

HOUSING RULEMAKING ADVISORY COMMITTEE MEETING PACKET #1



TO: Housing Rulemaking Advisory Committee Members
FROM: Ethan Stuckmayer, Senior Housing Planner
SUBJECT: RAC Meeting Packet #1

Housing Rulemaking Committee Members,

Thank you for being willing and able to participate in helping to shape the rulemaking for two landmark pieces of housing legislation in the State of Oregon. House Bills 2001 and 2003 will have long-term impacts on how we allow and increase housing choice in our state. This is an opportunity to ensure that we implement these legislative initiatives in a manner that will result in positive outcomes for current and future Oregonians.

For those reasons, it is important that we convene this Rulemaking Advisory Committee (RAC). The RAC is comprised of a wide and varying group of stakeholders - to advise DLCD, contracted parties, and the Land Conservation and Development Commission (LCDC) on the adoption of rules in three topic areas:

1. Adopting model codes and clarifying requirements for “medium” and “large” local governments that are required to adopt allowances for middle housing into their development codes, per HB 2001;
2. Clarifying the process to be followed, criteria to be considered, and any other necessary elements of the infrastructure-based time extension request (IBTER) process, per HB 2001; and
3. Clarifying required components of housing production strategies (HPSs) that will be adopted by local governments, as well as DLCD’s process and considerations for review of adopted HPSs.

In order to meet our May 2020 target deadline for adoption of medium city model code and infrastructure-based time extension rules and our September 2020 target for adoption of large city model code and housing production strategy rules, we will have to work quickly and collaboratively. The primary role of the RAC is to be advisory to DLCD staff as they prepare final rules for LCDC consideration throughout the process.

The charge to our RAC, from the Land Conservation and Development Commission is:

Members of the Rules Advisory Committee (RAC) shall provide guidance to agency staff to implement the legislative intent of House Bills 2001 and 2003. While complying with legislative intent, RAC members are asked to work with agency staff to develop recommended rules that:

- *Acknowledge the importance of reasonable regulations such as mass, scale, and design in accordance with clear and objective standards.*
- *Provide for affordable living choices including access to employment and transportation choice.*

- *Allow for phased development consistent with infrastructure supply.*
- *Strive to result in equitable outcomes that benefit marginalized communities and/or people.*

Included in this packet are materials that will further describe the contextual background, purpose, operating principles, and timeline that will determine how the RAC will operate for the duration of the rulemaking process. Please review these documents prior to the first RAC meeting from **10am-1pm on November 14, 2019.**

RAC Meeting Packet #1 Materials List:

- [RAC Meeting #1 Agenda](#)
- [Housing Rulemaking Advisory Committee Operating Principles and Guidelines*](#)
- [Meeting Schedule](#)
- [Housing Rulemaking Advisory Committee Member List](#)
- [Engrossed HB 2001](#)
- [HB 2001 Overview](#)
- [HB 2001 Technical Fact Sheet](#)
- [Engrossed HB 2003](#)
- [HB 2003 Overview](#)
- [HB 2003 Technical Fact Sheet](#)
- [Technical Advisory Committee Descriptions](#)

* We encourage you to carefully review the RAC Operating Principles document in order to better understand your role as either a primary or alternate member of this rulemaking body.

If you have any questions on the materials in this packet or about the legislation itself, please feel free to contact me via phone or email, my information is listed below. We are grateful for your participation in this important initiative and look forward to working with you!

Thank you,



Ethan Stuckmayer

Senior Planner of Housing Programs | Community Services Division
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Additional DLCD Staff Contacts for the Rulemaking Process:

Kevin Young, Senior Urban Planner

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503-934-0030

Casaria Taylor, