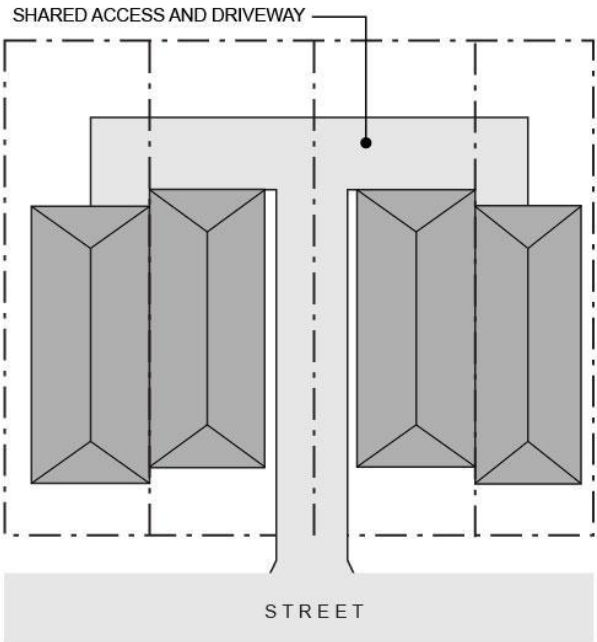


Figure 4.24.c. Townhouses with Consolidated Access



5 – Cottage Cluster

Chapter 5 – Cottage Cluster

Sections:

5.1 Development Standards – Cottage Cluster

5.2 Design Standards - Cottage Cluster

5.1 Development Standards - Cottage Cluster

The development standards in Table 5.1 apply to Cottage Clusters. Standards applicable to a lot (i.e., FAR, minimum density, setbacks, and outdoor area) apply to the parent lot, not child lots created by a Middle Housing Land Division. For qualified projects, the standards in Table 5.1 may be modified by the applicable bonuses in Chapter 8.

Large Cities:

TABLE 5.1 DEVELOPMENT STANDARDS - COTTAGE CLUSTER: LARGE CITIES	
Minimum Size for New Lots (see Section 10.1.1)	5,000 sf
Maximum Number of Cottages per Cottage Cluster	12 cottages
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	None
Maximum Average Floor Area per Dwelling Unit. Average of dwelling units and community buildings within the cottage cluster.	1,400 sf
Maximum Cottage Footprint	900 sf
Maximum Building/Structure Height (see Section 10.1.3)	25 ft or 2 stories whichever is greater
Minimum Density (see Section 10.1.4)	4 units/ac
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
Required Open Space - Courtyard (see Section 5.2.2)	150 sf/cottage
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces	None
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
Areas Owned in Common This is a requirement for townhouses in the Middle Housing Model Code but may also be applicable to cottage clusters. [Common areas must be maintained by a homeowners association or other legal entity. Such legal entity may also be responsible for exterior building maintenance. A copy of any applicable covenants, restrictions and conditions	

5 – Cottage Cluster

TABLE 5.1 DEVELOPMENT STANDARDS - COTTAGE CLUSTER: LARGE CITIES

must be recorded and provided to the jurisdiction prior to issuance of a building permit.]

Medium Cities: – Recommended for cities below 10,000 population

TABLE 5.1 DEVELOPMENT STANDARDS - COTTAGE CLUSTER: MEDIUM CITIES

Minimum Size for New Lots (see Section 10.1.1)	5,000 sf
Maximum Number of Cottages per Cottage Cluster	10 cottages
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	None
Maximum Average Floor Area per Dwelling Unit. Average of dwelling units and community buildings within the cottage cluster.	1,400 sf
Maximum Cottage Footprint	900 sf
Maximum Building/Structure Height (see Section 10.1.3)	25 ft or 2 stories whichever is greater
Minimum Density (see Section 10.1.4)	4/ac
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
Required Open Space - Courtyard (see Section 5.2.2)	150 sf/cottage
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt)	1 space per unit
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
Areas Owned in Common [Common areas must be maintained by a homeowners association or other legal entity. Such legal entity may also be responsible for exterior building maintenance. A copy of any applicable covenants, restrictions and conditions must be recorded and provided to the jurisdiction prior to issuance of a building permit.]	

Small Cities: – Recommended

TABLE 5.1 DEVELOPMENT STANDARDS - COTTAGE CLUSTER: SMALL CITIES

Minimum Size for New Lots (see Section 10.1.1)	5,000 sf
Maximum Number of Cottages per Cottage Cluster	8 cottages
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	None

5 – Cottage Cluster

TABLE 5.1 DEVELOPMENT STANDARDS - COTTAGE CLUSTER: SMALL CITIES	
Maximum Average Floor Area per Dwelling Unit. Average of dwelling units and community buildings within the cottage cluster. Since the scale of cottages is limited, no maximum FAR is included for cottage clusters.	1,400 sf
Maximum Building Cottage Footprint	900 sf
Maximum Building/Structure Height (see Section 10.1.3)	25 ft or 2 stories whichever is greater
Minimum Density (see Section 10.1.4)	4/ac
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft
• Side building setback	5 ft
• Rear building setback	5 ft
Required Open Space - Courtyard (see Section 5.2.2)	150 sf/cottage
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt)	1 space per unit
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	None
Areas Owned in Common [Common areas must be maintained by a homeowners association or other legal entity. Such legal entity may also be responsible for exterior building maintenance. A copy of any applicable covenants, restrictions and conditions must be recorded and provided to the jurisdiction prior to issuance of a building permit.]	

5.2 Design Standards - Cottage Cluster

Cottage clusters shall meet the design standards in subsections 5.2.1 through 5.2.8. No other design standards shall apply to cottage clusters unless noted in this section. Mandates for construction of a garage or carport and any other design standards are invalid, except as specified in this Section.

5.2.1 Cottage Orientation

A. Standard. Cottages must be clustered around a common courtyard, meaning they abut the associated common courtyard or are directly connected to it by a pedestrian path, and must meet the following standards (see Figure 5.2.1.a):

1. Each cottage within a cluster must either abut the common courtyard or must be directly connected to it by a pedestrian path.
2. A minimum of 50 percent of cottages within a cluster must be oriented to the common courtyard and must:

5 – Cottage Cluster

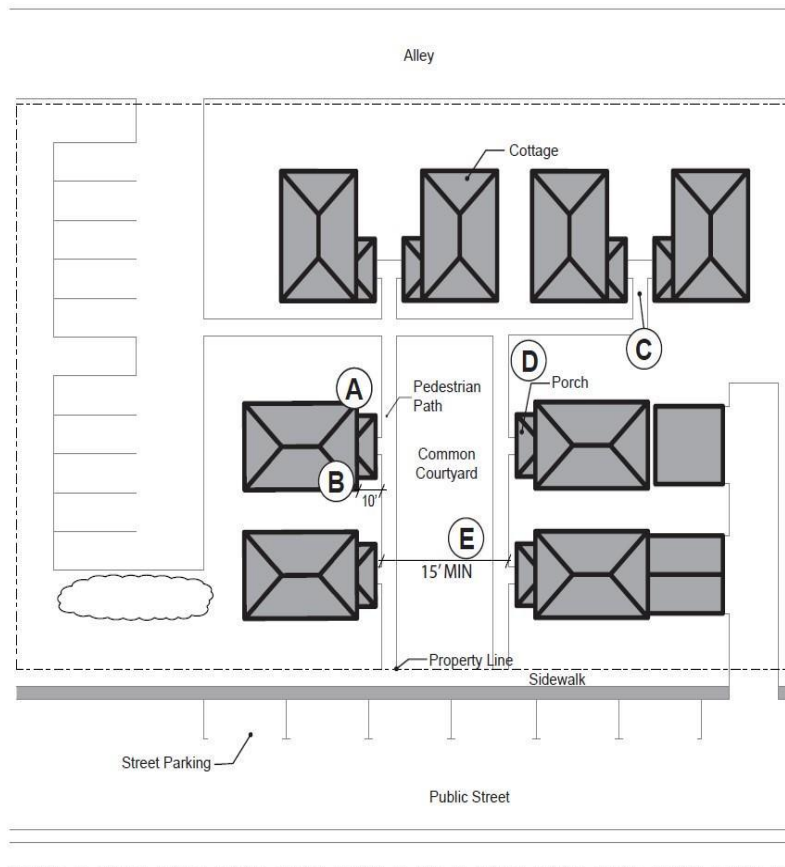
- a. Have a main entrance facing the common courtyard;
 - b. Be within 10 feet from the common courtyard, measured from the façade of the cottage that includes the main entrance to the nearest edge of the common courtyard; and
 - c. Be connected to the common courtyard by a pedestrian path.
3. Cottages within 20 feet of a street property line may have their entrances facing the street, provided the overall cluster meets the 50 percent standard in subsection (A)(2).
 4. Cottages not facing the common courtyard or the street must have their main entrances facing a pedestrian path that is directly connected to the common courtyard.
- B. Exceptions.** An existing dwelling included within a cottage cluster pursuant to Section 5.2.8 may be excluded from the calculation of cottages oriented toward the common courtyard at the applicant's option.

5.2.2 Common Courtyard Design Standards

- A. Standard.** Each cottage cluster must share a common courtyard in order to provide a sense of openness and community of residents. Common courtyards must meet the following standards (see Figure 5.2.2.a):
1. The common courtyard must be a single, contiguous piece.
 2. Cottages must abut the common courtyard on at least two sides of the courtyard.
 3. The common courtyard must contain a minimum of 150 square feet per cottage sharing the courtyard.
 4. The common courtyard must be a minimum of 15 feet wide at its narrowest dimension.
 5. The common courtyard shall be developed with a mix of landscaping, lawn area, pedestrian paths, and/or paved courtyard area, and may also include recreational amenities. Impervious elements of the common courtyard shall not exceed 75 percent of the total common courtyard area.
 6. Pedestrian paths must be included in a common courtyard. Paths that are contiguous to a courtyard shall count toward the courtyard's minimum dimension and area. Parking areas, required setbacks, and driveways do not qualify as part of a common courtyard.
- B. Exceptions.** None.

5 – Cottage Cluster

Figure 5.2.2.a. Cottage Cluster Orientation and Common Courtyard Standards



- (A)** A minimum of 50% of cottages must be oriented to the common courtyard.
- (B)** Cottages oriented to the common courtyard must be within 10 feet of the courtyard.
- (C)** Cottages must be connected to the common courtyard by a pedestrian path.
- (D)** Cottages must abut the courtyard on at least two sides of the courtyard.
- (E)** The common courtyard must be at least 15 feet wide at its narrowest width.

5.2.3 Community Buildings

- A. Standard.** Cottage cluster projects may include community buildings for the shared use of residents that provide space for accessory uses such as community meeting rooms, guest housing, exercise rooms, day care, or community eating areas. Community buildings must meet the following standards:

5 – Cottage Cluster

1. Each cottage cluster is permitted one community building, which shall count towards the maximum average floor area, pursuant to Table 5.1.
2. If a community building meets the definition of a dwelling unit and has a footprint that exceeds 900 square feet and/or would exceed the maximum number of cottages in a cottage cluster, a covenant must be recorded against the property stating that the structure is not a legal dwelling unit and will not be used as a primary dwelling.

B. Exceptions. None.

5.2.4 Pedestrian Access

A. Standard. An accessible pedestrian path must be provided that connects the main entrance of each cottage to the following:

1. An accessible pedestrian path must be provided that connects the main entrance of each cottage to the following:
 - a. The common courtyard;
 - b. Shared parking areas;
 - c. Community buildings; and
 - d. Sidewalks in public rights-of-way abutting the site or rights-of-way if there are no sidewalks.
2. The pedestrian path must be hard-surfaced and a minimum of 4 feet wide.

B. Exceptions. None.

5.2.5 Windows and Doors

A. Standard. Cottages within 20 feet of a street property line (other than an alley) must include windows or entrance doors on a minimum of 15 percent of the area of all street-facing facades. See Section 10.1.9 for measurement methodology.

B. Exceptions. Facades separated from the street property line by a dwelling or buildable lot are exempt from meeting this standard.

5.2.6 Parking Design

A. Standards. (see Figure 5.2.6.a).

1. Clustered parking. Off-street parking may be arranged in clusters, subject to the following standards:
 - a. Cottage cluster projects with fewer than 16 cottages are permitted parking clusters of not more than 5 contiguous spaces.
 - b. Cottage cluster projects with 16 cottages or more are permitted parking clusters of not more than 8 contiguous spaces.

5 – Cottage Cluster

- c. Parking clusters must be separated from other spaces by at least 4 feet of landscaping.
- d. Clustered parking areas may be covered.
- 2. Parking location and access.
 - a. Off-street parking spaces and vehicle maneuvering areas shall not be located:
 - i. Within of 20 feet from any street property line, except alley property lines;
 - ii. Between a street property line and the front façade of cottages located closest to the street property line. This standard does not apply to alleys.
 - b. Off-street parking spaces shall not be located within 10 feet of any other property line, except alley property lines. Driveways and drive aisles are permitted within 10 feet of other property lines.
- 3. Screening. Landscaping, fencing, or walls at least 3 feet tall shall separate clustered parking areas and parking structures from common courtyards and public streets.
- 4. Garages and carports.
 - a. Garages and carports (whether shared or individual) must not abut common courtyards.
 - b. Individual attached garages up to 200 square feet shall be exempted from the calculation of maximum building footprint for cottages.
 - c. Individual detached garages must not exceed 400 square feet in floor area.
 - d. Garage doors for attached and detached individual garages must not exceed 20 feet in width.

B. Exceptions. None.

5.2.7. Accessory Structures

A. Standard. Accessory structures must not exceed 400 square feet in floor area.

B. Exceptions. None.

5.2.8. Existing Structures

A. Standard. On a lot or parcel to be used for a cottage cluster project, an existing detached single family dwelling on the same lot at the time of proposed development of the cottage cluster may remain within the cottage cluster project area under the following conditions:

- 1. The existing dwelling may be nonconforming with respect to the requirements of this code.
- 2. The existing dwelling may be expanded up to the maximum height or the maximum building footprint in Table 5.1; however, existing dwellings that exceed the maximum height and/or footprint of this code may not be expanded.

5 – Cottage Cluster

3. The floor area of the existing dwelling shall not count towards the maximum average floor area of a cottage cluster.

B. Exceptions. None.

5.2.9 Trash Storage

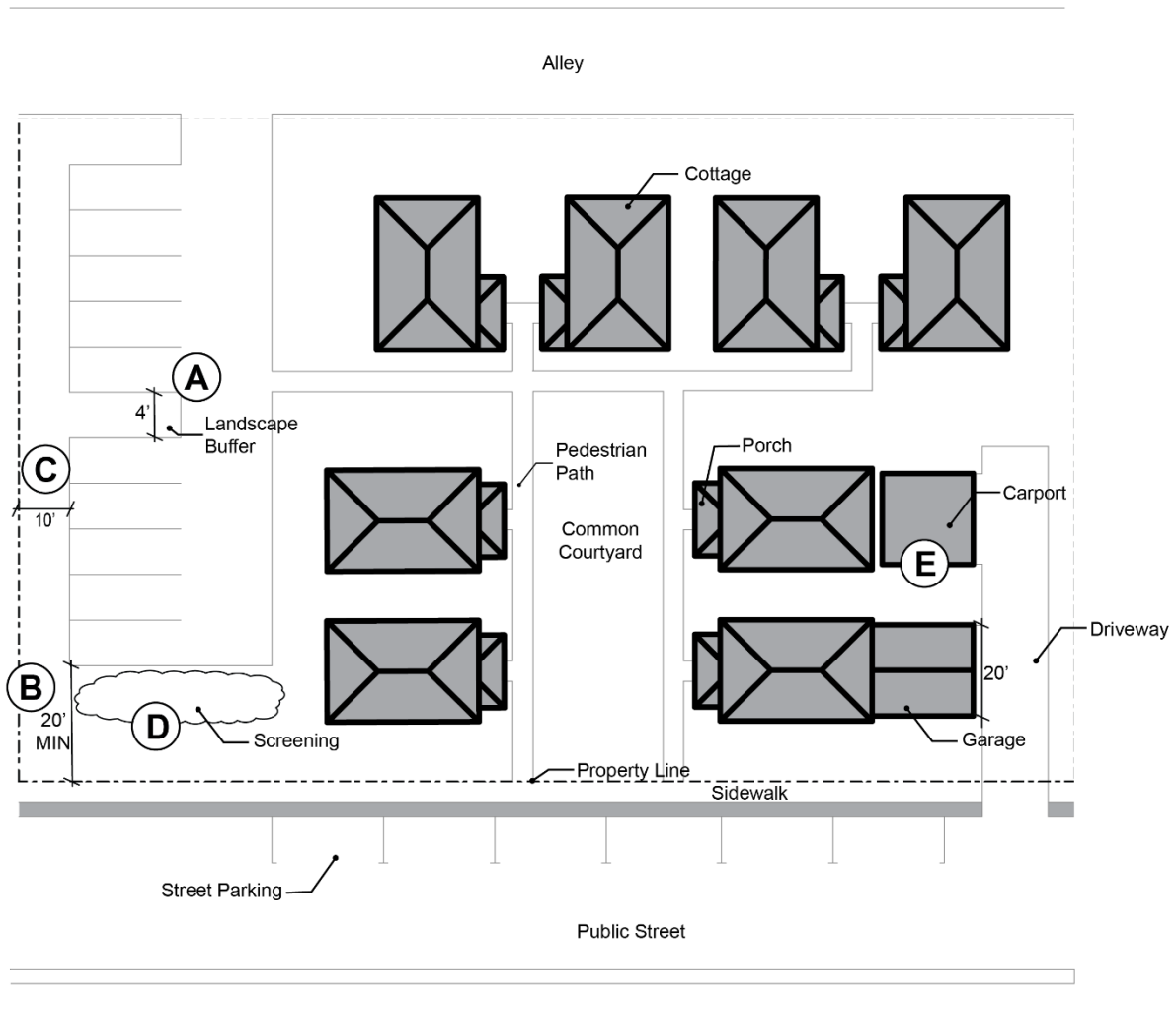
A. Standard.

1. Unless stored within a building, shared storage facilities for trash receptacles and recycling shall be oriented away from building entrances, separated from residences on abutting properties by at least 5 feet, and shall be screened with an evergreen hedge or solid fence or wall of not less than 5 feet in height.

B. Exceptions. None.

5 – Cottage Cluster

Figure 5.2.6.a. Cottage Cluster Parking Design Standards



- (A)** Parking allowed in clusters of up to 5 spaces. Clusters separated by minimum 4 feet of landscaping.
- (B)** No parking or vehicle area within 20 feet from street property line (except alley).
- (C)** No parking within 10 feet from other property lines (except alley). Driveways and drive aisles permitted within 10 feet.
- (D)** Screening required between clustered parking areas or parking structures and public streets or common courtyards.
- (E)** Garages and carports must not abut common courtyards. Garage doors for individual garages must not exceed 20 feet in width.

6 – Multi-Unit Housing

Chapter 6 – Multi-Unit Housing

Sections:

6.1 Development Standards – Multi-Unit Housing

6.2 Design Standards – Multi-Unit Housing

Regarding the concept of allowing development across multiple lots: This draft Model Code includes a definition of “site”/“development site” and other provisions that allow for development of multiple lots/parcels under the same ownership, so that FAR, setbacks, etc. would be based on site (not lot). Please note that the building code would also require a recorded restrictive covenant where a building crosses lot lines.

<https://www.oregon.gov/bcd/codes-stand/Documents/interp-22-05-buildingacrosslotlines.pdf>

6.1 Development Standards

The development standards in Table 6.1 apply to multi-unit housing projects. For qualified projects, the standards in Table 6.1 may be modified by the applicable bonuses in Chapter 8.

Large Cities:

TABLE 6.1 DEVELOPMENT STANDARDS - MULTI-UNIT: LARGE CITIES	
Maximum Floor Area Ratio (FAR) (see Section 10.1.2) This approach varies FAR based on site size in order to address the varying circumstances of urban infill vs suburban/greenfield. Section 10.2 includes a definition of “site” / “development site” to address development of multiple lots/parcels under the same ownership, so that FAR, setbacks, etc. would be based on site (not lot). The FAR standards are also intended to allow room for affordability/accessibility bonuses (see Chapter 8).	
Site size: less than 10,000 sf	2.5 to 1
Site size: 10,000 sf to 50,000 sf	2 to 1
Site size: greater than 50,000 sf	1 to 1
Maximum Building/Structure Height (see Section 10.1.3)	3 story / 40 feet
Minimum Density (see Section 10.1.4) The minimum density shown is the equivalent of 20 units/net acre. In order to avoid penalizing sites with constrained lands minimum density is based on the net site area. Section 10.1.4 includes details about how minimum density is calculated. Affordable housing projects would have the option of calculating density on a “per bedroom” basis.	1 unit per 2,178 sq. ft. of net site area
Minimum Setbacks (see Section 10.1.5) Section 10.1.5 includes details about how setbacks are measured. For multi-unit housing and cottage clusters proposed on a site that includes more than one lot or parcel, setbacks are calculated based on the property lines of the overall site, rather than individual lots or parcels. Note, no maximum setbacks are proposed, although the design standards will restrict parking between the building and the street.	
Front building setback	5 ft.
Side building setback	5 ft.

6 – Multi-Unit Housing

TABLE 6.1 DEVELOPMENT STANDARDS - MULTI-UNIT: LARGE CITIES	
Rear building setback	5 ft.
Garage entrance setback	5/18 ft.
Required Outdoor Area and Usable Open Space (see Sections 6.2.5 and 10.1.6) Section 10.1.6 includes details about how required outdoor area and usable open space are calculated. The intention is to keep the list very flexible, including things like landscaping, balconies, rooftop decks, and patios. All areas not covered by building or vehicle parking/circulation could be counted toward required outdoor area as well as balconies and rooftop decks, and potentially indoor recreation space and ADA accessible parking spaces. Design standards in Section 6.2.5 provide more details related to usable open space. For large multi-unit sites (e.g., 50K+ sf), a percentage of required outdoor area would need to be usable open space, but the list of options could be broad.	
Required Outdoor Area	15% of site area
Usable Open Space	See Section 6.2.5
Vehicle Parking (see Section 10.1.7) Section 10.1.7 includes details about how off-street vehicle parking spaces are measured and calculated. For parking minimums, there would be a credit for adjacent on-street spaces. The parking maximums in this draft are based on TPR requirements in OAR 660-012-0415 which applies to climate-friendly areas, areas and within one-half mile walking distance of priority transit corridor and Metro Region 2040 centers in cities with populations over 100,000, counties with populations over 100,000 outside city limits but within the urban growth boundary, and cities with populations over 25,000 within the Portland Metropolitan Area. ADA accessible parking spaces would be exempt from the parking maximums. Non-surface parking could also be exempt.	
Minimum number of off-street spaces	None
Maximum number of off-street spaces	
- Studio Unit	1.2 spaces per unit
- Non-Studio Unit	2.0 spaces per unit
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8) Section 10.1.8 includes details about how bicycle parking spaces are measured and calculated. The standards for multi-unit bicycle parking reflect OAR 660-012-0630(3) which requires a minimum of one-half of a covered bicycle parking space per unit for multi-unit and mixed-use residential uses. The OAR doesn't specify that the spaces must be long-term, but the stated requirements suggest that they work for long-term (e.g. secure, covered, etc.). The Model Code allows a certain percentage of spaces to be in dwelling units (up to 100% of spaces for smaller developments (e.g., 12 du or less)), it also exempts certain types of projects.	
Short-term Spaces	None
- Site size: Less than 10,000 sf	1.0 space per site
- Site size: 10,000 sf or larger	2.0 spaces per site, or 1.0 space per 20 units
Long-term Spaces	1.0 space per unit

6 – Multi-Unit Housing

Medium Cities; – Recommended for cities below 10,000

TABLE 6.1 DEVELOPMENT STANDARDS - MULTI-UNIT: MEDIUM CITIES	
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	
• Site size: less than 10,000 sf	2 to 1
• Site size: 10,000 sf to 50,000 sf	1.5 to 1
• Site size: greater than 50,000 sf	1 to 1
Maximum Building/Structure Height (see Section 10.1.3)	3 story / 40 feet
Minimum Density (see Section 10.1.4) This is approximately equivalent to 20 units/net acre.	1 unit per 2,178 sq. ft. of net site area
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft.
• Side building setback	5 ft.
• Rear building setback	5 ft.
• Garage entrance setback	18 ft.
Required Outdoor Area and Usable Open Space (see Sections 6.2.5 and 10.1.6)	
• Required Outdoor Area	15% of site area
• Usable Open Space	See Section 6.2.5
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt)	0.5 spaces per unit
• Maximum number of off-street spaces	
○ Studio Unit	1.2 spaces per unit
○ Non-Studio Unit	2.0 spaces per unit
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
○ Site size: Less than 10,000 sf	1.0 space per site
○ Site size: 10,000 sf or larger	2.0 spaces per site, or 1.0 space per 20 units
• Long-term Spaces	0.5 spaces per unit

Small Cities; – Recommended

TABLE 6.1 DEVELOPMENT STANDARDS - MULTI-UNIT: SMALL CITIES	
Maximum Floor Area Ratio (FAR) (see Section 10.1.2)	
• Site size: less than 10,000 sf	1.5 to 1
• Site size: 10,000 sf to 50,000 sf	1 to 1

6 – Multi-Unit Housing

TABLE 6.1 DEVELOPMENT STANDARDS - MULTI-UNIT: SMALL CITIES	
• Site size: greater than 50,000 sf	0.5 to 1
Maximum Building/Structure Height (see Section 10.1.3)	35 feet
Minimum Density (see Section 10.1.4) This is approximately equivalent to 16 units/net acre.	1 unit per 2,720 sq. ft. of net site area
Minimum Setbacks (see Section 10.1.5)	
• Front building setback	5 ft.
• Side building setback	5 ft.
• Rear building setback	5 ft.
• Garage entrance setback	18 ft.
Required Outdoor Area and Usable Open Space (see Sections 6.2.5 and 10.1.6)	
• Required Outdoor Area	15% of site area
• Usable Open Space	See Section 6.2.5
Vehicle Parking (see Section 10.1.7)	
• Minimum number of off-street spaces (affordable housing and dwelling units 1,000 sf or less in size are exempt)	1 space per unit
• Maximum number of off-street spaces	None
Minimum Number of Bicycle Parking Spaces (see Section 10.1.8)	
• Short-term Spaces	None
• Long-term Spaces	0.5 spaces per unit

6.2 Design Standards – Multi-Unit

Multi-unit housing projects shall meet the design standards in subsections 6.2.1 through 6.2.6. Townhouse style multi-unit housing is subject to the design standards in Section 4.2 rather than the standards of this Section 6.2. Townhouse style developments are those where the units have individual ground floor entries, share one or more common walls with one or more other units, and do not share common floors/ceilings with another unit. Consistent with the draft Model Code's approach to regulating building form (versus things like density), this draft applies the townhouse design standards to townhouse-style multi-unit housing. The multi-unit design standards are optimized for stacked forms of multi-unit housing, whose form can be quite different from townhouse style.

6.2.1 Entry Orientation

These draft standards incorporate aspects of the CFEC Walkable Design Standards Model Code but modified to be less restrictive. One main entrance to a building is required to be oriented toward, and within a certain distance of, a street lot line. However, there is no maximum setback.

The code also includes exceptions for very busy arterials to allow buildings to be setback further from those sources of noise and exhaust. The intent is to mitigate potential harm that this standard can create for multi-unit

6 – Multi-Unit Housing

housing that is adjacent to a wide, car-dependent arterial, given the additional noise and pollution that these environments generate. Also see Section 6.2.7 for draft screening standards.

A. Standard.

- I. At least one building façade containing a main entrance to a building must be located within 20 feet of a street lot line. If the site abuts more than one street, the building façade meeting this standard must be located in accordance with the following hierarchy:
 - a. Except as provided in (c), if transit is available on one or more abutting streets, within 20 feet of the street lot line of the street with the highest level of transit service.
 - b. Except as provided in (c), if none of the abutting streets have transit service, then within 20 feet of the street lot line of the street with the highest street classification in the city's adopted Transportation System Plan.
 - c. In the following circumstances, the applicant may choose the street-facing façade that will contain the main entrance:
 - i. The abutting streets have equal levels of transit service and equal street classifications; or
 - ii. The highest transit service street or highest classification street is an arterial street that includes 4 or more vehicle travel lanes.
2. The main entrance meeting standard (A)(I), must:
 - a. Be no more than 8 feet further back, as measured from the front lot line, than the plane of the longest street-facing wall of the front facade of the structure.
 - b. Be oriented to:
 - i. Face the street;
 - ii. Be at an angle of up to 45 degrees from the street;
 - iii. Face a courtyard, provided the courtyard is no less than 15 feet in width and abuts the street; or
 - iv. Open onto a covered porch that is at least 25 square feet in area.
 - c. Connect to the sidewalk by an ADA accessible walkway in conformance with Section 6.2.2(A)(2).

B. Exceptions.

- I. If a site abuts only one street, and the abutting street is an arterial with 4 or more vehicle travel lanes, a building facade with ground floor dwelling units may be set further back than 20 feet, provided the screening standards in Section 6.2.7 are met, except as specified in subsection 6.2.7(B).

Note, an option to request a discretionary adjustment to the entry orientation standards could be included in a future draft, once an Adjustments module is added to the Model Code.

6 – Multi-Unit Housing

For discussion – additional standards from CFEC Walkable Design Standards.

[X.X.X Transitions to Residential Entrances. The following standards apply to each main entrance that is 10 feet or closer to a street lot line and provides direct access to a dwelling unit. The main entrance must be set back at least 5 feet from the street lot line and have at least two of the following within the setback:

1. A wall or fence that is 18 to 36 inches high;
2. Landscaping that meets the [local planting standard];
3. For each street-facing entrance, one small canopy tree between 1.5 and 6 inches in diameter, that will achieve a mature canopy spread of at least 10 feet;
4. Common or private open space outdoor area of at least 48 square feet designed so that a 4-foot by 6-foot dimension will fit entirely within it.]

6.2.2 Pedestrian Connections

A. Standard.

The draft pedestrian connections standards are from the CFEC Model Code (but streamlined), and require a system of walkways connecting main entrances, public sidewalks, and common areas of a site. The standards also specify the material and width of walkways and required treatment at crossings.

1. Internal Connections. A system of walkways must connect all main entrances on the site and provide connections to abutting sidewalks, parking areas, bicycle parking, and common outdoor areas.

[For sites greater than 50,000 square feet, on-site walkways must connect or be stubbed to allow for an extension to the abutting property in the following circumstances:
 - a. There is an existing walkway on the abutting property that is located in a public right-of-way or public access tract or easement; or
 - b. There is a planned walkway on the abutting property, as identified in the city's adopted Transportation System Plan.]
2. Walkway Design.
 - a. Materials and Width. All walkways must be hard surfaced (paved). Except as provided in subsections (i) and (ii), walkways must be at least 5 feet in unobstructed width.
 - i. Walkway width must be increased to 8 feet if the walkway abuts perpendicular or angled parking spaces, unless the spaces are equipped with wheel stops.
 - ii. Where a walkway leads to 4 or fewer individual unit entries, the minimum width is 3 feet (increased to 4 feet at turns and curves).
 - b. Crossings with Vehicle Areas. Where the walkway crosses driveways, drive aisles, parking areas, and loading areas, the walkway must be clearly identifiable through the use of elevation changes,

6 – Multi-Unit Housing

a different paving material, or other similar method. Striping does not meet this requirement. Elevation changes for crossings must be at least 4 inches high.

- c. Walkways Adjacent to Vehicle Areas. Where the walkway is parallel and adjacent to a parking space, driveway, or drive aisle, the walkway must be a raised path or be separated from the vehicular space by a raised curb, bollards, landscaping, or other physical barrier. If a raised path is used, it must be at least 4 inches high. Bollard spacing must be no further apart than 5 feet on center.

B. Exceptions. None. Note, an option to request a discretionary adjustment to the pedestrian connection standards could be included in a future draft, once an Adjustments module is added to the Model Code.

For discussion – additional façade or entry standards.

The model code team's initial recommendation is not to include façade/architectural standards for multi-unit buildings. However, since the Middle Housing Model Code includes unit definition standards for townhouses, we have included similar standards for discussion. These standards could potentially be included as an option in future drafts of the Model Code.

[X.X.X Building [or Entry] Definition

A. Standard. Each building must include at least one from the following list on at least one street-facing façade:

1. A roof dormer a minimum of 4 feet in width.
2. A balcony a minimum of 2 feet in depth and 4 feet in width and accessible from an interior room.
3. A bay window that extends from the facade a minimum of 2 feet.
4. An offset of the facade of a minimum of 2 feet in depth within the façade.
5. An entryway that is recessed a minimum of 3 feet.
6. A covered entryway with a minimum depth of 4 feet.

B. Exceptions. Facades separated from the street property line by another building are exempt from meeting this standard.]

6.2.4 Windows and Doors

The draft window coverage standards for multi-unit housing are consistent with the requirements that apply to middle housing in the Middle Housing Model Code.

A. Standard. A minimum of 15 percent of the area of all street-facing facades (other than those facing an alley) must include windows or entrance doors. See Section 10.1.9 for measurement methodology.

B. Exceptions. Facades separated from the street property line by another building or buildable lot are exempt from meeting this standard.

6.2.5 Required Outdoor Area and Usable Open Space

A. Standard.

6 – Multi-Unit Housing

The concept in this section is to provide a flexible “outdoor area” standard that could be met in various ways, including landscaping, private open space, shared open space, etc. The details of what may and may not count as outdoor area are specified in 10.1.6, so these sections should be reviewed in tandem. The intent is to offer a “menu” of amenity options, while ensuring there is usable recreation/relaxation space for larger sites.

1. **Minimum Outdoor Area.** Except as specified in subsection (B), a minimum of 15% of the gross site area must be provided as outdoor area meeting the description in Section 10.1.6.
2. **Minimum Usable Open Space.** For sites over 10,000 square feet in gross site area, a percentage of the required outdoor area must be permanently reserved as shared, usable open space available for use by the residents:
 - a. For sites between 10,000 and 50,000 square feet, at least 25% of the required outdoor area must be usable open space
 - b. For sites 50,000 square feet or larger, at least 50% of the required outdoor area must be usable open space.
3. **Usable Open Space Standards.** The usable open space shall meet the following criteria:
 - a. The usable open space shall contain one or more of the features specified in Section 10.1.6(B)(2).
 - b. In order to be counted as eligible toward the minimum usable open space area, such areas shall have dimensions of not less than 20 feet.
 - c. Indoor recreation and community facilities, as specified in Section 10.1.6(C)(1), accessible to all residents, may be provided in lieu of usable open space, as follows:
 - i. For affordable housing, 100% of the required usable open space may be provided as indoor recreation or community space.
 - ii. For all other housing, up to 50% of the required usable open space may be provided as indoor recreation or community space.

B. Exceptions.

1. For sites under 50,000 square feet in size, 100% of the required outdoor area may be met by a rooftop garden provided it is accessible to all of the residents or by private open space.
2. Sites that are under 50,000 square feet in size and located within one-quarter mile walking distance of a public park are exempt from the outdoor area and usable open space requirement. Walking distance is measured along a route utilizing streets, trails, or pedestrian accessways that are existing or will be constructed with the development.

6 – Multi-Unit Housing

6.2.6 Parking Location and Design

A. Standard.

Standards below (adapted from the CFEC Model Code) allow surface parking to the side or back of a building provided it's screened from view.

1. No area between a building and the street lot line (other than an alley) shall be used for vehicle parking or circulation, except for the following:
 - a. A driveway providing access to a shared parking garage.
 - b. A passenger drop-off or loading zone, provided the main building entrance must connect to an adjacent street by a pedestrian walkway.
2. Screening of surface parking areas. The city's parking area screening standards shall apply, if any, otherwise the following standards shall apply. Surface parking areas with more than 8 spaces must be screened from view of the street at a minimum as follows:
 - a. Evergreen shrubs that will grow to a minimum height of 30 inches within two years and form continuous screening. Areas within the vision clearance triangle must include plantings that do not exceed 3 feet; and
 - b. One tree for every 30 linear feet; and
 - c. Evergreen ground cover must cover the remaining landscape area.
 - d. A minimum 30 inch tall wall or fence may be substituted for evergreen shrubs.
3. Additional parking area design and landscaping standards are provided in Section 10.1.7.

B. Exceptions. None. Note, an option to request a discretionary adjustment to the parking location and design standards could be included in a future draft, once an Adjustments module is added to the Model Code.

6.2.7 Screening

A. Standard.

Multi-unit sites that abut an arterial street with 4 or more vehicle travel lanes shall provide screening within the minimum setback area between any street-facing facade and street property line abutting the arterial road. The screening shall meet the following standards:

1. At least two rows of evergreen trees shall be planted. Each row shall have a minimum of one tree for every 20 linear feet of street frontage. Tree planting shall be staggered, with a maximum spacing of 20 feet on center for trees within the same row and 15 feet on center for trees within different rows.
2. Trees shall be at least 6 feet tall at the time of planting.

B. Exception. This standard does not apply to arterial streets with frequent transit service.

6 – Multi-Unit Housing

6.2.8 Trash Storage

A. Standard.

- I. Unless stored within a building, shared storage facilities for trash receptacles and recycling shall be oriented away from building entrances, separated from residences on abutting properties by at least 5 feet, and shall be screened with an evergreen hedge or solid fence or wall of not less than 5 feet in height.

B. Exceptions. None.

7 – Accessory Dwelling Unit

Chapter 7 – Accessory Dwelling Unit

Note, the Model Code is intended to be organized so that a city can adopt by reference the standards for a single type of housing. Therefore, ADUs have their own chapter. However, because the ADU standards are closely related to the single-unit dwelling standards, as an alternative, the standards could be included as a subsection of Chapter 2 (Detached Single-Unit and Duplex).

Sections:

7.1 Development Standards – Accessory Dwelling Unit

7.2 Design Standards – Accessory Dwelling Unit

7.1 Development Standards - Accessory Dwelling Unit

7.1.1 Development Standards, Generally

A. Standards. Except as provided in this chapter and in subsection (B), accessory dwelling units shall meet the same development standards that apply to detached single-unit dwellings (Table 2.1). For qualified projects, the standards may be modified by the applicable bonuses in Chapter 8.

B. Exceptions.

- I. The following development standards in Table 2.1 do not apply to accessory dwelling units:
 - a. Required Outdoor Area and Useable Open Space;
 - b. Minimum and Maximum Vehicle Parking; and
 - c. Minimum and Maximum Bicycle Parking.
2. Conversion of an existing legal non-conforming accessory structure into an accessory dwelling unit is allowed, provided that the conversion does not increase the non-conformity. For example, a garage that does not meet the minimum setback standard in the zoning district may be converted to an accessory dwelling unit, provided the footprint of the building within the setback area does not increase in size.
3. If an accessory dwelling unit is added to a lot with an existing dwelling unit that has been in place for at least 5 years, up to 1,000 square feet of floor area is permitted even if it exceeds the maximum FAR that applies to the lot.
4. Setbacks.

Note, the following flexibilities are only relevant if the city relies on its own setback standards for ADUs. The Model Code's side and rear setback standards are already 5 feet.

- a. Accessory dwelling units that are accessed from an alley may be located within 5 feet of the lot line abutting the alley.
- b. Accessory dwelling units that do not exceed 12 feet in height may be located within 5 feet of a side or rear lot line (excluding street lot lines other than alleys).

7 – Accessory Dwelling Unit

7.1.2 Number of Units

This section incorporates the policy suggestion to tier ADU allowances by city size, and to allow a bonus unit if it's adaptable for accessibility.

Large Cities:

- A. Standard.** A maximum of 2 accessory dwelling units are allowed per legal detached single-unit dwelling (referred to as the primary dwelling). If 2 accessory dwelling units are proposed, either:
 - 1. Both units must be detached from the primary dwelling and from each other; or
 - 2. One unit must be detached and one unit must be attached/interior to the primary dwelling.
- B. Exception.** Up to 3 accessory dwelling units are permitted for projects which qualify for a bonus pursuant to Section 8.2.1. One unit must be attached/interior to the primary dwelling and the other 2 units must be detached from the primary dwelling and from each other.

Medium Cities: – Recommended for cities below 10,000

- A. Standard.** A maximum of 2 accessory dwelling units are allowed per legal detached single-unit dwelling (referred to as the primary dwelling). If two accessory dwelling units are proposed:
 - 1. One of the units must be detached from the primary dwelling, either in a separate detached building or in a portion of a detached accessory building (e.g., above a garage or workshop); and
 - 2. One of the units must be attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor).
- B. Exception.** Up to 3 accessory dwelling units are permitted for projects which qualify for a bonus pursuant to Section 8.2.1. One unit must be attached/interior to the primary dwelling and the other 2 units must be detached from the primary dwelling and from each other.

Small Cities: - Recommended

- A. Standard.** A maximum of one accessory dwelling unit is allowed per legal detached single-unit dwelling (referred to as the primary dwelling). The unit may be in a separate detached building, in a portion of a detached accessory building (e.g., above a garage or workshop), or a unit attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor).
- B. Exception.** Up to 2 accessory dwelling units are permitted for projects which qualify for a bonus pursuant to Section 8.2.1. One unit must be attached/interior to the primary dwelling and the other unit must be detached from the primary dwelling.

7.1.3 Maximum Floor Area

The maximum floor area standards would apply to cities of all sizes. Note, the Model Code does not limit the size of an ADU relative to the primary dwelling.

- A. Standard.** The maximum floor area for an accessory dwelling unit is 1,000 square feet.

7 – Accessory Dwelling Unit

- B. Exceptions.** The maximum floor area standard does not apply when an entire floor of a primary dwelling (e.g., a basement) is converted to an accessory dwelling unit and the primary dwelling has been on the site for at least 5 years.
- C. Measurement.** Floor area is measured as provided in subsection 10.1.2(B)(2).

8 – Bonuses

Chapter 8 – Bonuses

Sections:

- 8.1 Bonuses, Generally
- 8.2 Bonuses by Housing Type

8.1 Bonuses, Generally

A. Purpose. Bonuses provide reductions in minimum lot size and required outdoor area and increases in the number of units, the maximum floor area, the maximum building height.

B. Categories.

1. As described in Table 8.1, there are 5 categories of housing that qualify for bonuses:

Affordability Categories

- Cat. 1A - 10-Year Affordable Homeownership Unit based on HB 2138
- Cat. 1B - 10-Year Mixed-Income Housing
- Cat. 1C - 30-Year Affordable Housing based on ORS 197A.445

Accessibility Categories

- Cat. 2A - Accessible Unit based on HB 2138
- Cat. 2B - Adaptable unit

2. An individual unit can count toward meeting up to one affordability category (Cat. 1A – 1C) and one accessibility category (Cat. 2A – 2B). This is not intended to preclude other units within the same development from meeting other categories where possible in order to increase the bonuses available to the development, up to the maximum allowed.

TABLE 8.1: QUALIFYING CATEGORIES	
Category	Category Criteria
Affordability Categories	
Cat. 1A	10-Year Affordable Homeownership Unit. A unit of housing subject to an affordable housing covenant, as described in ORS 456.270 to 456.295, that: (A) Makes the unit available and affordable to purchase and to own for households with incomes of 120 percent or less of the area median income; and (B) Is enforceable for a duration of not less than 10 years from the date of the certificate of occupancy. This category is based on HB 2138. To make this more implementable for small (and some medium) cities, a template of the covenant will need to be available as well as instructions on how to determine what sale price will be “affordable to purchase and own” so cities can easily communicate to applicants what the sale price limit will be once the house is completed.
Cat. 1B	10-Year Mixed-Income Housing. Residential property:

8 – Bonuses

	(A) In which at least 20 percent of units on the property or development site (rounded up to the nearest unit) are made available to own or rent to households with incomes of 80 percent or less of the area median income; and (B) Whose affordability, including affordability under a covenant as described in ORS 456.270 to 456.295, is enforceable for a duration of no less than 10 years. This category uses the affordability and set-aside that can be required through an Inclusionary Zoning program under state law (ORS 197A.465). The 10-year duration is because many of the authorized tax abatement programs run for only 10 years and it's more complicated and harder on the development finances if the affordability obligation outlasts the tax abatement. This doesn't guarantee it will be paired with a tax abatement, but it's set up to make that easier. It can also be described as a "voluntary inclusionary" incentive.
Cat. 1C	30-Year Affordable Housing. Residential property: (A) In which: (i) Each unit on the property is made available to own or rent to households with incomes of 80 percent or less of the area median income; or (ii) The average of all units on the property is made available to households with incomes of 60 percent or less of the area median income; and (B) Whose affordability, including affordability under a covenant as described in ORS 456.270 to 456.295, is enforceable for a duration of no less than 30 years.
Accessibility Categories	
Cat. 2A	Accessible Unit. A unit of housing that complies with the "Type A" requirements applicable to units as set forth in the Standard for Accessible and Usable Buildings and Facilities published by the International Code Council and as referenced by the state building code. This category is based on HB 2138. The cited building code standard is ICC A117.1-2017.
Cat. 2B	Adaptable unit. A unit of housing that complies with the "Type B" requirements applicable to units as set forth in the Standard for Accessible and Usable Buildings and Facilities published by the International Code Council and as referenced by the state building code. For multi-story dwelling units, the "Type B" requirements are only required on the ground floor, provided a kitchen, bathroom and bedroom are available on the ground floor. Note, the provisions regarding accessibility for multi-story units will need to be further refined, potentially specifying things like bathrooms with accessible showers on the ground floor.

8.2 Bonuses by Housing Type

In the following sections, there is a bonus table for each housing type. Each of the 5 tables includes the following:

Column 1: Bonus Type	A description of the type of bonus (e.g., increase in the number of units). Subcategories are included if the bonus varies in specific circumstances.
Column 2: Base Requirement	The base requirement for the housing type based on the Model Code's development standards tables. Where a housing type is not included in a Model Code development standards table, the cell is blank (e.g., 5 – 6 unit quadplexes),
Columns 3-6: Bonus by Category	These columns include the amount of bonus that is earned by for a qualifying category. The values in these columns are the increment that is added or subtracted. The number of columns varies by housing type as not all categories are applicable to all housing types.
Final Column: Cap (Max with Bonuses)	The maximum development entitlement available to a development or project including all bonuses. This column represents a "Cap" – a project or development cannot exceed this amount.

8 – Bonuses

8.2.1 Bonuses for Detached Single-Unit or Duplex

The bonuses in Table 8.2-1 are available to qualified detached single-unit (DSU) or duplex projects. For the purposes of this section, a “DSU or duplex project” means one parent lot and a proposed detached single-unit, detached single-unit with an accessory dwelling unit(s), or duplex (attached or detached).

A. Qualified Projects.

1. Category 1A. At least one unit on the parent lot must meet the applicable category criteria in Table 8.1 to qualify for this bonus.

For DSUs this means that either the primary dwelling or ADU must meet the criteria. The draft Model Code doesn’t yet address standard land divisions; however, in the future, the Model Code could also include a standard for land divisions (e.g. 25% of lots in a land division). In that case, it would need to clarify whether the bonus FAR and height apply to all lots or just the accessible or affordable ones.

2. Category 1B and 1C. The DSU or duplex project must meet the applicable category criteria in Table 8.1 to qualify for these bonuses.
3. Category 2A. At least one unit on the parent lot must meet the applicable category criteria in Table 8.1 for the DSU or duplex project to qualify for this bonus.
4. Category 2B. 100% of units on the parent lot must meet the applicable category criteria in Table 8.1 for the DSU or duplex project to qualify for this bonus.

B. Bonuses Earned.

1. A DSU or duplex project may qualify for more than one category provided that each individual unit may only count toward meeting one affordability and one accessibility category.
2. Within a DSU or duplex project, all bonuses earned may be used individually or in combination.
3. The “cap” is the maximum that is allowed for the DSU or duplex project (inclusive of applicable bonuses).

TABLE 8.2-1: BONUSES FOR DETACHED SINGLE-UNIT OR DUPLEX: LARGE CITIES						
Bonus Type	Base Requirement	Bonuses by Category				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units:						
• Duplex	2 units	+1 unit	+1 unit	+1 unit	--	3 units
• Additional ADU	2 ADUs	+1 ADU	+1 ADU	+1 ADU	--	3 ADUs
Reduce Minimum Lot Size	5,000 sf	- 1,000 sf	- 2,000 sf	- 1,000 sf	-800	3,000 sf
Increase Maximum Floor Area Ratio of DSU or duplex project						
• 1 total dwelling unit	0.6 to 1	+0.15	+0.3	+0.15	+0.1	0.9 to 1

8 – Bonuses

TABLE 8.2-1: BONUSSES FOR DETACHED SINGLE-UNIT OR DUPLEX: LARGE CITIES

Bonus Type	Base Requirement	Bonuses by Category				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
2 to 4 total dwelling units (1)	0.9 to 1	+0.15	+0.3	+0.15	+0.1	1.2 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft
Allow Detached Units: Duplex	No	Yes	Yes	Yes	Yes	Yes
NOTES: (1) If an additional unit is added to a lot with an existing dwelling unit that has been in place for at least 5 years, and the existing unit will be retained, up to 1,000 square feet of floor area is permitted even if it exceeds the maximum FAR.						

TABLE 8.2-1: BONUSSES FOR DETACHED SINGLE-UNIT OR DUPLEX: MEDIUM CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units	2 units	+1 unit	+1 unit	+1 unit	--	3 units
Duplex	2 units	+1 unit	+1 unit	+1 unit	--	3 units
Additional ADU	2 ADUs	+1 ADU	+1 ADU	+1 ADU	--	3 ADUs
Reduce Minimum Lot Size	5,000 sf	- 800 sf	- 1,600 sf	- 800 sf	-500	3,400 sf
Increase Maximum Floor Area Ratio of DSU or duplex project						
1 total dwelling unit	0.6 to 1	+0.15	+0.3	+0.15	+0.1	0.9 to 1
2 to 4 total dwelling units (1)	0.8 to 1	+0.15	+0.3	+0.15	+0.1	1.1 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft
Allow Detached Units: Duplex	No	Yes	Yes	Yes	Yes	Yes
NOTES: (1) If an additional unit is added to a lot with an existing dwelling unit that has been in place for at least 5 years, and the existing unit will be retained, up to 1,000 square feet of floor area is permitted even if it exceeds the maximum FAR.						

TABLE 8.2-1: BONUSSES FOR DETACHED SINGLE-UNIT OR DUPLEX: SMALL CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units: Duplex	2 units	--	--	--	--	2 units
Reduce Minimum Lot Size	5,000 sf	- 800 sf	- 1,600 sf	- 800 sf	-500	3,400 sf
Increase Maximum Floor Area Ratio of DSU or duplex project						

8 – Bonuses

TABLE 8.2-1: BONUSES FOR DETACHED SINGLE-UNIT OR DUPLEX: SMALL CITIES						
Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
• 1 total dwelling unit	0.6 to 1	+0.1	+0.2	+0.1	+0.05	0.8 to 1
• 2 total dwelling units (DSU + ADU or duplex) or 3 dwelling units (duplex + additional unit) (1)	0.7 to 1	+0.1	+0.2	+0.1	+0.05	0.9 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft
Allow Detached Units: Duplex	No	Yes	Yes	Yes	Yes	Yes
NOTES: (1) If an additional unit is added to a lot with an existing dwelling unit that has been in place for at least 5 years, and the existing unit will be retained, up to 1,000 square feet of floor area is permitted even if it exceeds the maximum FAR.						

8.2.2 Bonuses for Triplex or Quadplex

The bonuses in Table 8.2-2 are available to qualified triplex or quadplex projects. For the purposes of this section, a “triplex or quadplex project” means one parent lot and a proposed triplex or quadplex.

A. Qualified Projects.

1. Category 1A. At least one unit on the parent lot must meet the applicable category criteria in Table 8-1 for the triplex or quadplex project to qualify for this bonus.
2. Category 1B and 1C. A triplex or quadplex project must meet the applicable category criteria in Table 8-1 to qualify for these bonuses.
3. Category 2A. At least one unit on the parent lot must meet the applicable category criteria in Table 8-1 for the triplex or quadplex project to qualify for these bonuses.
4. Category 2B. At least one unit on the parent lot must meet the applicable category criteria in Table 8-1 for the triplex or quadplex project to qualify for this bonus. Alternatively, the code could require that the standard be met by all ground floor units.

B. Bonuses Earned.

1. A triplex or quadplex project may qualify for more than one category provided that each individual unit may only count toward meeting one affordability and one accessibility category.
2. Within a triplex or quadplex project, all bonuses earned may be used individually or in combination.
3. The “cap” is the maximum that is allowed for a triplex or quadplex project (inclusive of applicable bonuses).

8 – Bonuses

TABLE 8.2-2: BONUSSES FOR TRIPLEX OR QUADPLEX: LARGE CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units:						
• Triplex	3 units	+1 unit	+1 unit	+1 unit	--	4 units
• Quadplex	4 units	+2 unit	+2 unit	+2 unit	--	6 units
Increase Maximum Floor Area Ratio per Triplex or Quadplex Project						
• 3 total dwelling units	1.1 to 1	+0.15	+0.3	+0.15	+0.1	1.4 to 1
• 4 total dwelling units	1.2 to 1	+0.15	+0.3	+0.15	+0.1	1.5 to 1
• 5 - 6 total dwelling units (with bonus)	1.2 to 1	+0.2	+0.4	+0.2	+0.15	1.6 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft
Allow Detached Units: Triplex / Quadplex	No	Yes	Yes	Yes	Yes	Yes

TABLE 8.2-2: BONUSSES FOR TRIPLEX OR QUADPLEX: MEDIUM CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units:						
• Triplex	3 units	+1 unit	+1 unit	+1 unit	--	4 units
• Quadplex	4 units	+2 unit	+2 unit	+2 unit	--	6 units
Increase Maximum Floor Area Ratio per Triplex or Quadplex Project						
• 3 total dwelling units	1.0 to 1	+0.15	+0.3	+0.15	+0.1	1.3 to 1
• 4 total dwelling units	1.1 to 1	+0.15	+0.3	+0.15	+0.1	1.4 to 1
• 5 - 6 total dwelling units (with bonus)	1.1 to 1	+0.2	+0.4	+0.2	+0.15	1.5 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft
Allow Detached Units: Triplex / Quadplex	No	Yes	Yes	Yes	Yes	Yes

8 – Bonuses

TABLE 8.2-2: BONUSES FOR TRIPLEX OR QUADPLEX: SMALL CITIES						
Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units:						
• Triplex	3 units	--	--	--	--	3 units
• Quadplex	4 units	--	--	--	--	4 units
Increase Maximum Floor Area Ratio per Triplex or Quadplex Project						
• 3 total dwelling units	0.8 to 1	+0.1	+0.2	+0.1	+0.05	1.0 to 1
• 4 total dwelling units	0.9 to 1	+0.1	+0.2	+0.1	+0.05	1.1 to 1
• 5 - 6 total dwelling units	NA	--	--	--	--	--
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft
Allow Detached Units: Triplex / Quadplex	No	No	Yes	No	No	Yes

8.2.3 Bonuses for Townhouses

The bonuses in Table 8.2-3 are available to qualified townhouse projects.

