

HOW WILL THE Oregon Housing Needs Analysis be Implemented?



The OHNA has been codified into law¹ with the intent to facilitate housing production, affordability, and choice to meet housing needs for Oregonians statewide.

The Department of Land Conservation and Development (DLCD) is leading a rulemaking process for the OHNA through 2025 in partnership with the Oregon Housing and Community Services Department (OHCS) and the Oregon Department of Administrative Services (DAS). The implementation process will clarify and define how the OHNA will operate, and the rules will refine how communities plan for housing needs and urban lands.

What is the Rulemaking Process?

Oregon Revised Statutes (ORSs) are the governing laws in Oregon. The Legislature has the authority to adopt, amend, or repeal state laws. Oregon Administrative Rules (OARs) are the directives, regulations, and standards that agencies develop to implement or interpret the laws. The process of developing or modifying these directives, regulations, and standards, is called “rulemaking.”

The OHNA changes how Statewide Land Use Planning Goal 10: Housing, and Goal 14: Urbanization are implemented (described in a separate policy brief), so DLCD must facilitate a public rulemaking process to integrate the OHNA into the OARs overseeing the Statewide Land Use Planning system. DLCD staff will write the rules under guidance from several advisory committees, and the Land Conservation and Development Commission (LCDC) will adopt them.

The rulemaking process is split into three major topics:

Housing Needs and Production

- ◆ Incorporating the OHNA into local housing planning (rules must be adopted January 1, 2025)

Housing Accountability

- ◆ Addressing barriers to make progress towards outcomes (rules must be adopted January 1, 2025)

Housing Capacity and Urbanization

- ◆ Facilitating development-ready land to support production (rules must be adopted January 1, 2026)

The Oregon Legislature has directed DLCD to:

Housing Production Rulemaking Priorities

Use the following principles for rulemaking and implementation:

- ◆ Housing that is safe, accessible and affordable in the community of their choice should be available to every Oregonian.
- ◆ Building enough equitable housing must be a top priority.
- ◆ The development and implementation of the housing production strategy should be the focal point by which DLCD collaborates with local governments to address barriers to housing production.
- ◆ Tools and resources to address housing production should be provided to local governments, but not to the exclusion of enforcement authority.
- ◆ Housing production should support fair and equitable housing outcomes, environmental justice, climate resilience and access to opportunity.
- ◆ Housing production should not be undermined by litigation, uncertainty or repetitive or unnecessary procedures.
- ◆ Local governments, to the greatest extent possible, should take actions within their control to facilitate the production of housing to meet housing production targets.

Urbanization Rulemaking Priorities

Adopt rules that prioritize:

- ◆ Facilitating and encouraging housing production, affordability and choice within an urban growth boundary.
- ◆ Providing greater clarity and certainty in housing and urbanization processes to accommodate an identified housing need.
- ◆ Reducing the analytical burden and increasing legal certainty for local governments to meet their identified housing need by adjusting an urban growth boundary when necessary while still protecting resource lands.
- ◆ Supporting coordinated public facilities planning, annexation, and comprehensive planning to facilitate housing production on lands brought into an urban growth boundary.

Want to Get Involved and Stay Informed about the OHNA?

The OHNA is a brand new set of laws that affect housing provision for Oregonians. Many of the decisions and ideas described in this document will be finalized over the 2024-2025 time period. DLCD recruited and began meeting with its Advisory Committees in Fall 2023, but there are many ways to get involved and stay informed about the process.

Visit [DLCD's housing rulemaking webpage](#) for additional policy briefs describing:

- How the OHNA will be implemented;
- How the OHNA will change Statewide Land Use Planning Goals 10 and 14;
- How to define Needed Housing in the OHNA

To Get Involved and Stay Informed About the OHNA:

- See [DLCD's housing rulemaking webpage](#); Sign up for process updates at DLCD's housing rulemaking [GovDelivery](#); Reach out to DLCD's Housing Division with questions and comments at housing.dlcd@dlcd.oregon.gov.

Who is Involved in the Rulemaking Process?

DLCD

- ◆ Work with the RAC and TACs to draft and refine rules.
- ◆ Oversee the consultant team and deliverables
- ◆ Ensure the DLCD Racial Equity Framework is embedded into the rulemaking process
- ◆ Conduct wider community engagement
- ◆ Update LCDC on rulemaking progress at each commission meeting throughout the process, and incorporate feedback into the draft rules.

