

OHNA Rulemaking Advisory Committee

Meeting #14 – July 9, 2024

Meeting Notes

(Published August 20, 2025)



The Department of Land Conservation and Development (DLCD) convened a committee of people from across the state to help develop Oregon Administrative Rules (OARs) that will advise the Land Conservation and Development Commission (LCDC) on Goals 10 (Housing) and 14 (Urbanization). The Rulemaking Advisory Committee (RAC) held its fifteenth meeting on July 9, 2025. Members discussed Land Use Efficiency Measures and received updates on the Residential Model Code.

The meeting was held virtually and hosted over Zoom. The meeting was live-streamed via [YouTube](#) and closed-captioning was provided.

The goals of the meeting were to discuss the impacts, tradeoffs, and equity considerations of how Land Use Efficiency Measures (LUEMs) function as a critical bridge connecting the various elements of the Goal 10 and Goal 14 planning process; review the key elements of the SB 1564 Residential Model Code and its connection to compliance pathways and other housing actions; and zoom out to review how rulemaking has progressed since initiating in December 2023 and what key milestones are on the horizon leading up to adoption.

Attendees

Committee Members	Ex Officio Committee Members
Anne Kelly	Lucia Ramirez (Ex Officio)
Brian Rankin	Committee Members Not Present
Brock Nation	Allen Hines
Cassera Phipps	Alexandra Ring
Chantal Invenso	Ana Molina
David Mattison	Becky Baxter (Ex Officio)
Elissa Gertler	Benjamin Gurewitz
Jessica Blakely	Brandon Pursinger
Julia Metz	Corie Harlan
Lindsey Hutchison	Dana Hicks (Ex Officio)
Mac Cunningham	Garet Prior
Mary Kyle McCurdy	Garrett Stephenson
Miranda Bateshell	Gloria Sandoval
Shane Kwiatkowski	Kathy Wilde
Ted Reid	Kelly Hart
Terra Wilcoxson	Megan Bolton (Ex Officio)
	Mercedes Elizalde
	Michael Rock (Ex Officio)
	Morgan Greenwood
	Patricia Diefenderfer
	Rachel Mori Bidou
	Rian Vanden Hoof (Ex Officio)
	Richard Rogers (Ex Officio)
	Samantha Bayer
	Shannon M. Vilhauer
	Victor Saldanha
	DLCD
	Alexis Hammer

	Aurora Dziadul Casaria Taylor Celestina Teva Ethan Stuckmayer Ingrid Caudel Jena Hughes Karen Guillén-Chapman Kevin Young Madeline Phillips Sean Edging Thea Chroman LCDC Commission Liaison Allan Lazo Governor's Office Consultant Team Anita keā'lani Yap, MultiCultural Collaborative Ben Duncan, Kearns & West Beth Goodman, ECONorthwest Ellen Palmquist, Kearns & West Public Participants Bryan Pohl Jonathan Clay
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Key Insights Summary

Navigating change: Changes in housing policies and regulations, new developments, and affordable housing projects often spark community concerns and pushback. Conducting targeted outreach with concerned community members can help address and mitigate potential issues. Clear and transparent messaging is needed to communicate why cities are making changes and how these policies and projects address the housing crisis.

Vacation homes and short-term rentals: Many communities face challenges regulating empty vacation homes and short-term rentals. While these types of housing can be problematic, short-term rentals fill a housing need for firefighters, medical personnel, and caregivers. These types of housing are also a source of income that can keep people housed and regulations need to reflect these nuances.

LUEMs: Disagreement around defining LUEMs to provide clarity and certainty to jurisdictions and leaving some flexibility to allow for creativity and not excluding tools that could also qualify. Recognition that LUEMs provide climate and energy benefits and can also be costly to communities if they do not consider market realities. Communicating these benefits and working with developers to avoid unintended consequences is important.

Balancing expansion with efficiency: When Urban Growth Boundary (UGB) expansions are needed, jurisdictions need to consider what is being built in these areas and how it serves the community. For example, affordable housing on the edges of urban areas needs to have access to community amenities and transportation options.

Meeting Notes

Welcome and Meeting Overview

Ben Duncan, Kearns & West, welcomed attendees and viewers and provided meeting guidelines. Ben reviewed the agenda: 1) Welcome and Overview, 2) Racial Equity Framework, 3) Efficiently Planning for Growth, 4) Public Comment, 5) Housing Actions Work Group (HAWG) Update, 6) Process and Timeline Update, and 7) Closing and Next Steps. Ethan Stuckmayer, DLCD, welcomed RAC members and reviewed the meeting goals. Ethan shared that after July there are two meetings remaining before rule

adoption in December. He urged RAC members to share productive and constructive feedback to inform draft rules. DLCD will share draft rules for review and input in August.

Racial Equity Framework

Anita keā'lani Yap reminded the RAC of the purpose of the [Racial Equity Framework for Decision Making](#). Vice Chair Allan Lazo shared appreciation for bringing the Racial Equity Framework for Decision Making into RAC conversations. He noted that the RAC is made up of different parties with different perspectives. Joining technical expertise with advocacy expertise is a productive way to move conversations forward. He recognized the importance of addressing concepts that are important to Oregon's communities.

Efficiently Planning for Growth

Madeline Phillips, DLCD, shared how the OHNA program will help cities efficiently plan for growth. She noted that buildings and the built environment endure across generations while communities are constantly changing. Our housing stock is not always the right fit for what our communities need. In the OHNA program every six to eight years, a community will evaluate the types of housing available and what the community today and in the future will need. The proposed rules hope to mitigate for the tradeoffs that come with expanding the urban footprint.

Madeline reviewed how jurisdictions evaluate if there is enough land, zoned to sufficient capacity, to accommodate twenty years of growth. If a jurisdiction has enough land to sufficiently meet their needs, no further action is required except completing their Housing Production Strategy (HPS). If they do not have enough land to sufficiently meet their needs, communities adopt LUEMs to increase the capacity for needed housing. Madeline shared the working definition and examples of LUEMs. She noted that LUEMs have changed over time as jurisdictions have found new ways to mitigate tradeoffs and allow for more development capacity on existing land.

In the past, LUEMs and UGB expansions happened together. This created timing issues because jurisdictions would have to wait to move forward with housing planning until their Goal 14 amendment was complete. By defining LUEMs and streamlining how the pieces fit together, DLCD hopes to create a more efficient process. Madeline reviewed how the Development-Ready Land Inventory (DLRI), Contextualized Housing Need (CHN), and Housing Capacity Analysis (HCA) are connected to LUEMs.

Ben Duncan asked RAC members the following question and they responded with questions and comments.

- *Where should cities focus investments and efficiency, and for whom?*
- *How do we mitigate potential unintended consequences of LUEMs?*
- *Are there any equity considerations missing?*

Comment: One example of a LUEM is if a city allowed accessory dwelling units (ADUs) on a single-family lot. This creates more potential for different types of development. To increase the impact of the LUEM, people aging in place could be placed in the ADUs. This would increase access to housing and enable social cohesion. We need to define LUEMs to help cities and municipalities understand the actions they can take and the opportunities they can provide without necessarily expanding their UGBs. We are also working against historical patterns of land use and inequities. Single family zoning has created inequities and can be an inefficient use of land. LUEMs provide accountability, opportunity, possibility, and collaboration. We don't want to leave land on the table that could be used to house future residents. LUEMs increase opportunities for the community while efficiently using the resources available. We know the cost of land and resources will increase and we need to use these resources efficiently. If there are more units and a variety of units, there are more possibilities for stable housing.

Ben Duncan thanked the RAC member for sharing examples of LUEMs and the benefits they can provide in the context of the Racial Equity Framework.

Comment: As a small city adopting middle housing codes to create more efficient uses of land, we are facing a lot of fear and concern from residents that their community isn't going to be the same anymore. We may need assistance to engage with those resistant to these changes.

Ben Duncan reflected the need for engaging with the community on a deeper level.

Comment: Thank you for explaining how LUEMs fit into the OHNA process. LUEMs have benefits in addition to unintended consequences that have to be mitigated. There is plenty of data showing that using land more efficiently increases energy efficiency and reduces vehicle miles traveled. It also helps with efficient use of infrastructure and climate resiliency. We need to expand on the benefits that come with using land more efficiently in addition to the unintended consequences.

Comment: When the federal tax plan was put in place in 2017, they deferred figuring out the budget implications. When it came back up this year, they shared that there were no budget implications because it's already been in place. This is similar to LUEMs. It's good that we have LUEMs and can use land more efficiently but if we're doing it in a way that doesn't consider the consequences of not meeting market realities, we have run into a problem. If you are on a bike and leaning too far one way it starts to hurt. If you lean too far in the direction of efficiency and don't consider market realities, it's going to come at a cost. There was also consideration of a climate component being added to the rules. Will we see that before it's in the rule packet or will we have to wait until August?

Thea Chroman, DLCD, shared that DLCD is considering adding a filter to the HPS menu of actions in case jurisdictions want to elevate a climate action. DLCD is also looking at adding a way to look at mitigating factors and companion actions. For example, if a city chooses an action with downstream effects, what other actions can they select to mitigate or strengthen the action.

Comment: It's important to consider the market. Jurisdictions need to connect with local developers to avoid putting in place measures that aren't efficient or realistic. Whether you are a larger or smaller jurisdiction, one of the consequences of LUEMs is community pushback and fear. Standard hearings and outreach don't work when you have landowners that have been living on lots for generations. We have had small focus groups with concerned community members to share what assets they want to preserve in their neighborhoods and to figure out how to mitigate issues. We have successfully gotten some amendments by pivoting mid-project to bring a variety of people in to understand their fears and what they see as assets.

Comment: Short-term rentals are a concern for some communities and need to be mitigated, especially in areas where tourism is part of the economy. We start to see vacation homes and rental properties go up that don't address housing needs. It's good to conduct focus groups and be transparent.

Ethan Stuckmayer reflected on the importance of grounding decisions around LUEMs in local context. The rules the RAC worked on in 2024 establish a more contextual look through the CHN elements of this work. A city needs to consider their housing production target and have conversations with builders and people that want to live in the community about the impact of second and vacation homes before making decisions.

Anita keā'lani Yap asked the RAC to consider how jurisdictions can gradually introduce these concepts into the community and shared an example of holding a design workshop to build understanding and show people how they can age in place.

Question: Could people in development or city government provide specific examples of how LUEMs can have friction with market factors and/or costs for development?

Comment: The phrase “demonstrably reduce” for LUEMs is incredibly subjective. When a city goes through a big set of changes, they tend to focus on global changes to the zoning code to allow things like ADUs. There are also site-specific changes a city can make like upzoning. The legal standard is very subjective. Parties who get interested and involved in these legislative changes will fight through the legal process to make a city more efficient or to expand the UGB. No matter what a city does, you run into opposition because the legal standard of demonstrably increasing efficiency is so subjective. LUEMs can be beneficial to climate and housing access but it is very difficult to meet the legal standard. If you assume too many LUEMs that don’t happen, you have shorted your community of needed housing and if you underdo it, you have a larger UGB expansion that has consequences as well. Greenfield redevelopment in Bend has worked better than assuming a built district with an existing pattern and landowners will redevelop. I would love rules that provide guidance and structure on a minimum degree of efficiency, so we don’t over assume housing capacity and short our community. Targeted types of changes where the market supports it are fantastic. There is a real downside where we assume too much efficiency in urban areas which has contributed to the housing crisis. In house bill (HB) 2001, I believe there is a 3% standard unless you provide facts and information that can demonstrate 4-5% efficiency.

Madeline Phillips shared that LUEMs used to be related to how to resolve a deficit of needed land. A jurisdiction would determine how much land they have and how much they would need or how much they have in surplus based on the percentages and what is zoned. In the OHNA program, cities will be using LUEMs regardless of their land need. These are actions and tools a city can use almost immediately to effectuate changes to the capacity of existing urban land. We will see cities that don’t need LUEMs for other reasons like characteristics or locations of housing. This is a critical distinction and LUEMs are going to take a much larger role in the work we do with communities. If cities don’t know how a LUEM performs, they will assume 3% until they have enough data to show a different number. There is a safe harbor opportunity in that respect.

Comment: Discussing the market and the community brings up who we are focusing investments on. When you look at housing production targets and the CHN, the place we need to produce the most housing is for lower area median incomes (AMIs) including workforce and very low-income housing. There is a market of affordable housing development that looks like dense housing ripe for land use efficiency where you’ll want to match who you are serving with the type of housing. We need to consider where we’re zoning for housing designed to serve low-income communities and make sure it has access to things the community needs. These are the projects people want to fight. Cities need to communicate where they’re doing equitable housing to meet comprehensive plan goals of creating affordable housing in places with access to opportunity. A bigger issue than short-term rentals is tourist communities having vacant second homes. One policy tool isn’t enough. We need to integrate policies to get better outcomes.

Comment: The number one funding source is the low-income housing tax credit program. To get projects to work you need a certain level of efficiency and a minimum level of density. As you get into spaces that are higher income, the threshold goes up. Within this space, there are higher LUEMs to make sure we are allowing for opportunities for higher density housing in these central and high opportunity areas. When it comes to costs that households bear, housing is number one and transportation is number two. If we are creating systems that incentivize pushing more housing towards the fringes, we may lower housing costs and increase transportation costs. This arguably does not improve quality of life.

Comment: I agree that we can have extreme outcomes with vacation rentals. We can also have unintended consequences by stringently regulating them and there needs to be a careful balance. There are needs for short term rentals that are not vacation usage. For example, housing people that have been displaced, housing visiting firefighters and medical personnel, and housing caregivers as the population

ages. There are also people qualifying for loans by having short-term rentals. Not all short-term rentals are vacation rentals, and this is how some people remain housed.

Comment: Does the demonstrated 20% increase in capacity mean that a city has met the requirement? As a follow-up, the other option is that if you can prove it happened within your city or within the region. For example, if Portland increased their capacity by 20%, would a small city in the region be able to be challenged because it was in the same region? How are LUEMs considered in retrospect? If you take the safe harbor in the first cycle and have a 3% overall increase in capacity. Looking back from the next cycle, would a city be able to be challenged as having not met their land use efficiency if they only do another 3% capacity increase? Do we know what the generalized change in existing land capacity around redevelopment is following HB 2138?

Karen Guillén-Chapman shared that DLCD will get into this topic in more detail at the next Housing Capacity and Urbanization (CAUTAC) meeting. For the larger group, Karen explained that when you don't know what a LUEM's impact could be, the 3% standard provides some certainty and safety. There is also a peer city analysis or comparison available to look at cities in a region. DLCD is still working through what "peer city" means. LUEMs can be taken at any time in response to efficient use of land or needed increases in supply and will be counted towards the next cycle. Karen shared that she would follow-up on how the statewide regulations factor in. She shared that redevelopment historically has been pretty low and there are some exceptions to this, like Portland. Beth Goodman, ECONorthwest, shared that infill should be in the calculations and analysis already, especially after the first cycle when cities can see the impact of these new statutes on density. Initially, we will likely live with the 3% piece until we have rebuttable evidence. It can be difficult to get information about other cities and I have thoughts about how this could be easier but not for this meeting.

Jena Hughes, DLCD, shared potential tradeoffs of LUEMs including:

- **Defining LUEM:** What is included in the definition and what is not.
- **Growing up versus growing out:** Taking LUEMs and/or amending the UGB.
- **Timing:** When LUEMs are adopted.

Madeline Phillips shared more information on market factors. There is friction between what a city is developing and what they are zoning for. The type of housing built doesn't necessarily match up with our housing needs yet. The time it takes to correct the market can be challenging for communities. We are hoping that communities can look at LUEMs as things that can respond to immediate needs. Adding land to the UGB is a long-term solution. The HPS's six-to-eight-year timeframe is a shorter period where LUEMs can make a difference. We also need to think about what we lose by not defining what a LUEM is and which LUEMs will really make a difference. LUEMs play a big role in the Goal 10 analysis.

Ben Duncan asked RAC members the following question and they responded with questions and comments.

- *What do we lose if we leave Land Use Efficiency Measures (LUEMs) undefined?*

Comment: The only method Washington County has at our disposal is to do LUEMs, we can't expand the UGB and will be losing land in our UGB as cities annex it.

Comment: What do we gain if we don't define LUEMs? A city decides that they are going to expand their UGB by 20 acres and the land will be purchased by a developer putting in a planned community. You still have vacant land inside your UGB and your redevelopment capacity is still there. The city puts a Tax Increment Financing (TIF) district on the new planned community subdivision. All the property tax revenue from the improvements is funneled into an account used to pay for system development charges (SDCs)

or cost offsets to build affordable housing. If developers can make a profit off land, they're going to do it. There is significant danger in defining LUEMs. As long as a city can provide a reasonable justification for why something will improve the efficiency of land use, it should be allowed as a LUEM.

Comment: The more undefined these efficiency measures are, the more room there is for mischief at the local level and potentially in appeals. Some efficiency measures take years and years to manifest in the market and some expansion areas begin producing housing quicker than some LUEMs. There are areas the City of Bend upzoned and urban renewal TIF districts that are not producing housing. There are other UGB expansion areas that have been producing housing for years. It takes time to get these areas up and running, but it's more nuanced. Define LUEMs but don't overly restrict jurisdictions by using language like "including but not limited to".

Ethan Stuckmayer shared the intent of defining LUEMs. Defining LUEMs provides more clarity to local governments than adding "including but not limited to" or leaving them undefined. The approach is to be clear on what is a LUEM, particularly actions that affect math. Because of the definition, things that do not affect the math are still available for governments to consider as HPS actions. Tax incentives or property tax exemptions are important things to facilitate housing production but do not affect the math. Allowing ADUs affects the math. The HPS process considers incentives to move the needle. We want to be specific about what the LUEMs are.

Comment: I understand there are reasons to expand UGBs. As a housing advocate and transfeminine person who lives with HIV, I recognize the deep environmental costs of suburban infrastructure. There is not a relative density to provide a tax base. We need to consider if our interest in suburban development is because people want it or because it's a dominant typology and people are scared of community. In my experience as a transfeminine person, suburban and rural places are the most dangerous to me and provide the least opportunity. The most expensive places in America with density are the places I can live as I am. Transgender people are being made illegal by our country and people are fleeing on a refugee status. I'm trying to push for density because there's a bigger tax basis and more capacity to grow community. I'm worried about forest fires and the fires of political fervor that attack my community. Talk to your clients and push the conversation – do you need a single-family home or would a duplex or triplex work? There are social implications of expanding our footprint when we do not necessarily need to.

Ben Duncan shared appreciation for naming the benefits of density and investment, and how we can create communities where folks feel safe. Madeline Phillips thanked the RAC member for humanizing the conversation. This is about people, how they are housed, and how we respond to their needs. We are not de-emphasizing the importance of HPS actions. When we talk about HPS actions and their relationship to LUEMs, they flow back and forth. The political wind and temporal nature of incentives is challenging. Where we need to make a distinction with LUEMS is that LUEMs refer back to a city's comprehensive plan, an enduring document that outlives city councils. Land use as a system is meant to endure and we need to create certainty around the way land is treated in urbanized areas. LUEMs are a subset of those HPSs and to adopt them is an enduring commitment. A TIF district can be changed over time and may not endure in the same way. We want to create the certainty that our communities have asked for through LUEMs.

Ethan asked the RAC if the intent and purpose of LUEMs and the distinction between LUEMS and HPS actions makes sense.

Comment: I understand the intent of defining LUEMs and think there should be a list of things that are LUEMs, but not to the exclusion of other things that could still have an impact. My hope is that cities will make informed decisions.

Public Comment

Ethan Stuckmayer opened public comment and Ben Duncan reviewed public comment guidelines. No public comments were shared.

HAWG Update

Thea Chroman, DLCD, shared that the HAWG was charged with developing a set of model actions and exploring a set of compliance pathways. These are actions or assumptions that cities may or must take to fulfill their Goal 10 requirements. How to apply these tools and their benefits and risks has been the focus of HAWG discussions. During this process, we realized that it was important to dig in to a deeper analysis. State staff extended the deadline to produce the draft compliance pathways to complete a more technical analysis and identify the least harmful and most impactful approach. Thea reviewed summaries of the research questions and shared that they would be distributed to the HAWG. Thea shared the revised timeline for the HAWG.

Sean Edging, DLCD, shared that DLCD has hit a milestone with the model code. He invited RAC members to participate in the calibration and refinement of the model code and provided a brief summary of the work. The model code must be produced and adopted by January 1, 2026. Sean reviewed the model code's statutory functions including:

- **Guidance/promising practice** for housing production, affordability & choice
- **Optional adoption and application by reference** for cities (especially small cities)
- **Regulatory/compliance tool** for HAPO implementation and LCDC enforcement order step of housing acceleration program

The model code was designed to be permissive, streamlined, and flexible. Sean noted that the code is not done and requires a lot of refinement. He reviewed the approach for refining the model code in 2025:

- Comparing case examples of recent housing development against code
- Considering takeaways from housing feasibility and market studies
- Holding conversations and discussions with developers and local governments

Ben Duncan asked RAC members if they had any questions or comments. They provided the following questions and comments.

Question: Will cities under senate bill (SB) 406 be captured by the requirements under this bill?

Cities in Division 8 are defined as large cities, including those affected by SB 406.

Comment: HB 2138 was adopted with a provision that says it applies to one townhouse building or one cottage cluster and that's less than what we currently allow. We allow as many clusters as someone wants to put on a property and limit cottage units around a cluster. HB 2138 limits what's allowed in terms of a division to one cluster. For townhouses, we're going with the existing provision of 25 units per acre, and we are now limited to allowing a townhouse to one building. How will this wash out in model code?

Sean Edging responded that DLCD developed the model code during the 2025 session and will need to update the code to align with changes to state law. Cities have the option to opt in or apply and help them comply with different changes to state law. HB 2138 expanded and changed existing parameters around middle housing. Changes to the middle housing land division process clarified the requirement for cities to grant middle housing land divisions. With the model code, we are talking about one middle housing project that cities can apply but aren't limited by. Cities can do as many cottage clusters as they want.

Process and Timeline Update

Ethan highlighted upcoming milestones and meetings in the rulemaking process:

- Aug. 27 RAC meeting: This meeting will include conversations about draft rule language and the RAC will review impact statements.
- Oct. 1: Rules will be published to the Secretary of State website and public comment on the draft rules will open.
- Oct. 23: LCDRC will hold a public hearing.
- Oct. 29: The RAC will hold its final meeting.
- Nov. 7: The public comment period will end.
- Dec. 4: LCDRC will hold a meeting for the adoption of draft rules.

Closing and Next Steps

Ethan thanked the RAC members for their participation and reminded them to email DLCD at housing.dlcd@dlcd.oregon.gov with any comments or questions. He shared that the next RAC meeting is July 9 from 9am-12pm followed by a meeting in August. DLCD will draft rules for the RAC's consideration in August and move through the public comment process in October.