A. Qualified Projects.

1. Category 1A. At least one out of every 6 units, but in no case less than one unit, within a townhouse project must meet the applicable category criteria in Table 8-1 for the townhouse project to qualify for this bonus.
2. Category 1B and 1C. A townhouse project must meet the applicable category criteria in Table 8-1 to qualify for these bonuses.
3. Category 2A. At least one out of every 6 units, but in no case less than one unit, within a townhouse project must meet the applicable category criteria in Table 8-1 for the townhouse project to qualify for this bonus.
4. Category 2B. 75% of units within a townhouse project must meet the applicable category criteria in Table 8-1 for the townhouse project to qualify for this bonus.

B. Bonuses Earned.

1. A townhouse project may qualify for more than one bonus provided that each individual unit may only count toward meeting one affordability and one accessibility category. For Categories 1A and 2A, the bonus is calculated for, and applied to, each group of 6 units regardless of the number of townhouses in the project or attached to each other (e.g., a 12-unit townhouse project can earn separate bonuses for two groups of 6 units).
2. Within a townhouse project, all bonuses earned may be used individually or in combination.

8 – Bonuses

3. The “cap” is the maximum that is allowed for a townhouse project (inclusive of applicable bonuses).

The draft Model Code does not require any minimum dimensions for townhouses other than lot size. For large cities, the minimum lot size is 1,250 sf. Four townhouses would require 5,000 sf; therefore, to allow 6 townhouses on the same site, the lot size would need to be reduced to 833.33 sf or less. Alternatively, the applicant could switch to attached stacked duplexes on townhouse lots – this approach will require a definition and also clarification of whether the townhouse design standards still apply even though the structure is no longer a townhouse.

TABLE 8.2-3: BONUSES FOR TOWNHOUSES: LARGE CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units (1)	--	+1 to 2 units	+2 units	+1 to 2 units	--	1 to 2 bonus units
Reduce Minimum Lot Size	1,250 sf	-200 sf	-400 sf	-200 sf	-100 sf	830 sf
Increase Maximum Floor Area Ratio	1.2 to 1	+0.2	+0.4	+0.2	+0.1	1.6 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft

NOTES:

(1) Townhouse projects with 2 to 5 townhouses can earn a bonus of one additional unit. Projects with 6 or more units can earn a bonus of 2 units for every group of 6 units that meets the criteria. Bonus units can be provided as townhouses on their own townhouse lots or added to townhouse lots as attached stacked duplexes or ADUs.

TABLE 8.2-3: BONUSES FOR TOWNHOUSES: MEDIUM CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units (1)	--	+1 to 2 units	+ 2 units	+1 to 2 units	--	1 to 2 bonus units
Reduce Minimum Lot Size	1,500 sf	-200 sf	-400 sf	-200 sf	-100 sf	1,100 sf
Increase Maximum Floor Area Ratio	1.1 to 1	+0.2	+0.4	+0.2	+0.1	1.5 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft

NOTES:

(1) Townhouse projects with 2 to 5 townhouses can earn a bonus of one additional unit. Projects with 6 or more units can earn a bonus of 2 units for every group of 6 units that meets the criteria. Bonus units can be provided as townhouses on their own townhouse lots or added to townhouse lots as attached stacked duplexes or ADUs.

8 – Bonuses

TABLE 8.2-3: BONUSSES FOR TOWNHOUSES: SMALL CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Units	--	--	--	--	--	--
Reduce Minimum Lot Size (1)	1,800 sf	-200 sf	-500 sf	-200 sf	-100 sf	1,300 sf
Increase Maximum Floor Area Ratio	0.9 to 1	+0.1	+0.2	+0.1	+0.05	1.1 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+5 ft	+5 ft	--	40 ft
NOTES:						

8.2.4 Bonuses for Cottage Cluster

The bonuses in Table 8.2-4 are available to qualified cottage cluster projects.

A. Qualified Projects.

1. Category 1A. At least one out of every 6 cottages, but in no case less than one cottage, within each cottage cluster must meet the applicable Category Criteria in Table 8-1 for the cottage cluster project to qualify for this bonus.

The definition of a “cottage cluster project” means a development site with one or more cottage clusters. Each cottage cluster as part of a cottage cluster project must have its own common courtyard.

2. Category 1B and 1C. A cottage cluster must meet the applicable category criteria in Table 8-1 to qualify for these bonuses.
3. Category 2A. At least one out of every 6 cottages, but in no case less than one cottage, within each cottage cluster must meet the applicable Category Criteria in Table 8-1 for the cottage cluster project to qualify for this bonus.
4. Category 2B. 75% of cottages within a cottage cluster project must meet the criteria in Table 8-1 for the cottage cluster project to qualify for this bonus.

B. Bonuses Earned.

1. A cottage cluster project may qualify for more than one bonus provided that each individual unit may only count toward meeting one affordability category and one accessibility category.
2. Within a cottage cluster project, all bonuses earned may be used individually or in combination.
3. The “cap” is the maximum that is allowed for the development (inclusive of applicable bonuses).

For large cities, the minimum lot size for cottage clusters is 5,000 sf for new lots and allows 12 cottages (416.66 sf per cottage). Given that, a further reduction in lot size probably isn't a meaningful bonus and is not included here.

8 – Bonuses

TABLE 8.2-4: BONUSSES FOR COTTAGE CLUSTER: LARGE CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Cottages per Cluster	12 cottages	+2 unit	+2 unit	+2 unit	--	14 units
Increase Maximum Average Floor Area per Dwelling Unit	1,400 sf	+100 sf	+400 sf	+100 sf	+100 sf	1,600 sf
Increase Maximum Building (Cottage) Footprint	900 sf	+50 sf	+100 sf	+50 sf	+50 sf	1,000 sf
Reduce Required Open Space - Courtyard	150 sf / cottage	-30 sf / cottage	-70 sf / cottage	-30 sf / cottage	-20 sf / cottage	80 sf
Increase Maximum Building/Structure Height	25 ft or 2 stories	+5 ft	+10 ft	+5 ft	--	35 ft

TABLE 8.2-4: BONUSSES FOR COTTAGE CLUSTER: MEDIUM CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat 1A/1B	Cat 1C	Cat 2A	Cat. 2B	
Increase Number of Cottages per Cluster	10 cottages	+2 unit	+2 unit	+2 unit	--	12 units
Increase Maximum Average Floor Area per Dwelling Unit	1,400 sf	+100 sf	+400 sf	+100 sf	+100 sf	1,600 sf
Increase Maximum Building (Cottage) Footprint	900 sf	+50 sf	+100 sf	+50 sf	+50 sf	1,000 sf
Reduce Required Open Space - Courtyard	150 sf / cottage	-30 sf / cottage	-70 sf / cottage	-30 sf / cottage	-20 sf / cottage	80 sf
Increase Maximum Building/Structure Height	25 ft or 2 stories	+5 ft	+10 ft	+5 ft	--	35 ft

TABLE 8.2-4: BONUSSES FOR COTTAGE CLUSTER: SMALL CITIES

Bonus Type	Base Requirement	Qualifying Categories				Cap (Max. with Bonuses)
		Cat. 1A & 1B	Cat. 1C	Cat. 2A	Cat. 2B	
Increase Number of Cottages per Cluster	8 cottages	+2 unit	+2 unit	+2 unit	--	10 units
Increase Maximum Average Floor Area per Dwelling Unit	1,400 sf	+100 sf	+200 sf	+100 sf	+100 sf	1,600 sf
Increase Maximum Building (Cottage) Footprint	900 sf	+50 sf	+100 sf	+50 sf	+50 sf	1,000 sf
Reduce Required Open Space - Courtyard	150 sf / cottage	-30 sf / cottage	-70 sf / cottage	-30 sf / cottage	-20 sf / cottage	80 sf

8 – Bonuses

Increase Maximum Building/Structure Height	25 ft or 2 stories	+5 ft	+10 ft	+5 ft	--	35 ft

8.2.5 Bonuses for Multi-Unit Housing

The bonuses in Table 8.2-5 are available to qualified multi-unit projects as follows. For the purposes of this section, a “multi-unit project” means multi-unit housing on a single development site.

A. Qualifying Categories.

1. Categories 1B and 1C. The multi-unit project must meet the criteria in Table 8-1 to qualify for these bonuses
2. Category 2A. The following number of units must meet the criteria in Table 8-1 for the multi-unit project to qualify for this bonus: At least 10 percent of the units on the ground floor, and on any upper floor served by an elevator, but no less than one more unit than would be required by the Building Code. This is aligned with the draft model language in the Multiple Unit Property Tax Exemption (MUPTe) Adoption-Ready Action for accessibility.

B. Bonuses Earned.

1. A multi-unit project may qualify for more than one bonus provided that each individual unit can only count toward meeting one affordability category and one accessibility category.
2. Within a multi-unit project, all bonuses earned may be used individually or in combination.
3. The “cap” is the maximum that is allowed for development (inclusive of applicable bonuses).

Since the draft development standards allow ADA parking to count toward required outdoor area, the tables below offer only a limited/no reduction in outdoor area for Cat. 2A and 2B.

The bonuses in Cat 1C reflect those in ORS 197.445, including a 36’ height bonus for property with existing maximum density of 46 or more units per acre. However, this additional height may not be feasible in some small cities depending on firefighting capabilities. (Section 1.3 specifies that nothing in this code supersedes certain regulatory standards, including life/safety and fire. So, if fire code restricts heights based on firefighting capabilities, that regulation supersedes anything in this code.)

TABLE 8.2-5: BONUSES FOR MULTI-UNIT HOUSING: LARGE CITIES: LARGE CITIES					
Bonus Type	Base Requirement	Qualifying Categories			Cap (Max. with Bonuses)
		Cat 1B	Cat 1C	Cat 2A	
Increase Maximum Floor Area Ratio					
Site size: less than 10,000 sf	2.5 to 1	+1 to 1	+2 to 1	+1 to 1	[4.5 or 6] to 1
Site size: 10,000 sf to 50,000 sf	2 to 1	+0.7 to 1	+1.5 to 1	+0.7 to 1	3.5 to 1
Site size: greater than 50,000 sf	1 to 1	+0.5 to 1	+1 to 1	+0.5 to 1	2 to 1

8 – Bonuses

TABLE 8.2-5: BONUSES FOR MULTI-UNIT HOUSING: LARGE CITIES: LARGE CITIES

Bonus Type	Base Requirement	Qualifying Categories			Cap (Max. with Bonuses)
		Cat 1B	Cat 1C	Cat 2A	
Increase Maximum Building/Structure Height	40 ft or 3 stories	+10 ft	+36 ft	+10 ft	76 ft
Reduce Required Outdoor Area	15%	-7%	-15%	-5%	0%

TABLE 8.2-5: BONUSES FOR MULTI-UNIT HOUSING: LARGE CITIES: MEDIUM CITIES

Bonus Type	Base Requirement	Qualifying Categories			Cap (Max. with Bonuses)
		Cat 1B	Cat 1C	Cat 2A	
Increase Maximum Floor Area Ratio					
Site size: less than 10,000 sf	2 to 1	+1 to 1	+2 to 1	+1 to 1	4 to 1
Site size: 10,000 sf to 50,000 sf	1.5 to 1	+0.7 to 1	+1.5 to 1	+0.7 to 1	3 to 1
Site size: greater than 50,000 sf	1 to 1	+0.5 to 1	+1 to 1	+0.5 to 1	2 to 1
Increase Maximum Building/Structure Height	40 ft or 3 stories	+10 ft	+36 ft	+10 ft	76 ft
Reduce Required Outdoor Area	15%	-7%	-15%	-5%	0%

TABLE 8.2-5: BONUSES FOR MULTI-UNIT HOUSING: LARGE CITIES: SMALL CITIES

Bonus Type	Base Requirement	Qualifying Categories			Cap (Max. with Bonuses)
		Cat 1B	Cat 1C	Cat 2A	
Increase Maximum Floor Area Ratio					
Site size: less than 10,000 sf	1.5 to 1	+1 to 1	+2 to 1	+1 to 1	3.5 to 1
Site size: 10,000 sf to 50,000 sf	1 to 1	+0.7 to 1	+1.5 to 1	+0.7 to 1	2.5 to 1
Site size: greater than 50,000 sf	0.5 to 1	+0.5 to 1	+1 to 1	+0.5 to 1	1.5 to 1
Increase Maximum Building/Structure Height	35 ft	+5 ft	+36 ft	+5 ft	76 ft
Reduce Required Outdoor Area	15%	-7%	-15%	-5%	0%

9 – Procedures and Applications

Chapter 9 – Procedures and Applications

Sections:

9.1 Type I Zoning Review

9.2 Type II Review

9.3 Middle Housing Land Division

State law requires the Model Code to provide a ministerial and expedited review process as one of LCDC's enforcement tools. For the most part, this code will allow housing via a ministerial approval process. See the placeholder for Limited Land Use Review in Section 9.2 for additional comments.

9.1 Zoning Review

Zoning Reviews are subject to a ministerial review procedure, applicants would be able to choose whether they submit the full building permit application or just submit a site plan for planning review prior to the building permit submittal.

- A. Method of review.** Zoning Reviews are subject to ministerial review. Ministerial reviews are nondiscretionary reviews. The decision is made by the City Planning Official, or their designee, without public notice and without a public hearing. The decision of the City Planning Official is final. There is no local appeal process.
- B. Requirements.** Zoning Reviews are generally processed in conjunction with obtaining a building permit but may be submitted in advance of the building permit. In either case, a building permit shall not be issued until the City Planning Official has approved a Zoning Review for the proposed project.
- C. Zoning Review Application Requirements.**
1. The applicant has the responsibility to obtain the property owner's permission for the request.
 2. Applicants must submit information showing that the proposal complies with this Code, including:
 - a. Information requested on the application form. A Zoning Review submitted concurrently with a building permit application does not require a separate application form;
 - b. A site plan as specified in subsection (D) which provides sufficient detail to determine the standards are met; and
 - c. Documentation demonstrating that sufficient infrastructure is available or will be available prior to certificate of occupancy to serve the proposed development, based on applicable public works standards.
 3. Applications must be filed with the required fee, based on the applicable local fee schedule.
- D. Site Plan Requirements.** The site or development plan must be drawn accurately to scale and must show the following existing and proposed information:
- All property lines with dimensions and total lot area;
 - North arrow and scale of drawing;

9 – Procedures and Applications

- Adjacent streets, access (driveways), curbs, sidewalks, and bicycle routes;
- Existing Goal Protected Resources, if any are present on the site;
- The location, size, and species of adjacent street trees, and all onsite trees 6 inches and larger in diameter. Trees proposed to be preserved, including protection methods, and trees proposed to be removed;
- Easements and on-site utilities;
- Existing and proposed development with all dimensions, including floor area;
- Building elevations showing entries and windows;
- Distances of all existing and proposed development to property lines;
- Types and location of landscape area and required usable open space (if required);
- Percentage of the site proposed for landscaping coverage;
- Motor vehicle and pedestrian access and circulation systems, including connections off-site;
- Motor vehicle and bicycle parking areas and design, number of spaces, and loading areas; and
- Service provider letters stating that adequate infrastructure is available to serve the development or will be available prior to occupancy.

E. Completeness Review.

Although a Zoning Review is not a “permit, limited land use decision or zone change,” meaning ORS 227.178 does not apply, this draft includes a 30-day completeness review timeline from that statute for consistency.

1. The City Planning Official shall review the application submittal and advise the applicant in writing whether the application is complete or incomplete within 30 calendar days after the city receives the application submittal.
2. If the application was complete when first submitted, or within 180 days of the date the application was first submitted, the applicant submits the requested additional information or informs the city that no further information will be provided, approval or denial of the application shall be based:
 - a. Upon the standards and criteria that were applicable at the time the application was first submitted; or
 - b. At the request of the applicant, upon those standards and criteria that are operative at the time of the request. If an applicant requests review under different standards:
 - i. Any applicable timelines for completeness review and final decisions restart as if a new application were submitted on the date of the request; and
 - ii. Submission of additional information may be required if the request affects or changes information in the application.
3. On the 181st day after first being submitted, the application is void if the applicant has been notified of the missing information as required under subsection (1) and has not submitted the information.

F. Criteria and Decision. The City Planning Official’s evaluation of a Zoning Review will determine whether minimum code requirements are met and whether any other land use permit or approval is required prior to issuance of a building permit.

9 – Procedures and Applications

1. Approvals of Zoning Reviews are based on the information submitted. If the information relied upon to grant the approval is incorrect, the approval may be voided.
 2. The City Planning Official shall approve, approve with conditions, or deny an application subject to a Type I procedure within 60 days after the application was determined to be complete.
- G. Effective Date.** Decisions made by the City Planning Official, or their designee, are final. A Zoning Review decision is final on the date it is signed by the City Planning Official. There is no opportunity for further local appeal.
- H. Expiration of Approvals.** An approval under this section expires if:
1. Within 2 years of the date of the final decision, a building permit has not been issued for approved development.
 2. Within 2 years of the date of the issuance of a building permit, if the approved development has not commenced.

9.2 Limited Land Use Review

This is a placeholder for a future Model Code module. One policy idea that's been discussed is to add a threshold (e.g., gross floor area) above which the Limited Land Use process would be required. Possible threshold: the square footage of a 3-story apartment building on a 5,000 sf lot (roughly 10,000 – 15,000 sf). The Model Code could also include expedited approval for certain qualifying housing (e.g., affordable housing).

9.3 Middle Housing Land Divisions

Middle housing land division is a required process for medium and large cities subject to ORS 197A.420. For small cities, it is recommended to provide MHLD as a process that they can choose to opt into.

- A. Purpose.** A middle housing land division (MHLD) is a partition or subdivision of a lot or parcel on which the development of middle housing is allowed under ORS 197A.420 (2) or (3). For medium and large cities, this will need to be updated with HB 2138 rulemaking since it expands the applicability to existing units. The bill references “section 3 of this 2025 Act,” which will need to be replaced with the ORS reference.

Recommended for Small Cities: A middle housing land division (MHLD) is a partition or subdivision of a lot or parcel on which middle housing is developed or proposed.

MHLDs are regulated by this Code and ORS 92.031. The purpose of an MHLD is to provide a simplified and expedited process for subdividing or partitioning lots with middle housing so that each unit is on a separate property, which enables the units to be sold and owned individually.

- B. Applicability.**

Eligible zoning districts and housing will depend on the ORS requirements for middle housing and MHLDs in the three city sizes, or whether a city chooses to allow MHLD beyond ORS requirements.

9 – Procedures and Applications

Large Cities:

1. **Eligible Zoning Districts.** MHLDS are available in zoning districts subject to the middle housing requirements of ORS 197A.420(2).
2. **Eligible Housing.** Middle housing development that is eligible for an MHLDS may consist of:
 - a. A single duplex, triplex, quadplex, cottage cluster, or structure containing townhouses;
 - b. Additional “bonus” units as allowed by Sections 8.2.1 through 8.2.4; and From HB 2138, “(B) Additional units as allowed by section 3 (3) of this 2025 Act.”
 - c. Any retained or rehabilitated existing units on the lot or parcel, as allowed by ORS 197A.420(4), including: From HB 2138.
 - i. One single-unit dwelling;
 - ii. One single-unit dwelling plus one accessory dwelling unit; or
 - iii. One duplex.

Medium Cities:

1. **Eligible Zoning Districts.** MHLDS are available in zoning districts subject to the middle housing requirements of ORS 197A.420(3).

Recommended: MHLDS are available in zoning districts where middle housing is permitted.
2. **Eligible Housing.** Middle housing development that is eligible for an MHLDS may consist of:
 - a. A single duplex or a structure containing two townhouses;

Recommended: A single triplex, quadplex, cottage cluster, or structure containing three or more townhouses;
 - b. Additional “bonus” units as allowed by Section 8.2.1 [or 8.2.1 through 8.2.4 if allowing MHLDS for all middle housing]; and
 - c. Any retained or rehabilitated existing units on the lot or parcel, as allowed by ORS 197A.420(4).

This will depend on whether the code allows MHLDS for all middle housing types. Also, the bonus option complicates how many existing units could be retained.

Small Cities: Recommended

1. **Eligible Zoning Districts.** MHLDS are available in zoning districts where middle housing is permitted.
2. **Eligible Housing.** Middle housing development that is eligible for an MHLDS may consist of:
 - a. A single duplex, triplex, quadplex, cottage cluster, or structure containing townhouses;
 - b. Additional “bonus” units as allowed by Sections 8.2.1 through 8.2.4; and
 - c. Any retained or rehabilitated existing units on the lot or parcel.

9 – Procedures and Applications

All City Sizes:

3. Application Timing and Sequencing.

- a. An application for a tentative plan for an MHL D may be submitted before, after, or at the same time as the submission of an application for building permits for the middle housing. **HB 2138** clarifies that this is required.
- b. An application for a tentative plan for an MHL D may be submitted at the same time as an application for a standard subdivision or partition. The standard land division would create the parent lot(s), and the MHL D would further subdivide the lot(s) into middle housing child lots. *This is also added via HB 2138, Section 15: 92.044(1)(c) The procedures must provide for: (C) A method by which the city or county may approve a plan or plat that includes further division of one or more of the resulting lots or parcels via concurrently submitted applications for middle housing land divisions under ORS 92.031, all to be approved within the timelines provided under ORS 215.427 or 227.178.*
- c. An application of one or more than one MHL D submitted at the same time as an application for a standard subdivision or partition will be consolidated into a single application subject to the procedural requirements for the standard subdivision or partition.
- d. Within the same calendar year as an original partition that was not an MHL D, one or more of the resulting vacant parcels may be further partitioned into not more than 3 parcels through an MHL D.

C. Applicability of Middle Housing Regulations. An MHL D creates 2 or more lots or parcels from a single parent lot on which middle housing is developed or proposed. After an MHL D is completed, the resulting lots or parcels are “child lots” or “middle housing lots.” The development is still subject to the requirements and standards that applied to the parent lot prior to the MHL D. In other words, the middle housing development is still defined and regulated as the original middle housing type after an MHL D is completed (e.g., a duplex that undergoes an MHL D does not become a townhouse development; the structure and property are still subject to requirements/standards for a duplex).

D. Tentative Plan Approval Criteria. Approval of a tentative plan for an MHL D will be granted if the City Planning Official finds that the applicant has met all of the criteria in subsections (1) through (7), below. The city’s standard tentative plan approval criteria do not apply.

1. The middle housing development, including all existing and proposed structures, complies with:
 - a. The Oregon Residential Specialty Code; and
 - b. The middle housing regulations applicable to the parent lot, including but not limited to, the provisions in this Code and any applicable provisions in the city’s development code.
2. Exactly one dwelling unit will be located on each resulting child lot except for:
 - a. Lots, parcels, or tracts used as common areas, on which no dwelling units will be permitted; or

9 – Procedures and Applications

- b. Lots or parcels with an existing detached single-unit dwelling and accessory dwelling unit or an existing duplex, as allowed under Section 9.3(B)(2)(b). Such existing units shall be considered a single middle housing unit for the purposes of the MHL. **This is an HB 2138 addition.**

- 3. Separate utility service connections will be provided for each child lot.

In lieu of more comprehensive promising practice to allow shared utility configurations, the draft code does not allow shared utility connections. Current statute requires separate utilities for each lot as an MHL approval criterion. While HB 2138 removes this requirement specifically for water and wastewater connections, it adds: *(4) In reviewing an application for a middle housing land division, a city or county ... (g) May require separate water and wastewater utilities for each dwelling unit.*

If the Model Code is revised to allow shared utilities, then the following wording could be considered: [If shared utility facilities, such as onsite stormwater facilities, water, and/or wastewater connections are proposed, the applicant shall record a Covenant, Condition, or Restriction (CC&R) outlining the shared maintenance obligations of individual owners, which may include shared maintenance through a homeowners association or other legal entity.]

- 4. Easements will be provided as necessary for each dwelling unit on the site for:
 - a. Locating, accessing, replacing, and servicing all utilities;
 - b. Pedestrian access from each dwelling unit to a private or public road;
 - c. Access to any common use areas or shared building elements; and
 - d. Access to any dedicated driveways or parking.
- 5. Buildings or structures on a resulting child lot will comply with applicable building codes provisions relating to new property lines.
- 6. Notwithstanding the creation of new child lots, all structures or buildings located on the newly created lots will comply with the Oregon Residential Specialty Code.
- 7. Where a resulting child lot abuts a street that does not meet city standards, street frontage improvements will be constructed and, if necessary, additional right-of-way will be dedicated, pursuant to the city's public works standards and design and construction specifications.

E. Tentative Plan Submittal Requirements. An application for an MHL tentative plan shall include the following:

- 1. Any information required by the city for a standard land division;
- 2. A description of the manner in which the proposed land division will satisfy the approval criteria in Section 9.3(D).
- 3. Copies of approved building permits or building permit applications, or comparable information necessary to demonstrate compliance with building code standards, and an accompanying site plan demonstrating compliance with criteria in Sections 9.3(D)(1) and (5).

9 – Procedures and Applications

4. In addition to the items required by the city to be shown on a tentative plan or preliminary plat for a standard land division, the MHL D tentative plan shall show the following details:
 - a. Separate utility connections for each dwelling unit, demonstrating compliance with approval criterion 9.3(D)(3).
 - b. Existing or proposed easements necessary for each dwelling unit on the plan, demonstrating compliance with the criterion 9.3(D)(4).
5. Draft copies of all necessary easements for review by the city attorney.

F. Tentative Plan Conditions of Approval.

1. The city may attach conditions of approval of a tentative plan for an MHL D to:
 - a. Prohibit further division of the resulting child lots.

Recommended: However, further division of the child lots may be permitted if the applicable minimum density requirements are not met. This reflects a new provision from HB 2138, Section 14.
 - b. Require that a notation appear on the final plat indicating:
 - i. The approval was given under ORS 92.031.
 - ii. The type of middle housing approved on the subject site and noting that this middle housing type shall not be altered by the MHL D.
 - iii. Accessory dwelling units are not permitted on resulting child lots.

Recommended: However, accessory dwelling units may be permitted if the applicable minimum density requirements are not met. This reflects a new provision from HB 2138, Section 14.
 - c. Require that all public improvements and site improvements that are required to satisfy approval criteria in Section 9.3(D) and applicable standards of the city's code are constructed prior to issuance of a Certificate of Occupancy for the development. This provision is in a city's authority to require under ORS 92.031(4)(b), and is intended to ensure that all improvements – including on-site improvements such as landscaping and pedestrian paths – will be delivered in a timely fashion.
2. The preliminary approval of an MHL D is void if and only if a final MHL D plat is not approved within 3 years of the preliminary approval.

G. Tentative Plan Procedure.

1. **Standard Procedure.** Unless the applicant requests to use the procedure for an expedited land division as provided in subsection (2), the city shall review an MHL D under the same procedure that applies to a standard land division. An application of one or more than one MHL D submitted at the same time as an application for a standard subdivision or partition will be consolidated into a single application subject to the procedural requirements for the standard subdivision or partition.

9 – Procedures and Applications

2. **Expedited Procedure.** Unless the applicant requests to use the city's standard land division procedure, the city shall apply the procedure used for an expedited land division, as provided below and in ORS 197.365. A decision for an MHLD processed under ORS 197.365 is not subject to the requirements of ORS 197.797. This incorporates HB 2138's revised provisions for MHLD and expedited land divisions. The bill specifies: *(a) Shall apply the procedures under ORS 197.360 to 197.380 applicable to an expedited land division under ORS 197.365, if requested by the applicant and without regard to the criteria in ORS 197.360 (1).*
- a. The City Planning Official shall make a decision to approve or deny the application and shall provide notice of the decision to the applicant within 63 days of receiving a completed application as described in ORS 227.178. Notice shall not be provided to any other person.
 - b. The MHLD review process does not include a hearing and the city does not accept public comment from third parties.
 - c. The city shall issue a written determination of compliance or noncompliance with the approval criteria in subsection (D). An approval may include conditions of approval pursuant to subsection (F) to ensure that the application meets all applicable requirements.
 - d. The written determination shall include a summary statement explaining the determination, and an explanation of the applicant's right to appeal the determination under ORS 197.830 to 197.855.
 - e. The applicant shall pay a fee according to the city's fee schedule. Note, the final Model Code will need to consider how to legally handle cities without MHLDs in their fee schedule. The fee cannot exceed the estimated full cost of processing an application based on the estimated average cost of such applications.
 - f. Only the applicant may appeal a decision for an MHLD processed as an expedited land division made under this section.

H. Final Plat Requirements. An application for an MHLD final plat shall meet the city's requirements and approval criteria that apply to a standard subdivision or partition final plat.

10 – Measurement Methodologies and Definitions

Chapter 10 – Measurement Methodologies and Definitions

Sections:

10.1 Measurement Methodologies

10.2 Definitions

10.1 Measurement Methodologies

10.1.1 Minimum Size for New Lots

Minimum lot size would apply to the creation of new lots only. Housing development on existing lots would not be subject to the standard, although minimum density and maximum FAR would still apply.

- A. Standard.** Minimum lot size requirements for each housing type are stated in Tables 2.1 - 6.1. These standards apply to the creation of new lots through a standard subdivision or partition. Exceptions to the minimum lot size standards are stated in subsection (C).
- B. Measurement Methodology.** Lot size is the total surface area (measured horizontally) within the boundary lines of a lot or parcel.
- C. Exceptions.**
 - 1. The minimum lot size requirements do not apply to development on existing lots and parcels, and do not preclude the siting of a housing type on an existing, legally established lot or parcel.
 - 2. Minimum lot size does not apply to the child lots created through a Middle Housing Land Division.
 - 3. Minimum lot size does not apply to tracts for private streets, pedestrian facilities, stormwater facilities, open space, or other common areas.
 - 4. Within a land division, individual lots or parcels may be as small as 60% of the required minimum lot size, provided the average size of all of the lots or parcels within the land division meets the minimum lot size.

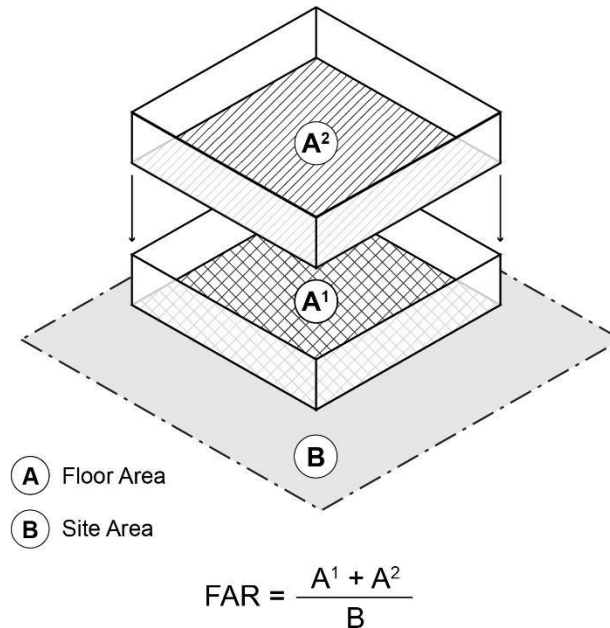
10.1.2 Floor Area Ratio

- A. Standard.** Maximum floor area ratios (FAR) for each housing type are stated in Tables 2.1 - 7.1. Floor area ratio works with height, setback, and outdoor area requirements to control the overall bulk and placement of buildings.
- B. Measurement Methodology.**
 - 1. **Floor Area Ratio.** Floor area ratio is the amount of floor area of a building or structure in relation to the amount of site area, expressed in square feet. For example, a floor area ratio of 0.7 to 1 means 0.7 square feet of floor area for every one square foot of site area. FAR is calculated by dividing the total floor area of all buildings on a site by the total site area (See Figure 10.1.2.a).

10 – Measurement Methodologies and Definitions

The maximum floor area ratio for all buildings on a site, cumulatively. When calculating FAR, the site area for townhouses and middle housing is the entire parent parcel or townhouse project.

Figure 10.1.2.a. Floor Area Ratio (FAR) Calculation



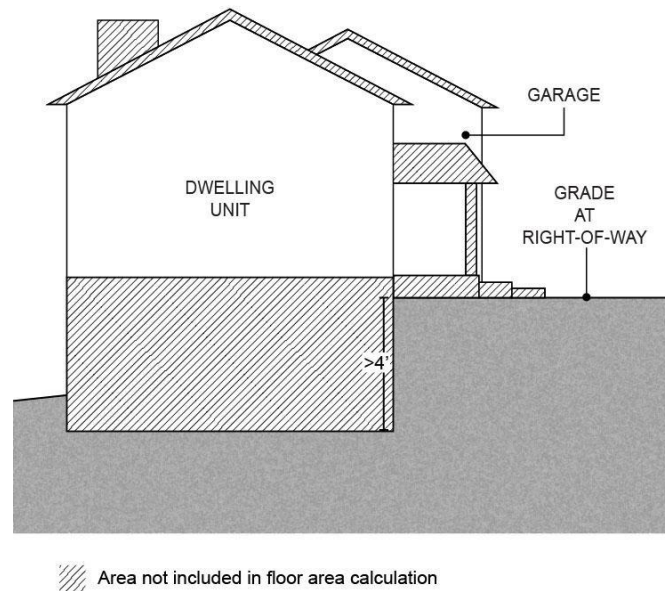
2. **Floor Area.** Floor area is measured for each floor from the exterior faces of a building or structure. Floor area includes stairwells, ramps, shafts, chases, and the area devoted to garages and structured parking.

Floor area does not include the following (see Figure 10.1.2.b):

- Areas where the elevation of the floor is 4 feet or more below the adjacent right-of way, as measured at the property line;
- Roof area, including roof top parking;
- Roof top mechanical equipment; and
- Roofed outdoor living areas that are structurally attached to the building (e.g., porches and exterior balconies), unless they are enclosed by walls that are more than 42 inches in height for 75 percent or more of their perimeter.
- Stairwells are only counted as floor area on one level.

10 – Measurement Methodologies and Definitions

Figure 10.1.2.b. Areas Excluded from Floor Area Calculation



C. Exceptions. The following are not included in the calculation of FAR.

1. Floor area for required long term bicycle parking that is not located in a dwelling unit.
2. Floor area for indoor common area used to meet the requirements of Section 6.2.5.
3. Accessory structures under 15 feet high and less than 200 square feet.

10.1.3 Height

A. Standard. Maximum building/structure height allowed for each housing type are stated in Tables 2.1 - 6.1. It is intended to work with FAR, setback and landscape requirements to control the overall bulk and placement of buildings. Exceptions to the maximum height are stated in subsection (C).

B. Measuring Building Height. Building height shall be calculated in accordance with the applicable building code.

C. Exceptions.

1. Chimneys, vents, flag poles, satellite receiving dishes and other projecting items with a width, depth, or diameter of 3 feet or less may extend above the height limit, as long as they are attached to a building and do not exceed 5 feet above the top of the highest point of the roof. If they are greater than 3 feet in width, depth, or diameter, they are subject to the height limit.
2. Roof mounted solar panels are not included in height calculations.
3. For buildings over 3 floors in height, rooftop mechanical equipment and stairwell enclosures that provide rooftop access may extend above the height limit as follows, provided that the equipment and enclosures are set back at least 15 feet from all roof edges on street facing facades.

10 – Measurement Methodologies and Definitions

- a. Elevator mechanical equipment may extend up to 16 feet above the height limit; and
- b. Other mechanical equipment and stairwell enclosures that cumulatively cover no more than 10 percent of the roof area may extend up to 10 feet above the height limit.

10.1.4 Minimum Density

- A. Standard.** The minimum density standard for each housing type is stated in Tables 2.1 - 6.1. Minimum density ensures more efficient use of available residential land and to ensure sufficient residential capacity to accommodate growth. Exceptions to minimum density are stated in subsection (C).
- B. Calculating Density.** Density is a measurement of the number of dwelling units in relationship to a specified amount of land based on the minimum area per dwelling unit required by the applicable zone. When calculating density, the site area for townhouses and middle housing is the entire parent parcel or townhouse project. In order to avoid penalizing sites with constrained lands, minimum density is based on the net site area.

Minimum Density = Net site area / minimum area per dwelling unit in Tables 2.1 - 6.1.

- Fractions of units are rounded down.
- For the purpose of calculating minimum density, “net site area” equals the site area less constrained lands. Applicants may choose to classify the following as constrained land: goal protected lands and land within utility easements.

C. Exceptions to Minimum Density.

- I. For affordable housing developments meeting the definition in Section 10.2, applicants may choose to calculate and meet the minimum density requirement on a “per bedroom” basis rather than complying with the “per unit” basis required by Tables 2.1 - 6.1.

Minimum density calculation on a “per bedroom” basis:

- Step 1: Start with the **net site area per unit** required to meet minimum density in Tables 2.1 - 6.1.
- Step 2: Determine the **minimum area per bedroom** – divide by 2 the **net site area per unit**.
- Step 3: Divide the **net site area** by the **minimum area per bedroom**.

Example: 1 unit per 1,450 sq. ft. of net site area = 1 bedroom per 725 sf.

A 20,000 sf. net site would have a minimum density of 27 bedrooms (rather than 13 units).

These bedrooms could be arranged in nine 3-bedroom apartments or any other combination that meets the minimum density. Studio apartments are counted as one-bedroom.

10.1.5 Building Setbacks

- A. Standard.** The minimum setbacks required for each housing type are stated in Tables 2.1 - 6.1. Minimum setbacks work with FAR, height and landscape requirements to control the overall bulk and placement of buildings.

10 – Measurement Methodologies and Definitions

1. Garage Entrance Setbacks. Where Tables 2.1 – 6.1 provide two options for the garage entrance setback, the garage entrance must be either 5 feet or closer to the street lot line, or 18 feet or farther from the street lot line.
2. Exceptions to the minimum setbacks are stated in subsection (C).

B. Measuring Building Setbacks.

1. Setback distances are measured along a horizontal plane from the appropriate property line to the edge of the building.
2. For multi-unit housing proposed on a site that includes more than one lot or parcel, setbacks are calculated based on the property lines of the overall site, rather than individual lots or parcels.



3. For lots divided by a Middle Housing Land Division, setbacks apply to the parent lot, not to child lots.
4. Where the subject property line abuts an existing right-of-way whose width is substandard based on the roadway classification in the city's adopted Transportation System Plan, the setback shall be based on the future right-of-way line after dedication.
5. Measurements are made to the closest wall of the structure. Projections into setbacks allowed pursuant to subsection (C)(4) are not included when determining the closest wall of the structure.

Recommendation for Small Cities: The rear setback in the development standards tables (Tables 2.1 – 6.1) is 5 feet. However, cities which choose to require a larger rear setback should consider including the following: Where a rear lot line abuts an alley, one half of the width of the alley shall count toward meeting the rear setback.

C. Exceptions to Building Setbacks.

1. The interior side lot line between two attached dwelling units is not subject to the minimum side setback standard in Table 4.1 (Townhouses).
2. Minimum garage entrance setbacks in Tables 2.1 – 6.1 apply to front and street side lot lines (except alleys). Where a garage is accessed from a rear alley, the standard rear setback applies.
3. Portions of structures that are entirely underground are not included in measuring required distances.
4. Projections into Setbacks.
 - a. Building eaves may project up to 2 feet into a required setback, provided the eave is at least 3 feet from a lot line.

10 – Measurement Methodologies and Definitions

- b. Canopies and awnings may extend up to 5 feet into a required setback along a street lot line.
- c. The following minor features may extend into entire required building setbacks:
 - i. Utility connections attached to the building that are required to provide services, such as water electricity and other similar utility services;
 - ii. Gutters and downspouts that drain stormwater off a roof of the structure;
 - iii. Stormwater planters that are no more than 2-1/2 feet above the ground;
 - iv. Water collection cisterns that are 6 feet or less in height;
 - v. Attached decks, stairs, and ramps that are no more than 2-1/2 feet above the ground. However, stairways and wheelchair ramps that lead to one entrance on the street-facing facade of a building are allowed to extend into the required street setbacks regardless of height above ground; and
 - vi. On lots that slope down from the street, vehicular or pedestrian entry bridges that are no more than 2-1/2 feet above the average sidewalk elevation.
 - vii. Balconies and bay windows may encroach into a required street-facing setback area.
- d. The following features of a building may extend into a required building setback up to 20 percent of the depth of the setback, except as indicated. However, the feature must be at least 3 feet from a lot line.
 - i. Chimneys, fireplace inserts and vents, mechanical equipment, and fire escapes;
 - ii. Wheelchair ramps, water collection cisterns and stormwater planters that do not meet the standards of subsection (C)(4)(c); and
 - iii. Decks, stairways, that do not meet the standard for subsection (C)(4)(c), but only along a street lot line.

10.1.6 Required Outdoor Area and Usable Open Space

A. Standard. The minimum amount of outdoor area and usable open space (if applicable) required for each housing type is stated in Tables 2.1 – 6.1. Exceptions to the minimum required outdoor area and usable open space are stated in subsection (C). Except as specified in subsection (C), site area covered by enclosed buildings or used for vehicle parking and circulation shall not be counted as required outdoor area or usable open space.

B. Measurement Methodology.

- I. Required Outdoor Area. Areas which can be counted toward the required outdoor area include:
 - Areas planted with vegetation (including natural areas and existing trees);
 - Private open space;
 - Pedestrian hardscape; and
 - Usable open space pursuant to subsection (B)(2).

I0 – Measurement Methodologies and Definitions

2. Usable Open Space. Where usable open space is required, it must include one or more of the following:
 - Outdoor recreation area surfaced with lawn, groundcover, or hard surface. The area must be contiguous and able to fit a 10-foot by 10-foot square;
 - Tree grove (e.g., existing mature trees);
 - Turf or grass play fields;
 - Children’s play structure or play area;
 - Sports courts;
 - Swimming or wading pool or hot tub;
 - Walking fitness course;
 - Natural area with benches;
 - Gardening area with at least 50 square feet of planting area; or
 - An applicant may propose alternative open space amenities, provided the applicant demonstrates the usable open space provides equal or greater benefit for active or passive recreational use or provides culturally-sensitive amenities for use by residents. Note, the intent here is to provide flexibility to accommodate culturally sensitive design; however, further detail will be needed to make this standard clear and objective. Alternatively, the code could allow the use of this discretionary option with a limited land use decision.
3. Enclosure. Required outdoor areas may be covered, such as a covered patio or gazebo, but they may not be fully enclosed, except as provided in subsection (C)(3). Covered outdoor areas are subject to the applicable setback standards.

C. Exceptions.

1. Balconies attached to individual dwelling units may count toward the minimum required outdoor area.
2. Balconies, terraces and rooftop decks with seating areas that are available for use by all residents may count toward the minimum required usable open space.
3. Indoor recreation and community spaces. As provided in Section 6.2.5(A)(2)(c), some or all of the required usable open space may be provided as shared indoor recreation or community space. Eligible spaces include:
 - Community rooms, including exercise, entertainment, cooking/dining, or meeting facilities;
 - Day care facilities; and
 - Occupational facilities, such as shared remote or live-work facilities.
 - If providing alternative open space amenities as provided in subsection (B)(2), indoor facilities that provide culturally-sensitive amenities for residents.

Indoor common areas that are not recreational facilities or community rooms, such as lobbies, hallways, laundry facilities, storage rooms, and vehicle or bicycle facilities do not qualify.

10 – Measurement Methodologies and Definitions

10.1.7 Vehicle Parking

A. Standard. The minimum and maximum amount of off-street vehicle parking required for each housing type is stated in Tables 2.1 - 6.1. Exceptions to the minimum and maximum parking requirements are stated in subsection (C).

B. Vehicle Parking.

1. Off-street vehicle parking spaces required to meet minimum quantity requirements must meet the following standards:
 - a. Located on a hard-surfaced area
 - b. Minimum space size:
 - Standard:
 - Width: 8.5 feet
 - Depth: 18 feet
 - Compact:
 - Width: 7.5 feet
 - Depth: 16 feet
 - c. Up to 20 percent of parking stalls in shared parking areas may be compact spaces.
 - d. Spaces may be covered or uncovered.
 - e. Spaces may be provided on individual lots or in a shared parking area on a common tract.
 - f. ADA parking spaces must be provided on site; all other required parking must be provided on site or within 200 feet of the site.
 - g. Except for ADA parking spaces, a credit for on-street parking shall be granted for some or all of the required off-street parking as provided in subsection (2).
2. If on-street parking spaces meet all the standards in subsections (a)-(d) below, they shall be counted toward the minimum off-street parking requirement.
 - a. The space must be abutting the subject site;
 - b. The space must be in a location where on-street parking is allowed by the jurisdiction;
 - c. The space must be a minimum of 22 feet long; and
 - d. The space must not obstruct a required sight distance area.
3. Except as provided in subsection (C)(1), the maximum parking requirement applies to all parking on site, including visitor parking.

C. Exceptions.

1. ADA parking spaces and tandem parking spaces are exempt from the maximum limit on parking spaces.
2. The following are exempt from minimum required parking spaces:
 - a. Affordable housing as defined in Section 10.2;
 - b. Dwelling units 1,000 square feet or less in size; and
 - c. Dwelling units created through the conversion of an existing structure.

10 – Measurement Methodologies and Definitions

10.1.8 Bicycle Parking

A. Standard. The minimum and maximum amount of bicycle parking required for each housing type is stated in Tables 2.1 - 6.1. Exceptions to the bicycle parking requirements are stated in subsection (C).

The Oregon Administrative Rule requirements below apply to long-term bicycle parking. This draft also requires some short-term bicycle parking for multi-unit housing in medium and large cities.

660-012-0630 (3) *Cities and counties shall require a minimum of one-half of a covered bicycle parking space per unit for multi-unit and mixed-use residential uses. Cities and counties may:*

(a) Allow for reductions or exemptions to the minimum parking requirement based on development-specific considerations; and

(b) Exempt or reduce the minimum parking requirement for certain types of residential uses that are likely to have less future demand for bicycle parking.

(4) Cities and counties shall adopt development regulations requiring all required bicycle parking provided must:

(a) Either allow ways to lock at least two points on a bicycle, or be within a lockable space only available to authorized users;

(b) Be installed in a manner to allow space for the bicycle to be maneuvered to a position where it may be secured without conflicts from stairs, other parked bicycles, walls, or other obstructions;

(c) Be in a location that is convenient and well-lit; and

(d) Include bicycle parking spaces to accommodate large bicycles, including family and cargo bicycles.

B. Long-Term Bicycle Parking.

- I. Long-term bicycle parking must be provided in one or more of the following locations.
 - a. Within a restricted access, lockable room outside of dwelling units with securely anchored racks that allow users to lock at least two points on a bicycle;
 - b. Within dwelling units that are at least 400 square feet, in the following circumstances:
 - i. Sites containing 12 or fewer dwelling units may provide up to 100 percent of required bicycle parking spaces in the dwelling units.
 - ii. Sites containing more than 12 dwelling units where all units above the ground floor have elevator access may provide up to 50 percent of the required bicycle parking spaces in dwelling units.
 - iii. Sites containing more than 12 dwelling units where all units above the ground floor do not have elevator access may provide required bicycle parking spaces in ground floor dwelling units only.
 - c. Within bicycle lockers that are fully enclosed, lockable, and securely anchored to the ground.
2. The area devoted to bicycle parking must be hard surfaced and lighting must be provided for nighttime use.

10 – Measurement Methodologies and Definitions

3. Bicycle parking spaces shall meet the following dimensional standards:

- a. At least 10 percent of spaces must be large spaces (designed to accommodate large bicycles, including family and cargo bicycles). Each large bicycle space must be a minimum of 3 feet wide, 7 feet long and 3 feet 4 inches tall.
- b. Up to 90 percent of required spaces can be standard spaces. Each standard bicycle space must be a minimum of 2 feet wide, 6 feet long and 3 feet 4 inches tall.

C. Short-Term Bicycle Parking. Short-term bicycle parking shall meet the following standards:

1. Location standards.

- a. For sites that are smaller than 10,000 square feet, short-term bicycle parking spaces may be provided on-site or within the public sidewalk, provided the space does not obstruct required minimum sidewalk widths or access to doorways.
- b. For sites that are 10,000 square feet or larger, bicycle parking shall be provided on-site.
- c. If bicycle parking is provided on-site, it must be located:
 - A. At the same grade as the sidewalk or at a location that can be reached by an accessible route; and
 - B. Within 50 feet of a main entrance to the building, as measured along the most direct pedestrian access route.

2. Dimensional standards. Each short-term bicycle space must be a minimum of 2 feet wide, 6 feet long and 3 feet 4 inches tall.

C. Exceptions.

1. Senior housing projects (those restricted for occupancy by households in which at least one member is aged 55 years or older) are exempt from the [long-term] bicycle parking requirements.

10.1.9 Windows and Doors

A. Standard. The minimum amount of window and door area required for each housing type is stated in Tables 2.1 - 6.1.

B. Measurement Methodology. Areas that qualify for the window and door coverage calculation are subject to the following (See Figure 10.1.9.a):

1. Windows and entrance doors may be used to meet this standard as provided in subsections (2) and (3), below.
2. Except as provided below, window area is the aggregate area of the glass within each window, including any interior grids, mullions, or transoms.
 - a. Half of the window area in the door of an attached garage may count toward meeting this standard.

10 – Measurement Methodologies and Definitions

- b. Windows into storage areas, mechanical and utility areas, and garbage and recycling areas do not qualify.
3. Door area is the area of the portion of an entrance door (other than a garage door) that moves and does not include the frame.

Figure 10.1.9.a. Window Coverage



10 – Measurement Methodologies and Definitions

10.2 Definitions

A. Applicability. The following definitions shall apply for the purposes of this Model Code, notwithstanding other definitions in a locally adopted development code.

B. Definitions.

- I. “Accessible Housing” means...
 - a. “Accessible unit” means a unit of housing that complies with the “Type A” requirements applicable to units as set forth in the Standard for Accessible and Usable Buildings and Facilities published by the International Code Council and as referenced by the state building code. **This is the definition in HB 2138.**
 - b. “Adaptable unit” means a unit of housing that complies with the “Type B” requirements applicable to units as set forth in the Standard for Accessible and Usable Buildings and Facilities published by the International Code Council and as referenced by the state building code.
2. “Accessory Dwelling Unit” means an interior, attached, or detached residential structure that is used in connection with, or that is accessory to, a single-unit dwelling.
3. “Affordable Housing” means income-restricted housing in one of the following categories, as provided in Chapter 8:
 - a. 10-Year Affordable Homeownership Unit. A unit of housing is subject to an affordable housing covenant, as described in ORS 456.270 to 456.295, that:
 - (A) Makes the unit available and affordable to purchase and to own for families [households] with incomes of 120 percent or less of the area median income; and
 - (B) Is enforceable for a duration of not less than 10 years from the date of the certificate of occupancy.
 - b. 20-Year Affordable Housing. Residential property:
 - (A) In which the average of all units on the property is made available to own or rent to families [households] with incomes of 80 percent or less of the area median income; and
 - (B) Whose affordability, including affordability under a covenant as described in ORS 456.270 to 456.295, is enforceable for a duration of no less than 20 years.
 - c. 30-Year Affordable Housing. Residential property:
 - (A) In which:
 - (i) Each unit on the property is made available to own or rent to families [households] with incomes of 80 percent or less of the area median income; or
 - (ii) The average of all units on the property is made available to families [households] with incomes of 60 percent or less of the area median income; and

I0 – Measurement Methodologies and Definitions

- (B) Whose affordability, including affordability under a covenant as described in ORS 456.270 to 456.295, is enforceable for a duration of no less than 30 years.
4. “Building footprint” means the horizontal area as seen in plan, measured from outside of all exterior walls and supporting columns. It includes dwellings and any area of attached garage that exceeds 200 square feet. It does not include detached garages or carports; accessory structures; trellises; patios; areas of porch, deck, and balcony less than 30 inches from finished grade; cantilevered covers, porches or projections; or ramps and stairways required for access.
 5. “Common courtyard” means a common area for use by residents of a cottage cluster. A common courtyard may function as a community yard. Hard and soft landscape features may be included in a common courtyard, such as pedestrian paths, lawn, groundcover, trees, shrubs, patios, benches, or gazebos.
 6. “Common wall” means a wall or set of walls in a single structure shared by two or more dwelling units. The common wall must be shared for at least 25 percent of the length of the side of the building of the dwelling units. The common wall may be any wall of the building, including the walls of attached garages.
 7. “Cottage” means an individual dwelling unit that is part of a cottage cluster.
 8. “Cottage cluster” means a grouping dwelling units:
 - a. That are detached or attached in subgroupings of up to 4 units in any configuration; per HB 2138 revisions
 - b. That have a common courtyard; and
 - c. That each have a footprint of less than 900 square feet. Note, HB 2138 modifies this as “small footprint or floor area.”

Cottage cluster may also be known as “cluster housing,” “cottage housing,” “bungalow court,” “cottage court,” “courtyard housing,” “garden apartments,” or “pocket neighborhood.”
 9. “Cottage cluster project” means a development site with one or more cottage clusters. Each cottage cluster as part of a cottage cluster project must have its own common courtyard.
 10. “Detached single-unit (DSU)” means a detached structure on a lot or parcel that is comprised of a single dwelling unit. Detached single-units may be constructed off-site, e.g., manufactured dwellings or prefabricated homes.
 11. “Driveway approach” means the edge of a driveway where it abuts a public right-of-way.
 12. “Duplex” means two attached or detached dwelling units in any configuration on a lot or parcel, other than a lot or parcel created by a middle housing land division. This incorporates the revised definition, per HB 2138. Same for triplex and quadplex. In instances where a development can meet the definition of a duplex and also meets the definition of a primary dwelling unit with an accessory dwelling unit (ADU), the applicant shall specify at the time of application review whether the development is considered a duplex or a primary dwelling unit with an ADU.

10 – Measurement Methodologies and Definitions

13. “Dwelling unit” means a building, or a portion of a building, that has independent living facilities including provisions for sleeping, cooking, and sanitation, and that is designed for residential occupancy by a group of people. Buildings with more than one set of cooking facilities are considered to contain multiple dwelling units or accessory dwelling units, as applicable, unless the additional cooking facilities are clearly accessory to the primary use, such as an outdoor grill or wet bar.
14. “Façade” means The vertical wall face of a building, or the sum of multiple vertical faces, facing the street.
15. “Facade, front” means all of the wall area shown on the front elevation of the building plans.
16. “Floor area” and “Floor area ratio” – see Section 10.1.2.
17. “Frontage” means the portion of a lot or parcel that abuts a street.
18. “Goal Protected Lands” means lands protected or designated pursuant to any one of the following statewide planning goals:
 - Goal 5 Natural Resources, Scenic and Historic Areas, and Open Spaces;
 - Goal 6 Air, Water, and Land Resource Quality
 - Goal 7 Areas Subject to Natural Hazards;
 - Goal 9 Economic Development;
 - Goal 15 Willamette River Greenway;
 - Goal 16 Estuarine Resources;
 - Goal 17 Coastal Shorelands; or
 - Goal 18 Beaches and Dunes.
19. “Lot or parcel” means any legally created unit of land. Lot may also be used generically to refer to units of land created through partitions.
20. “Main entrance” means the entrance to a building that is designed to facilitate ingress and egress for the highest volume of building users. Generally, each building has one main entrance, but if design features do not make it possible to determine which entrance is the main entrance, all entrances providing the same capacity of ingress and egress shall be treated as main entrances.
21. “Manufactured dwelling” means a residential trailer, mobile home, or manufactured home, as defined in ORS.446.003.
22. “Middle housing” means housing that consists of duplexes, triplexes, quadplexes, cottage clusters, or townhouses.
23. “Middle housing land division (MHLD)” means a partition or subdivision of a lot or parcel on which the development of middle housing is allowed under ORS 197A.420 (2) or (3).

10 – Measurement Methodologies and Definitions

- a. “Parent Lot” in relation to a middle housing land division means a lot or parcel which is developed or is proposed to be developed with a middle housing development.
- b. “Child Lot” in relation to a middle housing land division means the unit(s) of land created from a parent lot as the result of a middle housing land division. A “child lot” may also be referred to as a “middle housing lot.”

This will need to be updated once HB 2138 is codified, since it adds: “... or section 3 of this 2025 Act.”

24. “Prefabricated dwelling” means prefabricated structure, as defined in ORS 455.010, that is designed for residential occupancy in accordance with [city]’s building regulations.
25. “Quadplex” means 4 attached or detached dwelling units in any configuration on a lot or parcel, other than a lot or parcel created by a middle housing land division.
26. “Regulated housing” means residential dwelling units of the following types: Detached Single-Unit (DSU), Duplex, Triplex, Quadplex, Townhouse, Cottage Cluster, Multi-Unit Housing, and Accessory Dwelling Unit (ADU). This is a new definition which is used when referring to all housing types covered by the Model Code. See 1.4 for usage.
27. “Site” or “development site” means a property (or group of abutting parcels or lots under the same ownership) that is subject to a development application.
28. “Site area” means the total area of a development site calculated after subtracting any required or planned dedication of public rights-of-way and/or designation of private rights-of-way.
29. “Story” means a portion of a building between the surface of any floor and the surface of the floor next above it, or, if there is no floor above it, the space between such floor and the ceiling next above it, provided that the following shall not be deemed a story:
 - A basement or cellar if the height from finished grade at the exterior perimeter of the building to the finish floor elevation above is 6 feet or less for at least 50 percent of the perimeter and does not exceed 12 feet above grade at any point;
 - An attic or similar space under a gable, hip, or gambrel roof, the wall plates of which on at least 2 opposite exterior walls are not more than 2 feet above the floor of such space.
30. “Sufficient Infrastructure” means the following level of public services to serve new Triplexes, Quadplexes, Townhouses, or Cottage Cluster development:
 - Connection to a public sewer system capable of meeting established service levels.
 - Connection to a public water system capable of meeting established service levels.
 - Access via public or private streets meeting adopted emergency vehicle access standards to a city’s public street system.
 - Storm drainage facilities capable of meeting established service levels for storm drainage.

10 – Measurement Methodologies and Definitions

31. “Townhouse” means a dwelling unit constructed in a row of 2 or more attached units, where each dwelling unit is located on an individual lot or parcel and shares at least one common wall with an adjacent unit. A townhouse is also commonly called a “rowhouse,” “attached house,” “townhome,” or “common-wall house.”
32. “Townhouse project” means one or more townhouse structures constructed, or proposed to be constructed, together with the development site where the land has been divided, or is proposed to be divided, to reflect the townhouse property lines and any commonly owned property.
33. “Triplex” means 3 attached or detached dwelling units in any configuration on a lot or parcel, other than a lot or parcel created by a middle housing land division.

ADOPT: 660-008-0415

RULE SUMMARY: Senate Bill 1564 (2024 Session) allows cities to optionally adopt and apply a model ordinance “in whole or in part” by reference. This rule clarifies how cities may do so on specified residentially-designated land within an Urban Growth Boundary.

CHANGES TO RULE:

660-008-0415

Optional Adoption and Application by Reference

A city may adopt, in whole or in part, a model ordinance by reference targeted towards the city population size or targeted toward a larger city on land zoned or designated for residential use within an urban growth boundary. ¶

(1) The adopting ordinance must:¶

(a) Specify which model ordinance, module, or modules are proposed for adoption, including the Commission adoption date; ¶

(A) Where a module contains more than one housing type, a city may elect to apply the standards for one or multiple housing types.¶

(B) Nothing in this subsection requires a city to allow a housing type contained within a module containing more than one housing type, except as otherwise required by a housing law.¶

(b) Specify the precise area, zones, or comprehensive plan designations in which the module or modules apply; and¶

(c) Specify any standards that apply in lieu of one or more recommended standards, if any.¶

(2) In adopting a model ordinance, module, or modules, a city:¶

(a) May adopt a module or modules to allow one or more housing types that meet or exceed the allowed density or intensity of lands zoned or designated to allow residential uses; and¶

(b) May not adopt a model ordinance to allow a housing type on lands that either:¶

(A) Are not zoned for residential use; or¶

(B) Are zoned to require a greater minimum density or intensity than the maximum density or intensity permitted in the proposed model ordinance, module, or modules.¶

(3) Recommended standards are applicable unless a city specifies in the adoption ordinance the alternative standard or standards that apply in lieu of the recommended standard.¶

(4) Where a model ordinance, module, or modules are amended as provided in OAR 660-008-0410(7): ¶

(a) The city is not required to readopt the module; and¶

(b) Nothing in this subsection prohibits a city from periodically evaluating, readopting, repealing, or establishing an expiration date for a model ordinance, module, or modules.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: SB 1564 (2024 Session)

ADOPT: 660-008-0420

RULE SUMMARY: Where a local government has not adopted conforming amendments to comply with a housing law, the local government is required under ORS 197.646 to apply statute directly to local land use decisions. To aid local implementation of housing laws, this rule provides local governments the option to apply a model code where adherence to locally-adopted land use regulations would violate a housing law.

CHANGES TO RULE:

660-008-0420

Application of a Model Ordinance to Comply with a Housing Law

Where one or more land use regulations applied by a local government violates or would violate a housing law, the local government may apply one or more modules directly to development to comply with an applicable housing law as provided under ORS 197.646. Where applying one or more modules directly to residential development to comply with an applicable housing law, the local government:

(1) Must apply the applicable module or modules in full to residential development where the housing law applies, except that recommended standards do not apply;

(2) Is not required to adopt the module or modules by reference as provided in OAR 660-008-0415;

(3) Is not prohibited from amending local land use regulations to comply with a housing law; and

(4) Is not otherwise prohibited from applying a housing law directly to land use decisions as provided in ORS 197.646 (3).

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.646

ADOPT: 660-008-0425

RULE SUMMARY: Certain rule requirements for local action in housing production strategy or housing acceleration agreement may reference a model ordinance as a comparative benchmark. Where this occurs, this rule clarifies that a city does not need to simply apply the same standards as provided in the model code. Instead, the city may demonstrate that the local approach facilitates substantially similar development outcomes in terms of allowable scale/intensity as well as imposed cost or delay.

CHANGES TO RULE:

660-008-0425

Comparison to Local Actions and Land Use Regulations

Where a model ordinance is applied comparatively to local land use regulations for the purpose of demonstrating sufficiency of a local action as part of a housing production strategy or housing acceleration agreement, a city may demonstrate that locally-applied land use regulations facilitate comparable development outcomes to the model ordinance. The city must demonstrate that:

- (1) Siting standards allow for the same or greater maximum scale, intensity, and density as permitted in the model ordinance. Minimum density requirements in the model ordinance are not a requirement nor a consideration under this section.
- (2) Design standards impose a comparable proportional cost to development as provided in OAR 660-046-0235;
- (3) Zoning, use, and procedural regulations allow the development under comparable procedural requirements and development review timelines;
- (4) Other applicable land use regulations do not create unreasonable cost or delay to the development of housing as provided in ORS 197A.400; and
- (5) Incentives or bonuses to encourage accessible, adaptable, or affordable housing provide comparable or improved economic and feasibility benefits to residential development through clear and objective standards, conditions, and procedures considering:
 - (a) The total additional floor area, density, height, and building envelope allowed under applicable land use regulations; and
 - (b) Provisions or flexibilities to local land use regulations that reduce cost and delay to or increase projected revenue from development

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.100

ADOPT: 660-008-0430

RULE SUMMARY: The Land Conservation and Development Commission is required to issue an enforcement order for local governments that fail to fulfill certain housing-related statutory obligations. Where that occurs, the Commission is authorized to apply specified remedies under ORS 197.335, including the application of model ordinances or procedures directly to the development of housing. This rule clarifies how the model code applies to local development where that occurs.

CHANGES TO RULE:

660-008-0430

Mandatory Application of a Model Ordinance

Where a model ordinance is applied by an order issued under ORS 197.335(6), the applicable model ordinance supersedes locally-applicable land use regulations on lands specified by the Commission.¶

(1) Applicants may submit an application for the development of housing under either a model ordinance applied under this rule or under locally-applicable land use regulations.¶

(2) Where a model ordinance contains a recommended standard, that standard is applicable to development.¶

(3) The local government shall notify existing and prospective applicants for the development of housing of their eligibility to utilize a model ordinance applied under this subsection.¶

(4) The model ordinance is effective until the terms of the order issued under ORS 197.335 are addressed or satisfied.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197.335

AMEND: 660-021-0000

RULE SUMMARY: This rule describes the purpose of the division lists the Oregon Revised Statutes interpreted under Division 21 of Chapter 660.

CHANGES TO RULE:

660-021-0000

Purpose ¶

This division interprets and implements ORS 197A.230 through 197A.250 and statewide planning goals pertaining to Urbanization. Rules in this division authorize planning for ~~areas~~urban reserve areas (URAs) outside urban growth boundaries to be reserved for eventual inclusion in an urban growth boundary and to be protected from patterns of development that would impede urbanization.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.230-197A.250

AMEND: 660-021-0010

RULE SUMMARY: This rule lists the definitions that apply to Division 21.

CHANGES TO RULE:

660-021-0010

Definitions ¶¶

For purposes of this division, the definitions contained in ORS 197.015 and the statewide planning goals (OAR chapter 660, division 15) apply. In addition, the following definitions apply:¶¶

(1) "Urban Reserve" or "Urban Reserve Area" means lands outside of an urban growth boundary that will provide for:¶¶

(a) Future expansion over a long-term period; and¶¶

(b) The cost-effective provision of public facilities and services within the area when the lands are included within the urban growth boundary.¶¶

(2) "Resource Land" means land subject to the statewide planning goals listed in OAR 660-004-0010(1)(a) through (g), except subsections (c) and (d).¶¶

(3) "Nonresource Land" means land not subject to one or more of the statewide planning goals listed in OAR 660-004-0010(1)(a) through (g) except subsections (c) and (d). Nothing in this definition is meant to imply that other goals do not apply to nonresource land.¶¶

(4) "Exception Areas" means rural lands for which an exception to statewide planning goals 3 or 4, or both, as defined in ORS 197.732 and OAR 660-004-0005(1), has been acknowledged.¶¶

(5) "Developable Land" refers to both residential and nonresidential land and means land that is not severely constrained by natural hazards or designated or zoned to protect natural resources as provided in OAR 660-024-0065(4) and that is either entirely vacant or has a portion of its area unoccupied by structures or roads.¶¶

(6) "Adjacent Land" means abutting land.¶¶

(7) "Nearby Land" means land that lies wholly or partially within a quarter mile of an urban growth boundary.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.245

AMEND: 660-021-0030

RULE SUMMARY: This rule includes the process and requirements for including land within urban reserves, including how local governments should prioritize land for inclusion.

CHANGES TO RULE:

660-021-0030

Determination of Urban Reserve ¶

(1) ~~Urban reserves~~A city considering adopting or amending a URA shall include an amount of land estimated to be at least a 420-year supply and no more than a 30-year supply of developable land beyond the 20-year time frame used to establish the urban growth boundary (UGB). Local governments designating ~~urban reserves~~a URA shall adopt findings specifying the particular number of years over which designated urban reserves are intended to provide a supply of land. ¶

(2) Inclusion of land within an urban reserve shall be based upon the locational factors of Goal 14 and a demonstration that there are no reasonable alternatives that will require less, or have less effect upon, resource land. Cities and counties cooperatively, and the Metropolitan Service District for the Portland Metropolitan Area Urban Growth Boundary, shall first study lands adjacent to, or nearby, the urban growth boundary for suitability for inclusion within urban reserves, as measured by the factors and criteria set forth in this section. Local governments shall then designate, for inclusion within urban reserves, that suitable land which satisfies the priorities in section (3) of this rule. ¶

(3) Land found suitable for an urban reserve ~~may be included within an urban reserve only according to the following priorities:~~ ¶

~~(a) First priority goes to~~ must consider factors including, but not limited to, whether land proposed for designation as urban reserves, alone or in conjunction with land inside the UGB: ¶

(a) Can be developed at urban densities in a way that makes efficient use of existing and future public infrastructure investments: ¶

(b) Includes sufficient development capacity to support a healthy urban economy: ¶

(c) Can be served by public schools and other urban-level public facilities and services efficiently and cost-effectively by appropriate and financially capable service providers: ¶

(d) Can be designed to be walkable and served by a well-connected system of streets by appropriate service providers: ¶

(e) Can be designed to preserve and enhance natural ecological systems; and ¶

(f) Includes sufficient land suitable for a range of housing types. ¶

(4) Priority of land for inclusion in a URA. If land of higher priority is inadequate to accommodate the amount of land need estimate in section (1) of this rule, the next priority for inclusion shall be according to the following order of priority: ¶

~~(a) First Priority is land adjacent to, or nearby, an urban growth boundary and identified in~~ subject to an acknowledged comprehensive plan as an exception area or nonresource land-exception under ORS 197.732 or land that is nonresource land as defined in OAR 660-021-0010(3). ¶

~~(A) First priority may include resource land that is completely surrounded by exception areas unless these are high value crop areas as defined in Goal 8 or prime or unique agricultural lands as defined by the United States Department of Agriculture;~~ ¶

~~(b) If land of higher priority is inadequate to accommodate the amount of~~ First priority land may be given lower priority compared to other nonresource land or land within an exception area if the land contains land estimated in section ned developments or subdivisions with a subdivision plat, as defined in ORS 92.010(18) of this rule, and the lots are smaller than five acres. ¶

~~(b) Second p~~ Priority goes to ~~is~~ land designated as marginal land pursuant to form under ORS 197.247 (1991 edition); ¶

~~(c) If land of higher priority is inadequate to accommodate the amount of land estimated in section in an~~ acknowledged comprehensive plan: ¶

(c) Third Priority is to land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Lands considered under this subsection may not include high-value farmland as defined in ORS 195.300(10) of this rule, third pr high value forestland as defined in ORS 195.300(11). ¶

(d) Fourth Priority goes to ~~is~~ land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use. ¶

~~(4) Land of lower priority under section (3) of this rule may be included if land of higher priority is found to be inadequate to accommodate the amount of land estimated-~~ Lands considered under this subsection may include

those lands under ORS 195.300(10) and (11) if not predominantly comprised of prime and unique soils listed in ORS 215.710(2) to (4) or predominantly comprised of Class I and II soils, as defined by the United States Department of Agriculture Natural Resources Conservation Services (USDA NRCS).¶

(e) Fifth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both, allowing for those lands excluded in (d), if the city provides findings that no other lands are available to fill the need.¶

(f) In selecting agricultural lands within the same priority level, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.¶

(5) Notwithstanding section (1) of this rule for one or more of the following reasons:¶

(a) Future urban services could not reasonably be provided to the higher priority area due to topographical or other physical constraints; or
(4) (d) through (f) of this rule, land that would otherwise be excluded from a URA may be included if:¶

(a) Provision of future urban services, as defined in ORS 195.065, is not reasonable or cost effective due to: ¶

(A) Topographical or other physical constraints; or¶

(B) Existing or planned future public infrastructure investments.¶

(b) Maximum efficiency of land uses within a proposed urban reserve requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.¶

(5) Findings and conclusions concerning the results of the consideration required by this rule shall be adopted by the affected jurisdictions.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.245

AMEND: 660-021-0060

RULE SUMMARY: This rule describes how lands within urban reserves shall be considered for inclusion within an urban growth boundary.

CHANGES TO RULE:

660-021-0060

Urban Growth Boundary Expansion ¶¶

(1) All lands within urban reserves established pursuant to this division shall be included within an urban growth boundary before inclusion of other lands, except where an identified need for a particular type of land cannot be met by lands within an established urban reserve; and¶¶

(2) At least eighty percent of land from the original acknowledged urban reserve area or previous expansion areas of an urban reserve must be included in the urban growth boundary before the inclusion of subsequent urban reserve areas from more recent amendments to the urban reserve.

Statutory/Other Authority: ORS 197.040

Statutes/Other Implemented: ORS 197A.245

AMEND: 660-024-0010

RULE SUMMARY: This rule provides clear and precise meanings for key terms used throughout Division 24. The rule includes terms and phrases that may a) have a special meaning in rule, b) have a statutory definition, or c) reflect an implementation requirement.

CHANGES TO RULE:

660-024-0010

Definitions ¶¶

In this division, the definitions in the statewide goals and the following definitions apply:¶¶

~~(1) "Buildable Land" is a term applying to residential land only. "Allocated housing need" has the meaning provided in ORS 197A.015(1).¶¶~~

~~(2) "Buildable Land" has the same meaning as provided in OAR 660-008-0005(27).¶¶~~

~~(23) "Density" means the number of dwelling units per net buildable acre.¶¶~~

~~(4) "EOA" means an economic opportunities analysis carried out under OAR 660-009-0015.¶¶~~

~~(35) "Housing need" or "housing need analysis" refers to a local determination as to the needed amount, types and densities of housing that will be.¶¶~~

~~(a) Commensurate with the financial capabilities of present and future area residents of all income levels during the 20-year planning period;¶¶~~

~~(b) Consistent with any adopted regional housing standards, state statutes regarding housing need and with Goal 10 and rules interpreting that goal; and¶¶~~

~~(c) Consistent with Goal 14 requirements~~ "Needed housing" has the meaning provided in ORS 197A as follows: (a) For local governments outside Metro, "needed housing" has the meaning provided in ORS 197A.018.(b) For Metro and local governments within Metro, "needed housing" has the meaning provided in ORS 197A.348.¶¶

~~(46) "Local government" means a city or county, or a metropolitan service district described in ORS 197.015(13).¶¶~~

~~(57) "Metro boundary" means the boundary of a metropolitan service district defined in ORS 197.015(13).¶¶~~

~~(68) "Neighborhood-serving Commercial" refers to pedestrian-oriented, small-scale commercial development intended to serve surrounding residential areas.¶¶~~

~~(9) "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads.¶¶~~

~~(710) "Safe harbor" means an optional course of action that a local government may use to satisfy a requirement of Goal 14. Use of a safe harbor prescribed in this division will satisfy the requirement for which it is prescribed. A safe harbor is not the only way or necessarily the preferred way to comply with a requirement and it is not intended to interpret the requirement for any purpose other than applying a safe harbor within this division.¶¶~~

~~(811) "Suitable vacant and developed land" describes land for employment opportunities, and has the same meaning as provided in OAR 660-009-0005 section (1) for "developed land," section (12) for "suitable," and section (14) for "vacant land."¶¶~~

~~(912) "UGB" means "urban growth boundary."¶¶~~

~~(103) "Urban area" means the land within a UGB.~~

Statutory/Other Authority: ORS 197.040, Statewide Planning Goal 14

Statutes/Other Implemented: ORS 195.036, ORS 197.015, 197.295 – 197.314, 197.610 – 197.650, 197.764, ORS 197.610 - 197.650, ORS 197.478, ORS 197A.015, ORS 197A.20, ORS 197A.200, ORS 197A.215, ORS 197A.278, ORS 197A.348 - 197A.355, ORS 197A.362, ORS 197A.370 - 197A.400, ORS 197A.425, ORS 197A.445, ORS 197A.465, ORS 197A.470

AMEND: 660-024-0040

RULE SUMMARY: This rule includes requirements for determining land need in the urban growth boundary, which must provide for needed housing, employment, and other uses over a 20-year planning period. [?]

CHANGES TO RULE:

660-024-0040

Land Need [?]

- (1) The UGB must be based on the appropriate 20-year population forecast for the urban area as determined under rules in OAR chapter 660, division 32, and must provide for needed housing, employment and other urban uses such as public facilities, streets and roads, schools, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision. Local governments in Crook, Deschutes or Jefferson Counties may determine the need for Regional Large-Lot Industrial Land by following the provisions of OAR 660-024-0045 for areas subject to that rule. [?]
- (2) If the UGB analysis or amendment is conducted as part of a periodic review work program, the 20-year planning period must commence on the date initially scheduled for completion of the appropriate work task. If the UGB analysis or amendment is conducted as part of a sequential UGB approval, the 20-year planning period will be established in the work program issued pursuant to OAR 660-025-0185. If the UGB analysis or amendment is conducted as a post-acknowledgement plan amendment under ORS 197.610 to 197.625, the 20-year planning period must commence either: [?]
- (a) On the date initially scheduled for final adoption of the amendment specified by the local government in the initial notice of the amendment required by OAR 660-018-0020; or [?]
- (b) If more recent than the date determined in subsection (a), at the beginning of the 20-year period specified in the appropriate coordinated population forecast for the urban area as determined under rules in OAR chapter 660, division 32, unless ORS 197A.29670, 197A.280, or 197A.350 requires a different date for local governments subject to that ~~those~~ statutes. [?]
- (3) A local government may review and amend the UGB in consideration of one category of land need (for example, needed housing ~~need~~) without a simultaneous review and amendment in consideration of other categories of land need (for example, employment need). [?]
- (4) The determination of 20-year residential land needs for an urban area must be consistent with: [?]
- (a) The appropriate allocated housing need in ORS 184.453, and with the requirements for determining needed housing in Goals 10 and 14, OAR chapter 660, division 8, and applicable provisions of ORS 197A.270 to 197A.325 and 197.475 to 197.493. [?]
- (b) For Metro, the appropriate 20-year coordinated population forecast for the urban area determined under rules in OAR chapter 660, division 32, and with the requirements for determining needed housing ~~needs~~ in Goals 10 and 14, OAR chapter 660, division ~~7 or~~ 8, and applicable provisions of ORS ~~197.29A.335 to 197A.314 and 197.475 to 197.49072.~~ [?]
- (5) Except for a metropolitan service district described in ORS 197.015(13), the determination of 20-year employment land need for an urban area must comply with applicable requirements of Goal 9 and OAR chapter 660, division 9, and must include a determination of the need for a short-term supply of land for employment uses consistent with OAR 660-009-0025. Employment land need may be based on an estimate of job growth over the planning period; local government must provide a reasonable justification for the job growth estimate but Goal 14 does not require that job growth estimates necessarily be proportional to population growth. Local governments in Crook, Deschutes or Jefferson Counties may determine the need for Regional Large-Lot Industrial Land by following the provisions of OAR 660-024-0045 for areas subject to that rule. [?]
- (6) Cities and counties may jointly conduct a coordinated regional EOA for more than one city in the county or for a defined region within one or more counties, in conformance with Goal 9, OAR chapter 660, division 9, and applicable provisions of ORS 195.025. A defined region may include incorporated and unincorporated areas of one or more counties. [?]
- (7) The determination of 20-year land needs for transportation and public facilities for an urban area must comply with applicable requirements of Goals 11 and 12, rules in OAR chapter 660, divisions 11 and 12, and public facilities requirements in ORS 197.712 and 197.768. The determination of school facility needs must also comply with 195.110 and 197.296 for local governments specified in those statutes. [?]
- ~~(8) The following safe harbors may be applied by a local government to determine housing need under this division: [?]~~
- ~~(a) A local government may estimate persons per household for the 20-year planning period using the persons per~~

household for the urban area indicated in the most current data for the urban area published by the U.S. Census Bureau.¶¶

(b) If a local government does not regulate government-assisted housing differently than other housing types, it is not required to estimate the A local government may apply the following safe harbors to determine its employment needs for government-assisted housing as a separate housing type.¶¶

(c) If a local government allows manufactured homes on individual lots as a permitted use in all residential zones that allow 10 or fewer dwelling units per net buildable acre, it is not necessary to provide an estimate of the need for manufactured dwellings on individual lots.¶¶

(d) If a local government allows manufactured dwelling parks required by ORS 197.475 to 197.490 in all areas planned and zoned for a residential density of six to 12 units per acre, a separate estimate of the need for manufactured dwelling parks is not required purposes of a UGB amendment under this rule, Goal 9, OAR chapter 660, division 9, Goal 14 and, if applicable, ORS 197A.350.¶¶

(ea) A local government outside of the Metro boundary may estimate its housing vacancy rate for the 20-year planning period using the vacancy rate in the most current data published by the U.S. Census Bureau for that urban area that includes the local government.¶¶

(f) A local government outside of the Metro boundary may determine housing needs for purposes of a UGB amendment us may estimate that the current number of jobs ing the combined Housing Density and Housing Mix safe harbors described in this subsection and in Table 1, or in combination with the Alternative Density safe harbor described under subsection (g) of this section and in Table 2. To meet the Housing Density safe harbor in this subsection, the local government may Assume For UGB Analysis that all buildable land in the urban area, including land added to the UGB, will develop at the applicable average overall density specified in column B of Table 1. Buildable land in the UGB, including land added to the UGB, must also be Zoned to Allow at least the average overall maximum density specified as Zone To Allow in column B of Table 1. Finally, the local government must adopt zoning that ensures buildable land in the urban area, including land added to the UGB, cannot develop at an average overall density less than the applicable Required Overall Minimum density specified in column B of Table 1. To meet the Housing Mix safe harbor in this subsection, the local government must Zone to All urban area will grow during the 20-year planning period at a rate equal to either:¶¶