LCDC

- ◆ Review the DLCD draft rules, provide feedback and direction, and formally adopt final rules into existing Statewide Land Use Planning Goals

Rulemaking Advisory Committee

- ◆ Advise DLCD on the OHNA policies and processes

Technical Advisory Committees

- ◆ Advise DLCD on the detailed rule concepts and drafts

Interested & Affected Parties

- ◆ Advise DLCD on the potential impacts of the OHNA on housing production, affordability, and choice including fair housing throughout the process

Consultants

- ◆ Advise DLCD on how to embed the DLCD Racial Equity Framework into the rulemaking process
- ◆ Produce deliverables, materials, and analysis to support the rulemaking process
- ◆ Facilitate RAC and TAC meetings, including meeting materials, agendas, and follow up summaries

Other State Agencies

- ◆ Coordinate as agency partners in the rulemaking process
- ◆ The Department of Administrative Services and Oregon Housing and Community Services must complete corollary work to establish the OHNA

Governor's Office

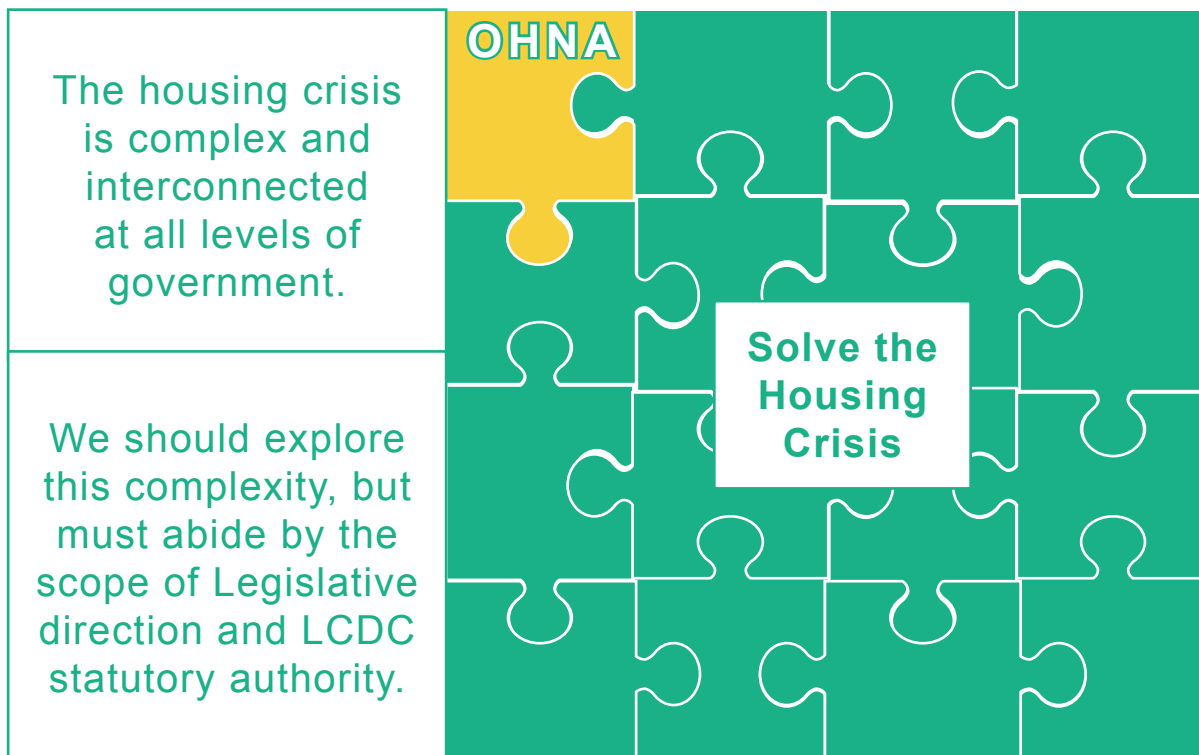
- ◆ Coordinate with DLCD and state agencies on rulemaking and implementation
- ◆ Provide strategic direction and support on implementation

What is the Scope of the OHNA Rulemaking Process?

To help address the housing crisis playing out across Oregon, the Legislature and Governor Tina Kotek directed DLCD to iterate housing planning in the state to **ensure that all Oregonians have access to safe, affordable housing in their communities of choice that meets their needs.**

While the OHNA, and its rulemaking process, are intended to reduce barriers to production, affordability, and choice, there are limitations on what the OHNA can do and what the rulemaking process can do. Housing is subject to the market dynamics as well as public policies and investments that affect development. Economic factors such as access to capital, interest rates, the availability and cost of labor and materials, and the types of housing that are desired all affect the development pipeline. And many local, state, and federal policies and investments influence housing production and affordability. While this rulemaking can help address some of these dynamics in local housing planning, it will not be able to address everything that affects housing.

Furthermore, it is important to acknowledge that historic policies and (dis)investments have resulted in substantially disparate housing outcomes, particularly for protected classes and communities of color. Systemic discrimination, intergenerational poverty, and the legacies of historic policies that made housing affordable and plentiful for certain households while keeping it out of reach for many others, have exacerbated and perpetuated disparate outcomes that persist today for households of color and other protected classes. While the OHNA requires local and state action to identify and address these historic disparities, it is important to recognize that it is one part of a broader body of work needed to redress past harm.



HOW WILL THE OHNA BE IMPLEMENTED?



What Does OHNA Implementation Entail?

OHCS and DAS also have responsibilities to implement the OHNA in partnership with DLCD. This includes:

Finalize the OHNA Methodology

- Starting January 1, 2025 and continuing annually, the Office of Economic Analysis at DAS will run the OHNA methodology to provide an estimate of Housing Need for the state divided into regions. This need will be allocated to local governments and will form the basis of Housing Production Targets. OHCS and DLCD will be refining the methodology throughout 2024.

Establish a Housing Production Dashboard

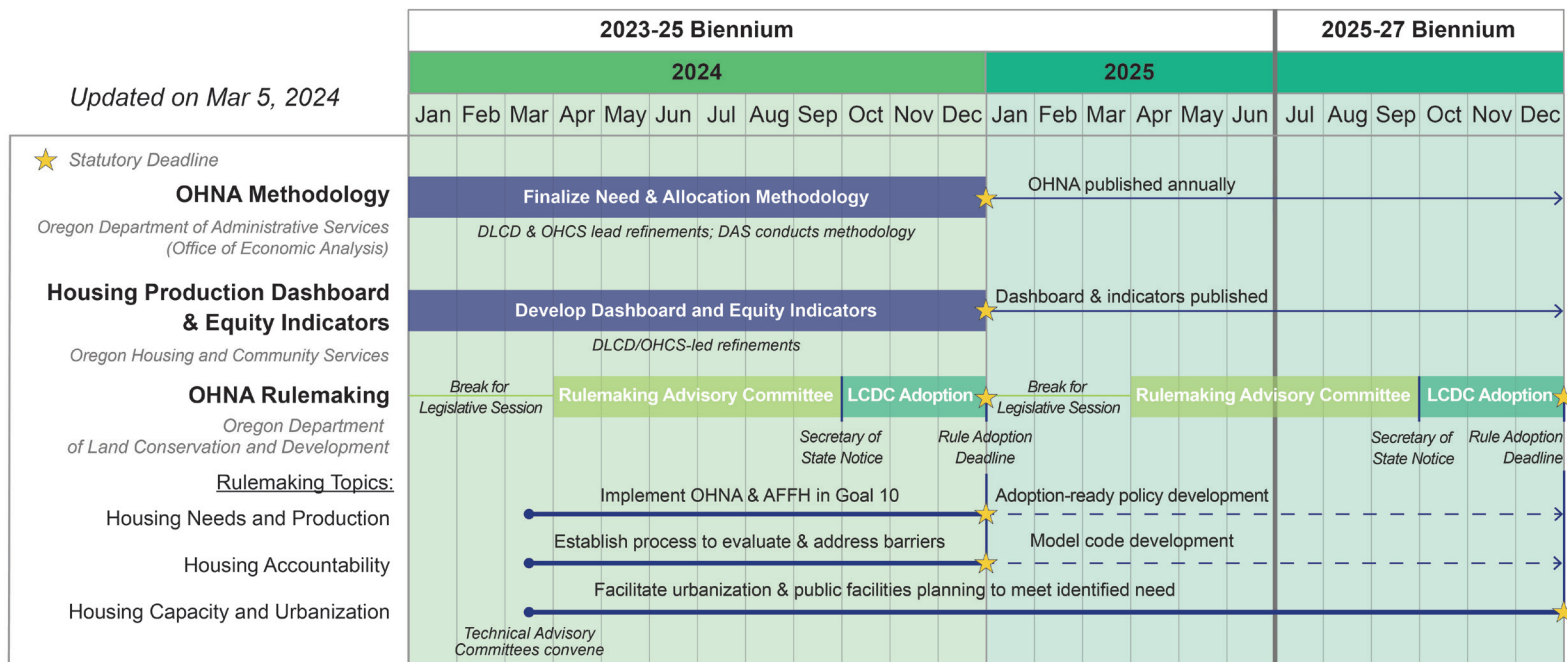
- OHCS must develop a **Housing Production Dashboard** by January 1, 2025 where progress toward housing production targets will be published and updated annually.

Develop Housing Equity Indicators

- OHCS must also develop a set of **Housing Equity Indicators** by January 1, 2025 that will provide all cities with information on how their communities perform on housing outcomes such as cost burdening, access to housing with needed characteristics like accessibility for a number of disabilities, and other indicators to be determined.

What is the OHNA Implementation Timeline?

DLCD is leading the OHNA implementation and rulemaking process through December 2025. OHCS and DAS have statutory deadlines as outlined below.



1. See House Bills [2001](#) & [2889](#) (2023 Session). Codified in [Oregon Laws 2023, chapter 13](#) and Oregon Revised Statute (ORS) chapters 195, 197, 197A, and 456