(A) The county or regional job grow the applicable percentages of low, medium and high density residential specified in column C of Table 1.¶¶

(g) When using the safe harbor in subsection (f), a local government may choose to also use the applicable Alternative Density safe harbors for Small Exception Parcels and High Value Farm Land specified in Table 2. If a local government chooses to use the Alternative Density safe harbors described in Table 2, it must:¶¶

(A) Apply the applicable Small Exception Parcel density assumption and the High Value Farm Land density assumption measures specified in the table to all buildable land that is within these categories, and¶¶

(B) Apply the Housing Density and Mix safe harbors specified in subsection (f) of this section and specified in Table 1 to all buildable land in the urban area that does not consist of Small Exception Parcels or High Value Farm Land.¶¶

(h) As an alternative to the density safe harbors in subsection (f) and, if applicable, subsection (g), of this section, a local government outside of the Metro boundary may assume that the average overall density of buildable residential land in the urban area for the 20-year planning period will increase by 25 percent over the average overall density of developed residential land in the urban area at the time the local government initiated the evalu rate provided in the most recent forecast published by the Oregon Employment Department; or¶¶

(B) The population growth rate for the urban area in the appropriate 20-year coordinated population for amendment of the UGB. If a local government uses this Incremental Housing Density safe harbor, it must also meet the applicable Zoned to Allow density and Required Overall Minimum density requirements in Column B of Table 1 and, if applicable, Table 2, and must use the Housing Mix safe harbor in Column C of Table 1.¶¶

(i) As an alternative to the Housing Mix safe harbor required in subsection (f) of this section and in Column C of Table 1, aecast determined under rules in OAR chapter 660, division 32.¶¶

(b) A local government outside the Metro boundary that uses the housing density safe harbor in subsection (f), (g) or (h) of this section may estimate housing mix using the Incremental Housing Mix safe harbor described in paragraphs (A) to (C) of this subsection, as illustrated in Table 3:¶¶

(A) Determine the existing percentages of low density, medium density, and high density housing on developed land (not "buildable land") in the urban area at the time the local government initiated the evaluation or amendment of the UGB;¶¶

(B) Increase the percentage of medium density housing estimated in paragraph (A) of this subsection by 10 percent, increase the percentage of high density housing estimated in paragraph (A) of this subsection by five percent, as illustrated in Table 3, and decrease the percentage of low density single family housing by a proportionate amount so that the overall mix total is 100 percent, and¶¶

(C) Zone to Allow the resultant housing mix determined under subparagraphs (A) and (B) of this subsection.¶¶

(j) Tables 1, 2 and 3 are adopted as part of this rule, and the following definitions apply to terms used in the tables:¶¶

(A) "Assume For UGB Analysis" means the local government may assume that the UGB will develop over the 20-year planning period at the applicable overall density specified in Column B of Tables 1 and 2.¶¶

(B) "Attached housing" means housing where each unit shares a common wall, ceiling or floor with at least one other unit. "Attached housing" includes, but is not limited to, apartments, condominiums, and common-wall dwelling with a population of 10,000 or less may assume that retail and service commercial land needs will grow in direct proportion to the forecasted urban area population growth over the 20-year planning period. This safe harbor may not be used to determine employment land needs for row houses where each dwelling unit occupies a separate lot.¶¶

(C) "Average Overall Density" means the average density of all buildable land in the UGB, including buildable land already inside the UGB and buildable land added to the UGB, including land zoned for residential use that is presumed to be needed for schools, parks and other institutional uses sectors other than retail and service commercial.¶¶

(D) "Coordinated 20-year Population Forecast" and "20-year Population Forecast" under Column A of the Tables refers to A local government with the appropriate population forecast for the urban area determined under rules in OAR chapter 660, division 32.¶¶

(E) "Density" means the number of dwelling units per net buildable acre.¶¶

(F) "High Value Farm Land" has the same meaning as the term defined in ORS 195.300(10).¶¶

(G) "Required Overall Minimum" means a minimum allowed overall average density, or a "density floor," that must be ensured in the applicable residential zones with respect to the overall supply of buildable land for that zone in the urban area for greater than 10,000 may estimate that the 20-year planning period.¶¶

(H) "Single Family Detached Housing" means a housing unit that is free standing and separate from other housing units, including mobile homes and manufactured dwellings under ORS 197.475 to 197.492.¶¶

(I) "Small Exception Parcel" means a residentially zoned parcel five acres or less with a house on it, located on land that is outside a UGB prior to a proposed UGB expansion, subject to an acknowledged exception to Goal 3 or 4 or both.¶¶

(J) "Zone To Allow" or "Zoned to Allow" means that the comprehensive plan and implementing zoning shd needs for neighborhood-serving commercial will require an additional allow the specified housing types and densities under clear and objective standards and other requirements specified in ORS 197.307(4) and (6).¶¶

(9) The following safe harbors may be applied by a local government to determine its employment needs for purposes of a UGB amendment under this rule, Goal 9, OAR chapter 660, division 9, Goal 14 and, if applicable, ORS 197.296.¶¶

(a) A local government may estimate that the current number of jobs in the urban area will grow during the 20-year planning period at a rate equal to either:¶¶

(A) The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department; or¶¶

(B) The population growth rate for the urban area in the appropriate 20-year coordinated population forecast determined under rules in OAR chapter 660, division 32.¶¶

(b) A local government with a population of 10,000 or less may assume that retail and service commercial land needs will grow in direct proportion to the forecasted urban area population growth over the 20-year planning period amount of land no more than five percent of the net buildable acres determined for residential land needs under section (4) of this rule. This safe harbor may not be used to determine employment land needs for use sectors other than retail and neighborhood-serving commercial.¶¶

(10) As a safe harbor during periodic review or other legislative review of the UGB, a local government may estimate that the 20-year land needs for streets and roads, parks and school facilities will together require an additional amount of land equal to 25 percent of the net buildable acres determined for residential land needs under section (4) of this rule, and in conformance with the definition of "Net Buildable Acre" as defined in OAR 660-024-0010(6).

Statutory/Other Authority: ORS 197.040, Statewide Planning Goal 14, ORS 195.033(10)

Statutes/Other Implemented: ORS 195.036, ORS 197.015, ORS 197.295 – 197.314, ORS 197.610 – 197.650 610 - 197.650, ORS 195.033, OL 2013 Ch. 574 Sec. 3, ORS 197.478, ORS 197A.015, ORS 197A.020, ORS 197A.200, ORS 197A.215, ORS 197.764A.278, ORS 195.033 7A.348 - 197A.355, ORS 195.07A.362, OL 2013 Ch. 574 Sec. 3RS 197A.370 - 197A.400, ORS 197A.425, ORS 197A.445, ORS 197A.465, ORS 197A.470

AMEND: 660-024-0050

RULE SUMMARY: This rule includes the requirements for responding to a land deficiency of employment and/or residential land. This rule also includes safe harbors local governments may use to inventory and evaluate land.

CHANGES TO RULE:

660-024-0050

Land Inventory and Response to Deficiency ¶¶

(1) When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040. For residential land, the buildable land inventory must include vacant and redevelopable land, and be conducted in accordance with OAR ~~660-007-0045 or 660-008-0010, whichever is applicable~~0, and ORS ~~197A.29670 or 197A.350~~ for local governments subject to ~~those~~those statutes. For employment land, the inventory must include suitable vacant and developed land designated for industrial or other employment use, and must be conducted in accordance with OAR 660-009-0015.¶¶

(2) ~~As safe harbors, a local government, except a city with a population over 25,000 or a metropolitan service district described in ORS 197.015(13), may use the following assumptions to inventory the capacity of buildable lands to accommodate housing needs:¶¶~~

~~(a) The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;¶¶~~

~~(b) Existing lots of less than one-half acre that are currently occupied by a residence may be assumed to be fully developed.¶¶~~

~~(3) As safe harbors when inventorying land to accommodate industrial and other employment needs, a local government may assume that a lot or parcel is vacant if it is:¶¶~~

~~(a) Equal to or larger than one-half acre, if the lot or parcel does not contain a permanent building; or¶¶~~

~~(b) Equal to or larger than five acres, if less than one-half acre of the lot or parcel is occupied by a permanent building.¶¶~~

~~(4) If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197A.29670 and 197A.350 where applicable. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. If the local government determines there is a need to expand the UGB, changes to the UGB must be determined by evaluating alternative boundary locations consistent with Goal 14 and applicable rules at OAR 660-024-0060 or 660-024-0065 and 660-024-0067.¶¶~~

~~(5) In evaluating an amendment of a UGB submitted under ORS 197.626, the director or the commission may determine that a difference between the estimated 20-year needs determined under OAR 660-024-0040 and the amount of land and development capacity added to the UGB by the submitted amendment is unlikely to significantly affect land supply or resource land protection, and as a result, may determine that the proposed amendment complies with section (4) of this rule.¶¶~~

~~(6) When land is added to the UGB, the local government must assign appropriate urban ~~plan~~comprehensive plan map designations to the added land, consistent with the need determination and the requirements of section (6) and (7) of this rule, if applicable. The local government must also apply appropriate zoning to the added land consistent with the plan designation or may maintain the land as urbanizable land until the land is rezoned for the planned urban uses, either by retaining the zoning that was assigned prior to inclusion in the boundary or by applying other interim zoning that maintains the land's potential for planned urban development. The requirements of ORS ~~197.296A.350~~ regarding planning and zoning also apply when local governments specified in that statute add land to the UGB.¶¶~~

~~(7) Lands included within a UGB pursuant to OAR 660-024-0065(3) to provide for a particular industrial use, or a particular public facility, must be planned and zoned for the intended use and must remain planned and zoned for that use unless the city removes the land from the UGB.¶¶~~

~~(7) Lands included within a UGB to provide for a residential use must be planned and designated on the comprehensive plan map for a variety of housing types and densities determined necessary to comply with OAR chapter 660, division 8.¶¶~~

~~(8) As a safe harbor regarding requirements concerning "efficiency," a local government that chooses to use the ~~density and mix~~land use efficiency safe harbors in OAR 660-024-0040~~08-0150~~(82) is deemed to have met the Goal 14 efficiency requirements under:¶¶~~

- (a) Sections (1) and (4) of this rule regarding evaluation of the development capacity of residential land inside the UGB to accommodate the estimated 20-year needs; and¶¶
- (b) Goal 14 regarding a demonstration that residential needs cannot be reasonably accommodated on residential land already inside the UGB, but not with respect to:¶¶
- (A) A demonstration that residential needs cannot be reasonably accommodated by rezoning non-residential land, and¶¶
- (B) Compliance with Goal 14 Boundary Location factors.
- Statutory/Other Authority: ORS 197.040, 197A.305, ~~197A.320 & 197.235~~, Statewide Planning Goal 14, ORS 197.235, ORS 197A.285
- Statutes/Other Implemented: ORS 195.036, 197.015, ~~197.295~~610 - 197.650, 197A.300 - 197A.314, 197.610 - 197.650, 197.764, 25, ORS 197.478, ORS 197A.015, ORS 197A.020, ORS 197A.200, ORS 197A.215, ORS 197A.278, ORS 197A.362, ORS 197A.370 - 197A.400, ORS 197A.425, ORS 197A.445, ORS 197A.465, ORS 197A.470, ORS 197A.300~~48 - 197A.32~~55

AMEND: 660-024-0060

RULE SUMMARY: This rule provides criteria for evaluating and prioritizing land in a study area for inclusion in Metro's UGB

CHANGES TO RULE:

660-024-0060

Metro Boundary Location Alternatives Analysis ¶¶

(1) When considering a Metro UGB amendment, Metro must determine which land to add by evaluating alternative urban growth boundary locations. For Metro, this determination must be consistent with the priority of land specified in ORS 197.298A.355 and the boundary location factors of Goal 14, as follows:¶¶

(a) Beginning with the highest priority of land available, Metro must determine which land in that priority is suitable to accommodate the need deficiency determined under OAR 660-024-0050.¶¶

(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, Metro must apply the location factors of Goal 14 to choose which land in that priority to include in the Metro UGB.¶¶

(c) If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency, Metro must determine which land in the next priority is suitable to accommodate the remaining need, and proceed using the same method specified in subsections (a) and (b) of this section until the land need is accommodated.¶¶

(d) Notwithstanding subsection (a) to (c) of this section, Metro may consider land of lower priority as specified in ORS 197.298A.355(3).¶¶

(e) For purposes of this section, the determination of suitable land to accommodate land needs must include consideration of any suitability characteristics specified under section (5) of this rule, as well as other provisions of law applicable in determining whether land is buildable or suitable.¶¶

(2) Notwithstanding OAR 660-024-0050(4) and subsection (1)(c) of this rule, except during a legislative review of the Metro UGB, Metro may approve an application under ORS 197.610 to 197.625 for a Metro UGB amendment proposing to add an amount of land less than necessary to satisfy the land need deficiency determined under OAR 660-024-0050(4), provided the amendment complies with all other applicable requirements.¶¶

(3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the Metro UGB location, Metro must show that all the factors were considered and balanced.¶¶

(4) In determining alternative land for evaluation under ORS 197.298A.355, "land adjacent to the UGB" is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency.¶¶

(5) If Metro has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified need, Metro may limit its consideration to land that has the specified characteristics when it conducts the boundary location alternatives analysis and applies ORS 197.298A.355.¶¶

(6) The adopted findings for a Metro UGB adoption or amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis. If the analysis involves more than one parcel or area within a particular priority category in ORS 197.298A.355 for which circumstances are the same, these parcels or areas may be considered and evaluated as a single group.¶¶

(7) For purposes of Goal 14 Boundary Location Factor 2, "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities.¶¶

(8) The Goal 14 boundary location determination requires evaluation and comparison of the relative costs, advantages and disadvantages of alternative Metro UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. This evaluation and comparison must be conducted in coordination with service providers, including the Oregon Department of Transportation (ODOT) with regard to impacts on the state transportation system. "Coordination" includes timely notice to service providers and the consideration of evaluation methodologies recommended by service providers. The evaluation and comparison must include:¶¶

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

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

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

Statutory/Other Authority: ORS 197.040, ORS 197A.305, ORS 197A.320 & 197.235, Statewide Planning Goal 14, ORS 197.235

Statutes/Other Implemented: ORS 195.036, ORS 197.015, ~~197.295~~ ORS 197.610 - 197.650, ORS 197A.300 - 197A.314, ~~197.610 - 197.650, 197.764, 197A.300 - 25,~~ ORS 197.478, ORS 197A.015, ORS 197A.020, ORS 197A.200, ORS 197A.215, ORS 197A.278, ORS 197A.348 - 197A.355, ORS 197A.362, ORS 197A.370 - 197A.400, ORS ~~197A.3425~~, ORS 197A.445, ORS 197A.465, ORS 197A.470

AMEND: 660-024-0065

RULE SUMMARY: This rule describes the process for studying land for potential inclusion in the UGB as it applies to cities outside Metro. This includes how a city identifies a study area and the process for determining whether or not land is suitable to be included within the study area based on factors such as natural resources, hazard risk, and constraints to serving the area with public facilities.

CHANGES TO RULE:

660-024-0065

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

(1) When considering a UGB amendment to accommodate a need deficit identified in OAR 660-024-0050(43), a city outside of Metro must determine which land to add to the UGB by evaluating alternative locations within a "study area" established pursuant to this rule. To establish the study area, the city must first identify a "preliminary study area" which shall not include land within a different UGB or the corporate limits of a city within a different UGB. The preliminary study area shall include:¶

(a) All lands in the city's acknowledged urban reserve, if any;¶

(b) All lands that are within the following distance from the acknowledged UGB:¶

(A) For cities with a UGB population less than 10,000: one-half mile;¶

(B) For cities with a UGB population equal to or greater than 10,000: one mile;¶

(c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:¶

(A) For cities with a UGB population less than 10,000: one mile;¶

(B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;¶

(d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).¶

(2) A city that initiated the evaluation or amendment of its UGB prior to January 1, 2016, may choose to identify a preliminary study area applying the standard in this section rather than section (1). For such cities, the preliminary study area shall consist of:¶

(a) All land adjacent to the acknowledged UGB, including all land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency, and¶

(b) All land in the city's acknowledged urban reserve established under OAR chapter 660, division 21, if applicable.¶

(3) When the primary purpose for expansion of the UGB is to accommodate a particular industrial use that requires specific site characteristics, or to accommodate a public facility that requires specific site characteristics, and the site characteristics may be found in only a small number of locations, the preliminary study area may be limited to those locations within the distance described in section (1) or (2), whichever is appropriate, that have or could be improved to provide the required site characteristics. For purposes of this section:¶

(a) The definition of "site characteristics" in OAR 660-009-0005(11) applies for purposes of identifying a particular industrial use.¶

(b) A "public facility" may include a facility necessary for public sewer, water, storm water, transportation, parks, schools, or fire protection. Site characteristics may include but are not limited to size, topography and proximity.¶

(4) The city may exclude land from the preliminary study area if it determines that:¶

(a) Based on the standards in section (78) of this rule, it is impracticable to provide necessary public facilities or services to the land;¶

(b) The land is subject to significant development hazards, due to a risk of:¶

(A) Landslides: The land consists of a landslide deposit or scarp flank ~~that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer.~~ If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;¶

(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);¶

(C) Tsunamis: the land is within a tsunami inundation zone established pursuant to ORS 455.446;¶

(D) Other hazards identified in an acknowledged comprehensive plan or development code that the local government determines as presenting a significant risk to life or property.¶

(c) The land consists of a significant scenic, natural, cultural or recreational resource described in this subsection:¶

(A) Land that is designated in an acknowledged comprehensive plan prior to initiation of the UGB amendment, or that is mapped on a published regional, state or federal inventory at a scale sufficient to determine its location for purposes of this rule, as:¶

(i) Critical or essential habitat for a species listed by a state or federal agency as threatened or endangered;¶

(ii) Core habitat for Greater Sage Grouse; or¶

(iii) Big game migration corridors or winter range, except where located on lands designated as urban reserves or exception areas;¶

(B) Federal Wild and Scenic Rivers and State Scenic Waterways, including Related Adjacent Lands described by ORS 390.805, as mapped by the applicable state or federal agency responsible for the scenic program;¶

(C) Designated Natural Areas on the Oregon State Register of Natural Heritage Resources;¶

(D) Wellhead protection areas described under OAR 660-023-0140 and delineated on a local comprehensive plan;¶

(E) Aquatic areas subject to Statewide Planning Goal 16 that are in a Natural or Conservation management unit designated in an acknowledged comprehensive plan;¶

(F) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 17, Coastal Shoreland, Use Requirement 1;¶

(G) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 18, Implementation Requirement 2;¶

~~(d) The land is owned by the federal government and managed primarily for rural uses.¶~~

~~(5H) Lands identified by a Tribal government as not suitable for urbanization because they consist of significant scenic, natural, cultural, or recreational resources.¶~~

~~(d) The land is owned by the federal government and managed primarily for rural uses.¶~~

~~(5) As part of the process of evaluating land for inclusion in the study area, a local government must notify Tribal governments of the establishment of a preliminary study area as provided:¶~~

~~(a) Notice must be sent to Tribal governments with an ancestral connection to land within the study area and jurisdiction of the local government. The local government must obtain a list from the Oregon Legislative Commission on Indian Services of Tribal governments that have such a connection.¶~~

~~(b) Notice to Tribal governments as identified in (a) must include:¶~~

~~(A) A map of the preliminary study area; and¶~~

~~(B) Information on how and when to provide input, including invitation for government-to-government consultation and staff coordination regarding potential conflicts or opportunities between future urbanization of land within the preliminary study area and cultural or natural resources, Tribal government strategic plans, or other Tribal government interests.¶~~

~~(c) A local government must allow a period of no less than 35 calendar days after the notice was sent for Tribal governments to respond and opt in to consultation and coordination.¶~~

~~(d) A local government that receives input from a Tribal government must explain how input was incorporated. If input from a Tribal government was not incorporated, the local government must provide a rationale explaining why.¶~~

~~(6) After excluding land from the preliminary study area under section (4), the city must adjust the area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed for the deficiency determined under OAR 660-024-0050(4) or, if applicable, twice the particular land need described in section (3). Such adjustment shall be made by expanding the distance specified under the applicable section (1) or (2) and applying section (4) to the expanded area.¶~~

~~(67) For purposes of evaluating the priority of land under OAR 660-024-0067, the "study area" shall consist of all land that remains in the preliminary study area described in section (1), (2) or (3) of this rule after adjustments to the area based on sections (4) and (5), provided that when a purpose of the UGB expansion is to accommodate a public park need, the city must also consider whether land excluded under subsection (4)(a) through (c) of this rule can reasonably accommodate the park use.¶~~

~~(78) For purposes of subsection (4)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:¶~~

~~(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater, provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;¶~~

~~(b) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. Impracticability shall be determined by the relative complexity and challenge required to serve an area with public facilities. The city's determination shall be based on an evaluation of:¶~~

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

- (B) The ~~likely~~ relative cost of facilities and services to provide a feasibility comparison; and,¶
- (C) Any substantial evidence collected by or presented to the city regarding how similarly situated land in the region has, or has not, developed over time.¶
- (c) As used in this section, "impediments to service provision" may include but are not limited to:¶
- (A) Major rivers or other water bodies that would require new bridge crossings to serve planned urban development;¶
- (B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and vertical relief of greater than 80 feet;¶
- (C) Freeways, rail lines, or other restricted access corridors that would require new grade separated crossings to serve planned urban development;¶
- (D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject to protection measures under the plan or implementing regulations, ~~or on a published regional~~, state or federal inventory, ~~or identified by a Tribal government, consistent with OAR 660-024-0065(4)(c),~~ that would prohibit or substantially impede the placement or construction of necessary public facilities and services.¶
- (8d) A city may determine land impracticable to serve when the cost-per-unit calculation exceeds four times the median cost-per-unit of all sub-areas.¶
- (9) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-024-0067(1)(d).¶
- (910) Notwithstanding OAR 660-024-0050(43) and section (1) of this rule, except during periodic review or other legislative review of the UGB, the city may approve an application under ORS 197.610 to 197.625 for a UGB amendment, when paired with land use efficiency measures, to add an amount of land less than necessary to satisfy the land need deficiency determined under OAR 660-024-0050(43), provided the amendment complies with all other applicable requirements.
- Statutory/Other Authority: ORS 197.040, ORS 197A.305, ORS 197A.320 & 197.235, Statewide Planning Goal 14, ORS 197.235
- Statutes/Other Implemented: ORS 195.036, 197.015, 197.295, 197.610 - 197.650, 197A.300 - 197A.344, 197.610 - 197.650, 197.764, 197A.300 - 25, ORS 197.478, ORS 197A.015, ORS 197A.020, ORS 197A.200, ORS 197A.215, ORS 197A.278, ORS 197A.348 - 197A.355, ORS 197A.362, ORS 197A.370 - 197A.400, ORS 197A.3425, ORS 197A.445, ORS 197A.465, ORS 197A.470

AMEND: 660-024-0067

RULE SUMMARY: This rule provides criteria for evaluating and prioritizing land in a study area for inclusion in the UGB.

CHANGES TO RULE:

660-024-0067

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

(1) A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-024-0065, as follows:¶¶

(a) Beginning with the highest priority category of land described in section (2), the city must apply section (5) to determine which land in that priority category is suitable to satisfy the need deficiency determined under OAR 660-024-0050 and select for inclusion in the UGB as much of the land as necessary to satisfy the need.¶¶

(b) If the amount of suitable land in the first priority category is not sufficient to satisfy all the identified need deficiency, the city must apply section (5) to determine which land in the next priority is suitable and select for inclusion in the UGB as much of the suitable land in that priority as necessary to satisfy the need. The city must proceed in this manner until all the land need is satisfied, except as provided in OAR 660-024-0065(¶10).¶¶

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

(d) In evaluating the sufficiency of land to satisfy a need under this section, the city may use the factors identified in sections (5) and (6) of this rule to reduce the forecast development capacity of the land to meet the need.¶¶

(e) Land that is determined to not be suitable under section (5) of this rule to satisfy the need deficiency determined under OAR 660-024-0050 is not required to be selected for inclusion in the UGB unless its inclusion is necessary to serve other higher priority lands.¶¶

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

~~(a) First Priority is urban reserve, exception land, and nonresource land. Lands in the study area that meet the description in paragraphs (A) through (C) of this subsection are of equal (f. If land of higher priority is inadequate to accommodate the amount of land need estimate in section (1) of this rule, the next priority for inclusion shall be according to the following order of priority:¶¶~~

~~(a) First)¶ Priority:¶¶~~

~~(A) L is land designated as an urban reserve under OAR chapter 660, division 21, in an acknowledged comprehensive plan;¶¶~~

~~(Bb) Land that is Second Priority is land adjacent to, or nearby, an urban growth boundary and subject to an acknowledged exception under ORS 197.732; and¶¶~~

~~(C) L land that is nonresource land as defined in OAR 660-021-0010(3).¶¶~~

~~(bc) Secon Third Priority is marginal land: land within the study area that is land designated as marginal land under ORS 197.247 (1991 Edition) in thean acknowledged comprehensive plan;¶¶~~

~~(ed) ThirdFourth Priority is forest or farm land that is not predominantly land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Lands considered under this subsection may not include high-value farm-land: land within the study area that is designated for forest or agriculture uses in the acknowledged comprehensiv as defined in ORS 195.300(10) or high value forestland as defined in ORS 195.300(11). ¶¶~~

~~(e) Fifth Priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Lands considered under this subsection may include those plands under ORS 95.300(10) and that(11) isf not predominantly high-value farmland as defined in ORS 195.300, or that does not consist comprised of prime and unique soils listed in ORS 215.710(2) to (4) or predominantly of prime or unique comprised of Class I and II soils, as determ fined by the United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS). In selecting which lands to include to satisfy the need, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the¶¶~~

~~(f) Sixth priority is land designated in an acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.¶¶~~

~~(d) Fourth Priority is agricultural land that is predominantly high-value farmland: land within the study area that is designated as agricultural land in an acknowledged comprehensive plan and is predominantly high-value farmland as defined in ORS 195.300. A city may not select land that is predominantly made up of prime or unique farm soils, as defined by the USDA NRCS, unless there is an insufficient amount of other land to satisfy its landfor agriculture or forestry, or both, allowing for those lands excluded in (d), if the city provides findings that no other lands are available to fill the need.¶¶~~

~~(g) In selecting which lands to include to satisfy the need agricultural lands within the same priority level, the city~~

must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.¶

(3) Notwithstanding subsections (2)(ed) or through (df) of this rule, land that would otherwise be excluded from a UGB may be included if:¶

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

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

(4) For purposes of categorizing and evaluating land pursuant to subsections (2)(c) and (d) and section (3) of this rule,¶

(a) Areas of land not larger than 100 suitable acres may be grouped together and studied as a single unit of land;¶

(b) Areas of land larger than 100 suitable acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB;¶

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

(d) When determining whether the land is predominantly high-value farmland, or predominantly prime or unique, "predominantly" means more than 50 percent.¶

(5) With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is "suitable" to satisfy a need deficiency identified in OAR 660-024-0050(4) unless it demonstrates that the land cannot satisfy the specified need based on one or more of the conditions described in subsections (a) through (g) of this section: ¶

(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need; as follows:¶

(A) Parcelization: the land consists primarily of parcels 2-acres or less in size, or¶

(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure."¶

(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-024-0065(4) but the city declined to exclude it pending more detailed analysis.¶

(c) The land is, or will be upon inclusion in the UGB, subject to natural resources protections under Statewide Planning Goal 5 such that that no development capacity should be forecast on that land to meet the land need deficiency.¶

(d) With respect to needed industrial uses only, the land is over 10 percent slope, or is an existing lot or parcel that is smaller than 5 acres in size, or both. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals.¶

(e) With respect to a particular industrial use or particular public facility use described in OAR 660-024-0065(3), the land does not have, and cannot be improved to provide, one or more of the required specific site characteristics.¶

(f) The land is subject to a conservation easement described in ORS 271.715 that prohibits urban development.¶

(g) The land is committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:¶

(A) Public park, church, school, or cemetery, or¶

(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan.¶

(6) For vacant or partially vacant lands added to the UGB to provide for residential uses:¶

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

(b) Existing lots or parcels less than 5 acres in size shall project half (50 percent) the assumed residential capacity due to existing development patterns such that the land cannot be reasonably redeveloped or infilled within the planning period as a result of the location of existing structures and infrastructure, unless a city provides quantifiable validation.(c) In any subsequent review of a UGB pursuant to this division, the city may use a development assumption for land described in subsections (a) and (b) of this section for a period of up to 14 years from the date the lands were added to the UGB.¶

(7) Pursuant to subsection (1)(c), if the amount of suitable land in a particular priority category under section (2) exceeds the amount necessary to satisfy the need deficiency, the city must choose which land in that priority to include in the UGB by first applying the boundary location factors of Goal 14 and then applying applicable criteria in the acknowledged comprehensive plan and land use regulations acknowledged prior to initiation of the UGB evaluation or amendment. The city may not apply local comprehensive plan criteria that contradict the requirements of the boundary location factors of Goal 14. The boundary location factors are not independent criteria; when the factors are applied to compare alternative boundary locations and to determine the UGB location the city must show that it considered and balanced all the factors. The criteria in this section may not be used to select lands designated for agriculture or forest use that have higher land capability or cubic foot site class, as applicable, ahead of lands that have lower capability or cubic foot site class.¶

(8) The city must apply the boundary location factors of Goal 14 in coordination with service providers and state agencies, including the Oregon Department of Transportation (ODOT) with respect to Factor 2 regarding impacts on the state transportation system, and the Oregon Department of Fish and Wildlife (ODFW) and the Department of State Lands (DSL) with respect to Factor 3 regarding environmental consequences. "Coordination" includes timely notice to agencies and service providers and consideration of any recommended evaluation methodologies.¶

(9) In applying Goal 14 Boundary Location Factor 2 to evaluate alternative locations under section (7), the city must compare relative costs, advantages and disadvantages of alternative UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. For purposes of this section, the term "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities. The evaluation and comparison under Boundary Location Factor 2 must consider:¶

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

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

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

(10d) In the context of residential development, the cost to serve a sub-area relative to potential yield of housing units.¶

(10) The public facilities portion of a city's comprehensive plan shall be amended to plan for facilities and services, per OAR 660-011, required to serve land added to the UGB no later than 5 years following acknowledgement of the expansion.¶

(11) The evaluation under Goal 14 Boundary Location Factor 1 and 2 must include but is not limited to a comparison of the relative efficiency of accommodating land needs for housing types and densities identified in OAR chapter 660, division 8.¶

(12) In applying Goal 14 Boundary Location Factor 3, the city may prioritize areas including but not limited to areas that have been conceptually planned to include regulated affordable housing, commercial uses and open space.¶

(13) The adopted findings for UGB amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis:

Statutory/Other Authority: ORS 197.040, ORS 197A.305, ORS 197A.320 & 197.235, Statewide Planning Goal 14, ORS 197.235

Statutes/Other Implemented: ORS 195.036, ORS 197.015, ORS 197.295 - 197.314, ORS 197.610 - 197.650, ORS 197.764, ORS 197A.300 - 197A.325

AMEND: 660-024-0070

RULE SUMMARY: This rule specifies how a local government may adjust the UGB by removing or exchanging land from the existing boundary.

CHANGES TO RULE:

660-024-0070

UGB Adjustments ¶

(1) A local government may adjust the UGB at any time to better achieve the purposes of Goal 14 and this division. Such adjustment may occur by adding or removing land from the UGB, or by exchanging land inside the UGB for land outside the UGB. The requirements of section (2) of this rule apply when removing land from the UGB. The requirements of Goal 14 and this division~~[and ORS 197.298]~~A.335 apply when land is added to the UGB, including land added in exchange for land removed. The requirements of ORS 197.296A.350 may also apply when land is added to a UGB, as specified in that statute. If a local government exchanges land inside the UGB for land outside the UGB, the applicable local government must adopt appropriate rural zoning designations for the land removed from the UGB prior to or at the time of adoption of the UGB amendment and must apply applicable location and priority provisions of OAR 660-024-0060 through 660-020-0067.¶

(2) A local government may remove land from a UGB following the procedures and requirements of ORS 197.764. Alternatively, a local government may remove land from the UGB following the procedures and requirements of ORS 197.610 to 197.650, provided it determines:¶

(a) The removal of land would not violate applicable statewide planning goals and rules;¶

(b) The UGB would provide a 20-year supply of land for estimated needs after the land is removed, or would provide roughly the same supply of buildable land as prior to the removal, taking into consideration land added to the UGB at the same time;¶

(c) Public facilities agreements adopted under ORS 195.020 do not intend to provide for urban services on the subject land unless the public facilities provider agrees to removal of the land from the UGB and concurrent modification of the agreement;¶

(d) Removal of the land does not preclude the efficient provision of urban services to any other buildable land that remains inside the UGB; and¶

(e) The land removed from the UGB is planned and zoned for rural use consistent with all applicable laws.¶

(3) Notwithstanding sections (1) and (2) of this rule, a local government considering an exchange of residential land may rely on the land needs analysis that provided a basis for its current acknowledged plan, rather than adopting a new need analysis, provided:¶

(a) The amount of ~~buildable~~ land added to the UGB to meet:¶

~~(A) A specific type of residential need is substantially equivalent~~ An identified housing need is within ten percent of the amount of buildable residential land removed, or land removed from an urban area (as measured by acres or estimated capacity). ¶

~~(B) The amount of employment land added to the UGB to meet an employment need is substantially equivalent to the amount of employment~~ For local governments with comprehensive plan designations in their urban areas, only residentially designated land may be exchanged to meet an identified housing need. ¶

~~(B) For local governments within Metro, only urbanizable land may be exchanged to meet land removed, and~~ ¶

~~(b) The identified housing need.~~ ¶

(b) The appropriate local government must apply comprehensive plan designations, and, if applicable, urban zoning to the land added to the UGB, such that the land added is designated:¶

~~(A) For the same residential uses and at the same housing density as the land removed from the UGB, or~~ ¶

~~(B) For the same employment at the same or higher housing density as the land removed from the UGB.~~ ¶

(4) Notwithstanding sections (1) and (2) of this rule, a local government considering an exchange of nonresidential land may rely on the land needs analysis that provided a basis for its current acknowledged plan, rather than adopting a new need analysis, provided:¶

(a) The amount of suitable land added to the UGB to meet a nonresidential need is within ten percent of the nonresidential land removed, and¶

(b)(A) The local government must apply comprehensive plan designations and, if applicable, urban zoning to the land added to the UGB, such that the land added is designated for the same nonresidential uses as allowed on the land removed from the UGB, or¶

(C) If the land exchange is intended to provide for a particular industrial use that requires specific site characteristics, only land zoned for commercial or industrial use may be removed, and the land added must be zoned for the particular industrial use and meet other applicable requirements of ORS 197A.320(6).¶

(c) If the land exchange is necessary to serve a public land need, the local government must apply comprehensive

plan designations and, if applicable, urban zoning to the land added to the UGB, such that the land is designated for the identified public land need.

Statutory/Other Authority: ORS 197.040, ORS 197A.305, ORS 197A.320 & 197.235, Statewide Planning Goal 14, ORS 197.235

Statutes/Other Implemented: ORS 195.036, ORS 197.015, ~~197.295~~ ORS 197.610 - 197.650, ORS 197A.300 - 197A.314, ~~197.610 - 197.650, 197.764, 197A.300 - 25, ORS 197.478, ORS 197A.015, ORS 197A.020, ORS 197A.200, ORS 197A.215, ORS 197A.278, ORS 197A.348 - 197A.355, ORS 197A.362, ORS 197A.370 - 197A.400, ORS 197A.3425, ORS 197A.445, ORS 197A.465, OrS 197A.470~~



Department of Land Conservation and Development

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2540

Phone: 503-373-0050

Fax: 503-378-5518

www.oregon.gov/LCD

September 11, 2025

To: Land Conservation and Development Commission

From: Brenda Ortigoza Bateman, Ph.D., Director
Ethan Stuckmayer, Housing Division Manager
Madeline Phillips, Public Facilities Planner
Thea Chroman, Housing Planner



Subject: Agenda Item 8, September 25-26, 2025, LCDC Meeting

Oregon Housing Needs Analysis (OHNA) Rulemaking Briefing

I. Agenda Item Summary

Department of Land Conservation and Development (DLCD or department) staff will provide an update on amendments to Oregon Administrative Rules (OAR) Chapter 660, Divisions 7 (Metropolitan Housing), 8 (Interpretation of Goal 10 Housing), 21 (Urban Reserves), and 24 (Urban Growth Boundaries).

Staff will provide an overview of working draft rule changes to the Land Conservation and Development Commission (LCDC or commission). They will highlight areas where diverse perspectives present opportunities for commission guidance. The commission will not be asked to take action on this item. Public comment will be accepted. Public comment on the draft rules will be open from October 1 through November 7. LCDC will hold a virtual public hearing October 23 and will take public comment at that time. The commission is scheduled to take action on the rules December 4.

a. Purpose

Staff will present DLCD's draft rule amendments to implement the capacity and urbanization elements of the Oregon Housing Needs Analysis (OHNA). Staff also will address compliance pathways under consideration by the Housing Actions Work Group. Feedback from the commission will help staff as they refine the draft rule for filing with the Secretary of State on October 1, 2025.

b. Objective

Commissioners are updated on elements of the OHNA rulemaking including the:

- Scope and depth of rulemaking subjects, including housing need, urbanization approaches, and planning for future growth
- Potential decision-points

- Information available to support and clarify questions that may arise from implementation of the proposed rules

For further information about this report, please contact Ethan Stuckmayer, Housing Division Manager at 503-302-0937 or ethan.stuckmayer@dlcd.oregon.gov.

II. Background and Context

Amendments to OAR Chapter 660 provided here are directed by House Bill 2001 (HB 2023), also known as the OHNA or OHNA policy. The intent of this rulemaking is to shift the implementation of Goal 10 (Housing) and Goal 14 (Urbanization) from a historically narrow focus on housing land capacity towards a more comprehensive framework that emphasizes local actions to promote housing production, affordability, and choice.

Divisions 7 and 8 of the Oregon Administrative Rules Chapter 660 guide housing planning as required by Statewide Land Use Planning Goal 10 — Housing.

Divisions 21 and 24 guide urbanization planning as required by Statewide Land Use Planning Goal 14 — Urbanization.

1. Goal 10 - Housing

Statewide Land Use Planning Goal 10 – Housing has required communities to plan for their housing needs since 1973.¹ Goal 10 is now primarily implemented through two key documents that local governments produce: a Housing Capacity Analysis (HCA) and a Housing Production Strategy (HPS).

An HCA helps cities determine if they have enough land to meet housing needs for the next 20 years. An HPS is an action plan adopted by a local government to promote housing production, affordability, and choice. House Bill 2003, passed in 2019, requires cities with populations over 10,000 to update their HCA every six or eight years, depending on location. Cities within the Portland Metro area must update their HCA every six years, while cities outside the Portland Metro area must update theirs every eight years.

Cities must adopt an HPS within one year of completing their HCA. This schedule is defined by the schedule the commission updates annually. Commissioners passed the most recent update in January [online here](#). House Bill 2001 (2023) also established the Housing Acceleration program to provide structure and support for cities that are having difficulty implementing their HPS or falling behind on their production targets.

¹ While Goal 10 housing planning and its implementing statutes under ORS Chapter 197A apply to cities of all sizes, the Oregon Housing Needs Analysis shift in Goal 10 outlines specific housing planning requirement for cities with a population of 10,000 or greater, cities and named unincorporated areas in Tillamook County, and Metro counties.

2. Goal 14 - Urbanization

Statewide Planning Goal 14 - Urbanization requires communities to plan for orderly and efficient growth within an Urban Growth Boundary (UGB) to accommodate community needs, including housing needs. Cities must plan to provide a 20-year supply of land to accommodate identified needs within UGB, as determined in their HCA. Where a city identifies a need that cannot be accommodated within the UGB, it must take measures to increase the efficiency of land and/or amend its boundary. This process includes evaluating adjacent sites for potential inclusion within the boundary, considering the resource status of the land (e.g., for farm or forest), and the suitability of that land for urbanization. The OHNA policy included technical refinements to urbanization-related statutes as well as direction to DLCD to make the process generally less burdensome for local governments, especially for smaller cities, to amend an Urban Growth Boundary to address an identified housing need.

3. Oregon Housing Needs Analysis (OHNA)

After years of pilot research and policy discussion at the legislative, department, and community levels, House Bill 2001 and 2889 (2023) codified the Oregon Housing Needs Analysis (OHNA) into law and directed LCDC to adopt and amend rules related to housing and urbanization (Land Use Planning Goals 10 and 14). The OHNA policy emphasizes the role of local actions in promoting housing production, affordability, and choice. In addition, Senate Bill 406, passed in 2023, added the requirement for certain communities and any city in Tillamook County to plan for needed housing. The Oregon legislature adopted House Bill 4063 in 2024, requiring the three counties in the Portland-Metropolitan area (Metro) to plan for the housing needs of urban unincorporated lands (UULs) within the regional urban growth boundary.

As part of the coordinated statewide implementation of the OHNA, the Department of Administrative Services (DAS) published – for the first time - a methodology to estimate both 20-year needed housing allocations and establish shorter-term six- and eight-year housing production targets on January 1, 2025. DAS will update this methodology on an annual basis to provide up-to-date estimates for local government's Goal 10 and 14 planning compliance.. Additionally, Oregon Housing and Community Services (OHCS) published a housing production dashboard for tracking progress toward housing production targets by city/county and a set of housing equity indicators for monitoring equitable housing outcomes by city/county on January 1 this year. Similarly, these dashboards will be updated annually with the most recent estimates from DAS, information on housing that has been permitted and housing that has been produced in cities and counties, and demographic and other data that supports the housing equity indicators and local planning work.

According to the legislative direction of HB 2001 and 2889 in 2023, the commission initiated the OHNA rulemaking process in July 2023. Staff organized the rulemaking into the following three major topic areas, each with specific deadlines for rule adoption as outlined in these bills:

- Housing Needs and Production – Rule adoption deadline: January 1, 2025
- Housing Acceleration Program – Rule adoption deadline: January 1, 2025
- Housing Capacity and Urbanization – Rule adoption deadline: January 1, 2026

The department appointed an overarching Rules Advisory Committee (RAC) with three Technical Advisory Committees (TACs) — one TAC dedicated to each of the three initial topic areas and collaborated with these interested parties.

In December 2024, the commission adopted rules responding to the two topic areas with 2025 deadlines -- the Needs and Production and the Acceleration Program. Commissioners also amended the rulemaking charge to include a greater scope in the 2025-2026 calendar year.

These areas of additional charge include further updates to the Goal 10 program as described below. The department's work on Capacity and Urbanization rules continues following the original schedule.

III. Rulemaking Update

1. Charge

When the commission initiated a rulemaking process in 2023, it adopted the following Rulemaking Charge:

Members of the Rules Advisory Committee (RAC) shall provide guidance to agency staff to analyze, draft, and recommend Oregon Administrative Rules (OARs) that faithfully implement the legislative intent and direction outlined in Sections 8 and 9 of House Bill 2001 (2023 Session). RAC members are charged to work with agency staff to recommend administrative rules for consideration that:

- Commit to safe, accessible, climate resilient, and affordable housing options that afford access to opportunity, including Community Assets² and fair housing choice, for all Oregonians, especially historically and currently underserved and under resourced communities³. Develop and provide local governments with the tools needed to achieve these goals through the implementation of local Housing Production Strategies.
- Provide clarity and greater certainty to local governments engaging in urbanization- and housing capacity-related planning processes both with regards to regulatory adherence and the desired development outcomes. This includes refinement of methodologies and approaches for the development and adoption of buildable land inventories, urban growth boundary amendments and exchanges, urban and rural reserves, and coordinated public facilities and concept plans.
- Establish a reasonable and consistent framework of accountability that measures progress towards a community's market rate and subsidized housing production targets and ensures state and local governments take policy and regulatory actions within their

²According to the U.S. Department of Housing and Urban Development's (HUD) proposed AFFH rule, "Community Assets" refers to the types of assets that are often not equitably distributed and available within communities, such as high quality schools, equitable employment opportunities, reliable transportation services, parks and recreation facilities, community centers, community-based supportive services, law enforcement and emergency services, healthcare services, grocery stores, retail establishments, infrastructure and municipal services, libraries, and banking and financial institutions."

³ As defined in the [Governor's racial equity plan](#).

control that meaningfully and impactfully facilitate increased housing production, affordability, and choice.

As noted above, rules associated with the first and third bullets were adopted in December of 2024. During that adoption in December, the Commission amended the charge to add the following item, currently under consideration by a Housing Actions Work Group.

- Develop a clear compliance pathway for local governments through the Housing Production Strategy and Housing Acceleration programs utilizing program design tools like safe harbors or minimum standards in furtherance of affirmatively furthering fair housing; increased housing production, affordability, and choice; and reliability in program outcomes for local governments.

2. Racial Equity Framework for Decision Making

Following the commission's direction in April 2023, staff have used the department's [Racial Equity Framework for Decision Making](#) to ensure racial equity is central to both the rulemaking process and its outcomes.

This framework is designed to guide staff in internal projects, including rulemaking, and consists of eight elements:

- Historical inequities
- Benefits and burdens
- Data equity and data justice
- Community engagement and empowerment
- Decision making
- Restorative justice
- Accountability
- Measuring outcomes for continuous improvement

Staff have used the Racial Equity Framework for Decision Making to explore how current disparities arise from historic policies, practices, and related inequities that disproportionately impact communities of color and other historically marginalized groups. By addressing past injustices and acknowledging the roots and harms of racial disparities both past and present, use of this tool has helped inspire systemic solutions to correct historic and lasting injustices relative to housing planning.

In addition to staff-led internal application, the department contracted with the Multicultural Collaborative to serve as an equity consultant. The purpose of this contract is to ensure that DLCD's process, programming, and rulemaking align with OHNA principles and the Racial Equity Framework for Decision Making. Staff support advisory committees and work groups to consider the eight elements of the framework to help provide insights into the rulemaking process.

Following the OHNA rulemaking during the 2023-2025 biennium, the consultant reviewed the process, and advised staff to more deeply integrate the framework in the construction of the meeting discussion questions to support more meaningful and substantive discussions. The consultant also provided a set of reflections and recommendationss to support members' participation by:

- Simplifying and clarifying materials
- Strengthening communication
- Enhancing support for members with special needs
- Improving representation and outreach
- Rethinking meeting design
- Creating focused spaces

At the conclusion of the 2025 rulemaking, staff will conduct a post-project assessment to evaluate the division's response to these recommendations. They expect to develop recommendations for future rulemaking efforts based on this work.

3. Rulemaking Structure and Process

Capacity and Urbanization Technical Advisory Committee

To operationalize legislative and commission direction to provide clarity and greater certainty to local governments engaging in urbanization and housing capacity-related planning processes, staff formed the Housing Capacity and Urbanization Technical Advisory Committee (CAUTAC). The charter of this committee is to work with DLCD staff to grapple with major policy changes and ultimately help inform rule language and guidance materials. CAUTAC members advise on the development of rules in three key areas:

- Refining "Buildable Land Inventory" methodologies
- Coordinated public facilities and concept planning
- Urban Growth Boundary (UGB) amendments, exchanges, and Urban/Rural Reserves

Housing Actions Work Group

Staff also convened the Housing Actions Work Group (HAWG) to support the amended rulemaking charge. HAWG members advise rule development in two key areas:

- "Adoption-ready actions": The legislature allocated funding to DLCD to develop a library of adoption-ready actions, including model codes as mandated by HB 2001 (2023) and SB 1564 (2024). Staff's goal is that the model codes are readily available for local governments for use in order to ease the analytical burden in their housing planning. With consultant collaboration, staff have developed the first inventory of adoption-ready actions including model codes.
- "Compliance Pathways": Governor's office and DLCD staff are interested in evaluating the potential of applying more standardized approaches to Goal 10 work in the areas of the Contextualized Housing Need (CHN), Housing Production Strategy (HPS), and Housing Acceleration programs. Consultants have supported the development of

targeted compliance pathways to satisfy various elements of the program. The HAWG, DLCD staff, and state staff partners have designed initial rules to support the implementation of those pathways.

4. Committee Updates: Capacity and Urbanization Technical Advisory Committee Update

Picking up on their work from 2024, CAUTAC members are discussing administrative rule amendments consistent with legislative direction and this Commission's charge. At this meeting, staff will update the commission on:

Division 8 (OAR 660-008):

- Housing Capacity Analysis methodologies, including accounting for partially-vacant land
- Land Use Efficiency Measures: identifying and accounting
- Sufficiency of Development-Ready Land

Division 24 (OAR 660-024):

- UGB expansions: suitable land for inclusion in the UGB Study Area
- UGB exchanges
- Planning for affordability and complete neighborhoods
- Coordination of public facilities with urban growth
- Urban Reserves: establishment and use

Housing Capacity Analysis methodologies

In June, staff updated the commission on draft rule concepts related to the Buildable Land Inventory (BLI), a key component of the Housing Capacity Analysis (HCA). Staff presented methodologies for excluding land that is constrained by natural resources and hazards and estimating capacity on land that is partially vacant or redevelopable.

Staff continue to refine how constraints are considered in the BLI. With CAUTAC members, staff are exploring the application of a Land Market Supply Factor (LMSF) and a safe harbor aimed at discounting some percentage of assumed capacity on land that is partially vacant. Staff's work on partially vacant land is based on their understanding that partially vacant land present challenges for local governments. It may be analytically burdensome to identify, may require significant resource to review for additional development capacity, and may be more challenging to develop within the planning period. Key policy considerations include how much of a discount would be suitable for a safe harbor and whether a LMSF may also be used for unconstrained, vacant land.

Land Use Efficiency Measures

In the event of a deficiency of a jurisdiction's residential capacity in the HCA, local governments will take Land Use Efficiency Measures or LUEMs to increase capacity for needed housing

within their UGB prior to amending a UGB. As current rules are not clear on what a LUEM is, nor how much a local government is expected to do, this has led to uncertainty.

Staff are proposing to distinguish efficiency measures required by Goal 14 from other Housing Production Strategy actions a local government may take to increase housing production by defining LUEMs in rule. In addition, staff propose providing a land use efficiency “safe harbor” to give cities more clarity on these calculations. For local governments subject to ORS 197A.270, staff propose additional options for when these measures must be adopted locally among other minor and conforming amendments.

Key policy considerations include the following.

- Defining “Land Use Efficiency Measure” (LUEM) and clarifying their function to increase residential capacity and reduce the land deficit, in comparison to other HPS actions that are focused on facilitating housing production
- Specifying that LUEMs are those measures that are adopted as land use decisions with required findings
- Quantifying the land need impacts of LUEMs
- Providing clarity for “how much (efficiency) is enough”
- Reviewing existing safe harbors that are underutilized
- Clarifying when and how LUEMs shall be used and adopted.

Sufficiency of Development-Ready Land

Development-readiness is a new statutory evaluation that requires a jurisdiction to specify a sub-set of its buildable land that is ready and available for development in the near-term.⁴ A jurisdiction can show they have enough development-ready land when the calculation of acres of development-ready land zoned for residential use has the capacity to meet the jurisdiction’s housing target. Consistent with the buildable land inventory-achieved densities by zoning designation, a jurisdiction must calculate the expected capacity of development-ready land using the jurisdiction’s housing type mix.

If the amount of development-ready land meets the gross housing target, a jurisdiction may proceed to do Housing Production Strategy work to address other results of the Contextualized Housing Need and need not select actions to respond to development-readiness, except to do so voluntarily. If the amount of development ready land falls short of meeting the housing target, a jurisdiction must consider where and using what tools the identified need be best met.

⁴ **ORS 197A.015:** (4) “Development-ready lands” means buildable lands that are likely to support the production of housing during the period of their housing production target under ORS 184.455 (1) because the lands are:
(a) Currently annexed and zoned to allow housing through clear and objective standards and procedures;
(b) Readily served through adjacent public facilities or identified for the near-term provision of public facilities through an adopted capital improvement plan; and
(c) Not encumbered by any applicable local, state or federal protective regulations or have appropriate entitlements to prepare the land for development.

The Development-Ready Land Inventory reveals where communities have vacant or partially-vacant land that is unserved or underserved, indicating that a jurisdiction must take actions within its control and/or capacity to rebalance infrastructure resources and timing.

Key policy considerations include:

- Calculating sufficiency of development-ready land requires jurisdictions to identify land that is: served, has committed financing to be served in the near-term, and/or may be underserved such that it is unable to develop to the achieved density assigned to it in the BLI
- Finding synergies between the Development-Ready Land Inventory and Contextualized Housing Need conclusions to best achieve a jurisdiction's near-term housing target
- Folding Development-Ready actions into the HPS menu of actions

UGB Expansions

When local governments are studying land for potential inclusion in the UGB, one of the first steps is to exclude land that is unsuitable for development. In addition to land constrained by natural resources and hazards, a local government may exclude areas from the UGB Study Area that are impracticable to serve.

Impracticability to serve is a function of factors like the situation and size of parcels, relative potential housing unit yield, and infrastructure/cost complexity required to serve future development.

Staff are exploring any necessary refinements to the Goal 14 boundary location factors⁵, which require jurisdictions to balance efficient land uses; provision of public facilities; environmental, economic and social consequences; and compatibility with agricultural and forest uses outside the UGB.

Key policy considerations include the following.

- Excluding land from the study area due to:
 - Impracticability to be served by public facilities
 - Natural resource and hazard constraints
- Notification to federally recognized tribes in Oregon with an invitation for consultation and coordination when setting the study area
- Discounting capacity of parcelized land
- Coordination of public facilities, including relative cost comparison among sub-areas

UGB Exchanges

Existing UGBs commonly include land from the original boundary acknowledgement with little to no potential for residential development. These can be due to constraints or other impediments

⁵ **Goal 14** Location Factors: (1) Efficient accommodation of identified land needs; (2) Orderly and economic provision of public facilities and services; (3) Comparative environmental, energy, economic and social consequences; and (4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.

that were not known at the time of inclusion. In many cases, this land is not required to be inventoried as buildable in the current BLI. Under existing rule, this presents a set of challenges when a city wants to exchange constrained land in the UGB for buildable land outside of the UGB.

When land with little to no capacity within the UGB is being exchanged for land outside the UGB, current rules require that the amount of land added to the UGB must be substantially equivalent in both acreage and capacity. This can limit the residential densities for the incoming land. Staff are proposing greater flexibility in rule to facilitate UGB swaps.

Key policy considerations include the following.

- Allowing constrained land within the UGB to be swapped for buildable land outside of the UGB when the amount acreage added is equivalent.
- Allowing land of equivalent acreage being added to the UGB be designated at higher residential densities than the land being removed.

Planning for affordability and complete neighborhoods

Historically, many traditional ‘suburban’ neighborhoods consist of what’s called Euclidean zoning based on an early code in Euclid, Ohio. This type of zone separates housing from other uses. This results is that many residents have to drive to be able to meet their daily needs for shopping, recreation, and employment. Additionally, many areas added to UGBs have historically not had a range of housing types at a different price points once developed. As a result, these areas tend to consist of housing that is not affordable or attainable for many underserved communities. The pattern has been exclusive neighborhoods that reinforce economic and racial segregation.

Under the OHNA policy, UGB amendments that respond to a residential land need present an opportunity to plan for new neighborhoods that do not repeat past patterns. While housing production may be the primary goal, other types of uses and assets are needed to create more complete neighborhoods that are walkable, sustainable, healthy, and equitable. Proximity to community assets such as neighborhood-scale commercial uses, employment areas, and open space provide more choices to support needed housing. This approach is an important part of increasing fair housing choice.⁶

⁶ OAR 660-008-0005(18) "Fair housing choice" means individuals and households having the information, opportunity, and options to live where they choose, including in areas with access to opportunity and in integrated areas, without unlawful discrimination and other barriers related to protected classes, named communities in needed housing as provided in ORS 197A.018, and tribal communities. Fair housing choice encompasses:

- (a) Actual choice, which means the existence of realistic housing options – options that are affordable, attainable, accessible, and otherwise meet the needs of the household in the housing types, characteristics, and locations of their choice;
- (b) Protected choice, which means housing that can be accessed without discrimination; and
- (c) Enabled choice, which means realistic access to sufficient information, services, and other resources regarding the housing types, characteristics, and locations available so that any choice is informed; and

Key policy considerations include the following.

- Creating clear pathways for allowing neighborhood-scale commercial and open space in urbanizable areas at the time of zoning. This includes areas added to the UGB. Current rules do not clearly allow bringing in land for neighborhood-scale commercial use without additional analysis except for small cities
- Prioritizing efficient accommodation of identified housing types and densities and complete neighborhoods when land is under consideration to be brought into the UGB
- Assessing areas added to the UGB in past HCA cycles to look at whether and how land has been annexed and zoned to support needed housing and encouraging local governments to take action in their HPS to promote annexation and development

Coordination of public facilities with urban growth

Jurisdictions consider the merits of sub-areas for inclusion in an Urban Growth Boundary by balancing Goal 14 location factors. These include considerations related to public facilities. These considerations may allow cities to remove land from the study area as impracticable to serve. Cities may then continue in the selection of sub-areas through comparison of relative cost to expand their UGB.

Staff are exploring the role of planning for public facilities at each urban growth decision-making point. Staff's goal is to clarify and create more certainty that land included in a UGB can be urbanized in more a timely and responsive manner to development interest and eligibility. Timing, scope, as well as public and private roles are all key elements that staff are discussing with technical advisors, including advisory committee members and practitioners at-large. Coordination of public facility planning will span both rule and guidance.

Key policy considerations include the following.

- The role of facilities planning in determining impracticability to serve
- Timing of public facility planning for newly-added land
- Public vs. private responsibilities in facilities planning
- Tying analysis UGB expansions to Goal 11 Public Facilities planning

Urban Reserves

Existing rules in Division 21 (Urban Reserves) address the determination of urban reserves. They include three categories for prioritizing under consideration for inclusion in an urban reserve area (URA):

- 1) exception areas and nonresource land
- 2) marginal land

(d) For individuals with disabilities, fair housing choice includes a realistic opportunity to obtain and maintain housing with accessibility features meeting the individual's disability-related needs, housing provided in the most integrated setting appropriate to an individual's needs, and housing where community assets are accessible to individuals with disabilities, including voluntary disability-related services that an individual needs to live in such housing.

3) agricultural and forestry land

The rules do not distinguish among high-value farmland under ORS 195.300(10) and ORS 215.710(1). One key policy consideration includes expanding on existing rules with additional specificity by adding a fourth and fifth category to the land prioritization hierarchy.

Existing rules also do not address how much original land in a URA must be brought in to a jurisdiction's UGB before the local government may draw from subsequent rounds of "replenishment" of the URA land supply. A key policy consideration includes adding a specific threshold for how much original URA land a local government must bring in to the UGB before cities can consider newer, more recently added, land in the URA for inclusion in the UGB.

Lastly, the recent passage of SB 1129 (2025) directed LCDC to amend rules addressing two additional issues. The first is allowing cities to give lower priority to some 'first-priority lands' specifically, exception land and non-resource land where residential planned developments or subdivisions are present. The second is allowing cities to put off bringing in otherwise higher priority lands where providing urban services is not reasonable or cost effective due to physical constraints.

Key policy considerations include the following.

- Expanding on the existing rules to distinguish high-value farmland under ORS 195.300(10) and ORS 215.710(10) and specifying that the last classification of high-value farmland for consideration are prime and unique soils
- Adding a minimum threshold for how much original URA land must be included into the UGB before including newer URA land from a subsequent URA amendment
- Giving lower priority to some 'high-priority lands' within the first category, i.e., exception and non-resource land, where residential planned developments or subdivisions are present
- Giving lower priority to the inclusion of otherwise higher priority lands where providing urban services is not reasonable or cost effective due to physical constraints.

Staff will continue to explore opportunities for more consistent language between Division 21 (Urban Reserves) and Division 24 (UGBs). Next year, staff will develop additional guidance to support implementation of the rules.

5. Committee Updates: Housing Actions Work Group Update

In coordination with the Governor's Office, state staff assigned development of deliverables under the HAWG scope to the consulting firm ECONorthwest. DLCD engaged the consultants to conduct analysis on policy benefits and drawbacks of different program interventions and thresholds where unintended consequences could emerge. Staff asked the consultants to identify the most appropriate strategies for a range of compliance options. The consultants presented their analysis, findings, and recommendations to the HAWG on July 16. Based on the

conversation with the HAWG, RAC, and other interested parties, DLCD worked with Governor's Office staff to develop draft rules presented to the HAWG on August 20.

Frameworks

Two frameworks guide the development of rules and deliverables that fall under the HAWG scope and the commission's rulemaking charge.

In coordination with the Governor's office, staff developed a set of [policy objectives](#) to ensure that legislative intent and the principles established in ORS 197A.025 remain in clear focus. These are important as the HAWG's work becomes increasingly technical in nature. In short, those policy objectives direct the work group and any rule recommendations to:

- Promote inclusive zoning to enable a diversity of housing options
- Produce and retrofit homes in high opportunity areas that increase housing choice related to key equity-driven needs
- Streamline housing development processes
- Increase community capacity and resilience in support of equitable housing production

The HAWG also uses the [Racial Equity Framework for Decision Making](#) described earlier in this report.

Staff will provide an update on these discussions at the commission's meeting in September.

Compliance Pathways

As staff described at the June LCDC meeting, the commission's 2025 HPS rulemaking responded to a charge to evaluate the potential to design and implement a pre-established "compliance pathway" or structured and standardized approach for completing a portion of the requirements of Goal 10: Housing. Specifically, staff was directed to consider updates as applied to:

- 1) The Contextualized Housing Need (CHN), which assesses different approaches to how a local government identifies housing need
- 2) The Housing Production Strategy (HPS), through which a local government selects actions to respond to those needs
- 3) The Housing Acceleration program, which tracks housing outcomes, identifies local barriers to production and fair housing issues, and funnels resources to support targeted local housing action

WHAT IS A COMPLIANCE PATHWAY?

Compliance pathways are rules that create required or optional assumptions or actions. These are actions that Oregon cities must or may take to comply with state land use law in completing their CHN, developing their HPS, or committing to an acceleration agreement in the Acceleration Program. Compliance tools have the potential to increase certainty and predictability for all parties and, if well-crafted, have the potential to support clear policies that result in improved housing production, affordability, and choice in communities across the state.

In considering the benefits, it is also important to consider the tradeoffs of any of these tools replacing contextualized identification of a community's housing need, and to remain aware of other unintended consequences.

Compliance tools can range in prescriptiveness from guidance to requirement. The table below illustrates the spectrum of compliance HAWG members and staff have been considering. Safe harbors and local solutions are on the left, regulatory requirements on the right.

Compliance Pathway Alternatives	Guidance	Safe Harbor	Rebuttable Presumption	Minimum Compliance Standards	Regulatory Requirement
Description	State provided resources and advice. No regulatory obligations.	Optional implementation path; legal protections to local government	Statute/rules set baseline; local government can rebut or refute with other local solutions	Statute/rules set baseline that constitutes compliance; cities can exceed	Statute/rule sets universal requirement; no deviation on that allowed

COMPLIANCE PATHWAYS - CONTEXTUALIZED HOUSING NEED

The purpose of a Contextualized Housing Need (CHN) analysis is to localize and specify the housing attributes that a city needs for the purposes of its Goal 10 Housing planning work. The CHN spans both the Housing Capacity Analysis and the Housing Production Strategy. It consists of a localized analysis of quantitative and qualitative needs that encompass housing types, characteristics, and locations. The CHN has a particular focus on fair housing issues, protected classes, and other priority populations named in statute or experiencing inequitable housing outcomes.

In coordination with the Governor's Office and with the analytical support of ECONorthwest, DLCD set out to identify how compliance tools in CHN could support housing production, affordability, and choice in Oregon. Staff asked ECONorthwest to determine whether adding pre-approved or required assumptions to the CHN might: (1) result in the selection of actions in local HPSs that would lead to housing production more aligned with the state's policy objectives, and/or (2) result in better analytical outcomes than would a locally driven CHN.

Staff were interested in understanding any potential unintended negative outcomes and the implications across cities of different sizes or across different regions of this approach. They continue to work to understand the implications of establishing minimum requirements as opposed to safe harbors or other forms of compliance pathways. They wanted to understand how these pathways could be applied across five key housing needs in the CHN:

1. Unit type mix (e.g., detached single unit housing, middle housing, multi-unit housing)
2. Unit sizes (e.g., studios and 1-bedrooms, 2-3 bedrooms, or 4+ bedrooms)
3. Geographic location (i.e., high opportunity areas)
4. Accessibility (e.g., Type A and Type B units)
5. Affordable homeownership

For each of the key needs identified above, the project team considered where results and patterns might be reliable as a basis for policymaking, including how results vary by city size and OHNA region.

In addition, EConorthwest conducted a qualitative assessment of potential positive and negative outcomes that could occur as a result of setting compliance pathways for quantifying these needs, assuming jurisdictions will work toward these goals whether required or voluntarily. The project team and the HAWG considered how outcomes might differ depending on how a compliance pathway is set (e.g., at a high or low end of a range observed in the data) as well as the purpose of the CHN as an identification process that is then responded to with policy decisions in the HPS.

PROPOSED CONTEXTUALIZED HOUSING NEED COMPLIANCE PATHWAYS

The following sections outline the proposed compliance pathways for various parts of the CHN. The sections below outline which need is being addressed, the proposed compliance tool, and the key considerations that informed the proposal.

HOUSING TYPE MIX (for example, the portion of all housing that is detached single unit housing, middle housing, multi-unit housing)

Proposed compliance tool: Rebuttable presumption

Key considerations:

Housing type mix, as determined in the CHN, interacts with both the Housing Capacity Analysis and Housing Production Strategy work. As housing type mix shifts from majority detached single unit to other types along the spectrum of housing, local governments will be expected to take certain land use efficiency measures and other housing production strategy actions that facilitate a great mix of housing types. As a result, local governments may be incentivized to opt into a state-provided compliance pathway identifying a satisfactory housing type mix.

DLCD began work to pursue a housing type mix safe harbor in 2024 but that work was temporarily paused given the scope of the HAWG in 2025. Housing type mix is both a critical element to the state's land use planning paradigm and one of the most challenging for which to identify need.

DLCD staff note that a persistent assumption that housing types correlate directly with affordability. As a policy orientation, however, it is critical to prioritize the provision of a range of housing types at a range of price-points – a key tenet of fair housing choice. The lack of reliable qualitative or quantitative data means that there is limited local opportunities to identify contextual need around housing type. Given that context, along with the significant pressure to support a greater range of housing, staff believe that a strong statewide stance towards a greater diversity of housing types is warranted.

A core element to inform both HCA and an HPS, the purpose of the CHN is to identify local housing need as accurately as possible through the lens of affirmatively furthering fair housing and producing fair housing choice. To produce a standardized assessment of need in alignment with the HAWG policy objectives, one strategy is to project an incremental increase of middle and multi-unit housing from existing housing.

However, this approach sits in dynamic tension with the premise of the OHNA policy, which seeks to reorient from the practice of projecting past trends into future production goals. The proposal attempts to balance the risk of perpetuating past harms with – to the extent possible – an assessment of need based in data by trending planning toward the housing types that currently meet deeper affordability will increase affordability of the newly constructed stock.

HOUSING FOR LARGER HOUSEHOLDS

Proposed compliance tool: Safe harbor

Key Considerations:

The HPS is a city-wide action plan that includes both land use actions and non-land use actions. Staff note that some minor adjustments to code structures can be oriented to hold structural space for larger, affordable homes to be built where currently only small units are incentivized. Changes in the OHCS funding criteria also support the development of larger, affordable units where previous funding structures oriented to unit counts above all else.

In support of crafting as consolidated and streamlined a program as possible, this compliance pathway uses data that is already a required input of the contextualized housing need – the housing equity indicators. The compliance pathway also carries forward the premise of the OHNA policy that local governments should not only consider their existing housing needs but also consider the regional needs that may be underrepresented in the local government.

As such, a local government may identify its larger household housing need as at least its percentage of “family households” or at least the equivalent percentage for the region, whichever is greater.

ACCESSIBLE HOUSING

Proposed compliance tool: Rebuttable presumption

Key Considerations:

Accessible housing need spans various household compositions, abilities and disabilities. It applies to both current and future community members. Because accessible housing need is so diverse, there is no singular data point that can simply and accurately identify accessible housing need in at the local government level. Though there are some data points that can indicate a base level of need, practitioners, community members, and advocates alike know that the need is greater than this representation.

Nonetheless, given the long-standing deprioritization of accessible housing need, and the fact that the market will not produce sufficient accessible housing without support, it is likely a net positive to set a compliance pathway for accessible housing need. For example, the proposed compliance pathway directs local governments assume that the

need for accessible housing is at least equal to the proportion of the population of their community that has an ambulatory disability using the most recent data.

ADAPTABLE HOUSING

Proposed compliance tool: Safe harbor

Key Considerations:

DLCD proposes allowing local governments to use the already published and widely available “elderly dependency ratio” in the OHCS housing equity indicator as the safe harbor for adaptable housing need. The elderly dependency ratio is a demographic metric that indicates the proportion of individuals aged 65 and over compared to the working-age population. According to the World Bank, the elderly dependency ratio in the United States in 2024 was 28 out of 100 people.

AFFORDABLE HOMEOWNERSHIP

Proposed compliance tool: Minimum requirement

Key Considerations:

During the course of the 2025 OHNA rulemaking process, the Oregon legislature passed House Bill 2698 (2025) which established statewide homeownership goals for years to come. In alignment with the Oregon legislature, staff suggest adopting the homeownership goals described in that legislation directly into rule. Because this policy has been implemented at the legislative level, an optional approach to identifying this need is not appropriate. Staff recommend including this pathway as a minimum compliance standard.

Summary of Proposed Contextualized Housing Needs Compliance Pathways				
Rule	Guidance	Safe harbor	Rebuttable Presumption	Minimum standard
Unit type mix			X	
Unit size		X		
Geographic location	X			
Adaptable housing		X		
Accessible housing			X	
Homeownership				X

COMPLIANCE PATHWAYS - HOUSING PRODUCTION STRATEGY ACTIONS

The Housing Production Strategy is an action plan that a local government creates to promote needed housing as identified in its work of Contextualized Housing Need. Required elements of the HPS include a summary of community engagement, a response to this feedback, and commitments to take specific actions over the coming six or eight years as applicable.

In designing compliance pathway rules for the HPS, the project team and the HAWG researched how compliance tools might be used to encourage or require cities to take actions that best support the policy objectives. State staff and the project team focused consideration strictly on land use actions which could be implemented by local planning departments. ECONorthwest conducted analysis to determine answers to the following questions.

- What zoning or land use actions (reforms or incentives) would support the OHNA Policy Objectives with the fewest unintended consequences?
- Are there particular thresholds at which those reforms or incentives are effective or result in unintended consequences?
- How might this vary by region and/or city size?
- What compliance pathways are most likely to reduce the likelihood that zoning and land use are barriers to development that meets key housing needs?

It is important to note that this focus on land use does not preclude a local government from selecting other actions that fall outside of those boundaries. Jurisdictions are required to consider those other actions as they evaluate how to respond to locally identified housing need, and must ultimately adopt a range of actions that meet their needs as identified in their CHN. Staff's intention is to ensure predictability in key planning areas while continuing to consider the contextualized local circumstances most broadly for each jurisdiction.

The results of ECONorthwest's analysis suggested that relaxing zoning constraints on multi-unit and middle housing with specific characteristics could expand housing development options in ways that align with the policy objectives. They note that zoning reforms alone are likely insufficient to result in meaningful production of these needed housing options in many parts of Oregon, particularly in smaller cities.

Unlike the base rules of the HPS program, the actions outlined below are designed with a planned obsolescence. -That is, once each local government has adopted them, the list will either be retired or updated. Therefore, if adopted, staff will bring these compliance pathways back to commission in six years – aligning with the Metro city six-year HPS cycle -- for an update or repeal. If repealed, the program will simply revert to the base rules.

PROPOSED HOUSING PRODUCTION STRATEGY ACTION COMPLIANCE PATHWAYS

The following sections outline the proposed compliance pathways directing specific actions local governments would take in their Housing Production Strategy. The sections below outline which need is being addressed, the proposed compliance tool, and the key considerations that

informed the proposal. It is important to note the compliance pathway actions outlined below do not constitute the entirety of actions a local government would include in their HPS. These actions only respond to certain key housing needs. Local governments are still obligated to take actions to address other needs identified in their CHN, even if those are not included in the list below. Furthermore, the actions below may not be the only action a local government includes to in their HPS to meet the need below. Other actions may be paired with the compliance pathway actions to further address a need.

LAND USE EFFICIENCY MEASURES - MIDDLE HOUSING

Proposed compliance tool: Minimum Requirement

Policy notes:

Allowing and promoting middle housing is a demonstrably high-impact policy intervention to produce more and a greater diversity of housing units at different price points. EConorthwest's analysis revealed that, despite statewide legalization, significant barriers remain to the production of middle housing.

Given the purpose of compliance pathways generally is to reduce analytical burden and based on the significant investment in the new model code by housing type and city size, DLCD staff propose relying on the model code version of the compliance pathway action rather than the older Division 46 standards. This proposal requires that local governments implement the middle housing provisions of the model code in residentially zoned areas.

One important consideration is that the model code minimizes open space and landscaping requirements. Livability across income brackets remains a central focus, and a critical element of fair housing choice. Staff have heard this consistently from committee members. If the state were to apply the model code broadly across Oregon, design consequences may have an outsized impact on lower income families and individuals. These rules are being developed simultaneously with the model code. Such considerations could be operationalized either by refinements to the model code or to refinements of the application of the model code in these administrative rules for the Housing Production Strategy.

LAND USE EFFICIENCY MEASURES - MULTI-UNIT HOUSING

Proposed compliance tool: Rebuttable Presumption

Key Considerations:

Multi-unit housing is critical to meet Oregon's significant housing need. Not only does it allow efficient development and relative natural affordability – it also unlocks key funding mechanisms which are necessary to meet housing need for households at the lower end of the income spectrum. This is housing the market does not produce without public intervention. This proposal presents a rebuttable presumption that aims to increase the lands that are zoned to allow multi-unit housing.

Like the other actions in this compliance pathway, this proposal orients to the model code. The proposal under discussion sets an ambitious percentage goal. Staff will continue to weigh the consequences of different percentages.

LAND USE EFFICIENCY MEASURES - AFFORDABLE HOUSING

Proposed compliance tool: Safe Harbor

Key Considerations:

HAWG members have consistently urged staff to consider what levers the state may have to support significantly greater affordable housing development.

This proposal also points to the model code's incentive structure to promote the development of affordable housing.

The model code outlines an incentive structure that describes a sufficiently ambitious action toward affordable production when paired with non-land-use actions that support and optimize the opportunity that the land use intervention provides.

LAND USE EFFICIENCY MEASURES - ACCESSIBLE HOUSING

Proposed compliance tool: Safe harbor

Key Considerations:

Production of accessible housing faces significant barriers. The result is a dire shortage of accessible units in most, if not all, jurisdictions in the state. Establishing a compliance pathway using the incentive structure developed for the model code could empower most cities with tools to support more accessible development.

ECONorthwest outlined a concern about this approach. From their memo presented at the July 19 HAWG meeting, "...This concept includes a safe harbor related to zoning to increase accessible units through encouraging development of multi-unit housing that is more likely to include Type A and/or B units, despite the fact that this may not be the most effective way to address the most pressing gaps in accessible housing because many of the other actions that could more substantively benefit accessibility (e.g., offering funding for home retrofits or for affordable housing with higher levels of accessibility features) may not be viable for many jurisdictions that do not have dedicated local funding for housing programs."

The consultant's observation reinforces the design of the program - the state needs to both encourage cities to take land use efficiency measures that can offer some benefits for accessibility as well as require a broader range of actions that may include targeted funding to address the most pressing accessibility needs.

It is worth noting that this policy objective will need significant targeted support via non-land use actions in addition to the safe harbor. The existing rules establish a minimum requirement that that jurisdictions respond to an identified need for accessible housing by selecting one or more actions that meet that need. The broader HPS menu of actions

will allow cities to find and select actions to support that need. If LCDC establishes a safe harbor, that rule will remain critical. However, the focus could narrow to non-land-use actions alone.

LAND USE EFFICIENCY MEASURE – HOUSING FOR LARGER HOUSEHOLDS

Proposed compliance tool: Minimum Requirement

Key Considerations:

This proposed safe harbor aims to allow greater flexibility in how minimum density is calculated in order to support affordable developments with family-sized units. By allowing affordable housing to be calculated by bedroom rather than by unit, a developer may meet a local government's minimum density requirement, while also supporting the production of larger, affordable units. This mitigates against unintentionally incentivizing large, market rate single-unit dwellings.

Summary of Proposed Housing Production Strategy Action Compliance Pathways				
Rule	Guidance	Safe harbor	Rebuttable Presumption	Minimum standard
Middle Housing				X
Multi-Unit Housing			X	
Affordable Housing		X		
Accessible housing		X		
Larger Households				X

HOUSING ACCELERATION PROGRAM APPROACH

Commissioners may recall that the Acceleration program purpose is to track housing production outcomes throughout Oregon; provide a clear and consistent framework by which cities comply with Goal 10; and take action to address identified barriers to housing production, affordability, and choice through state provision of resources and assistance to local governments.

This compliance approach operationalizes a more predictable set of expectations in the administrative rules for the housing acceleration program under ORS 197A.130. Key land use needs and actions are intentionally designed as “one size fits all” with a set quantitative benchmark for evaluation and list of actions in response to a deficiency.

While the acceleration program provides a general opportunity for local proposals that meet or exceed the actions identified by DLCD, this offers a more consistent set of expectations for any city referred into the program. The structure of the acceleration program accomplishes

consistency by referring to the standards set as safe harbors in the HPS outlined above. Even if a city opts not to take the compliance pathway, the standards delineate an expectation that DLCD staff will use in their review if a local government is moved into the acceleration program. If DLCD finds that those standards have not been met or exceeded, DLCD will provide a localized set of actions that will bring a city into compliance.

Adoption-Ready Actions

In addition to exploring compliance pathways, the HAWG and the project team have developed adoption-ready actions. These are programs that local governments can select to support their Housing Production Strategy requirement. The umbrella term, adoption-ready actions include both model-code, and other actions that facilitate housing production, affordability, choice.

ECONorthwest, DLCD and Governor's office staff established a framework and criteria to develop adoption-ready actions. As staff discussed in June, the range of actions that could be developed in a template format to be fully and immediately adoptable is limited. While most actions are not fully transferrable between jurisdictions, there are a range of actions that can be standardized to greater or lesser extents. The goal here is to reduce local analytical burden while leaving space for customization of approach.

Staff have included the first set of adoption-ready actions and associated components below.

Nonprofit Low Income Housing Property Tax Exemption	• Model ordinance & municipal code • Example letter to overlapping taxing districts • Model application form
SDC exemption for Affordable Housing	• Model Municipal Code
SDC deferral for housing	• Model Municipal Code
Multiple Unit Property Tax Exemption	• Model Municipal Code
Rental Housing License Program	• Model Municipal Code
Affirmative Marketing Requirement for City-Funded Units	Templates (Program Description, Letter of Intent to Implement Affirmative Marketing, Affirmative Marketing Outreach Instructions and Notice, Affirmative Marketing Report)
Land Disposition for Affordable Housing	Model Request for Proposal for land for development for affordable housing

This set of adoption-ready actions will act as a guidance resource for local governments. The project team and partners will continue to add to the library of adoption-ready actions as needs emerge and resources allow. While current draft rules reference the adoption-ready actions as guidance, staff do not expect LCDC to adopt them into rule.

Model Code

Production of a set of adoption-ready actions related to model development code is underway through a parallel but related process. Senate Bill 1564 in the 2024 Legislative Session directed the commission to adopt model codes for varying city sizes including four housing types –

detached single units, accessory dwelling units, middle housing, and multi-unit dwellings. The code will serve three functions:

- 1) as guidance
- 2) as a resource that local governments may adopt in full or in part by reference
- 3) as a compliance and regulatory tool

In coordination with the Housing Accountability and Production Office, DLCD Housing Division staff have prepared a draft version of the code, available online here. Over the second half of 2025, DLCD staff will refine aspects of the model code to support HAWG policy objectives. To meet the statutory deadline of January 1, 2026, staff will prepare a final draft by December for review and potential adoption by the commission.

6. Community Engagement

In addition to the RAC, CAUTAC, and HAWG, staff have conducted additional community engagement opportunities to inform and ask for feedback on proposed approaches for rules and guidance. Part of this engagement included focus groups with individuals and organizations representing developers, lenders, natural resources, and agriculture. The engagement also includes subject matter expert small groups on technical topics like accessibility. Staff also utilize the department's bimonthly Housing Open Forum meetings to connect with local governments and consultant practitioners. Staff further have been revisiting the results of previous engagement conducted in 2024 for application to current policy topics.

IV. Conclusion

No action is required. Staff appreciate any guidance or feedback the Commission may have to support rule development efforts.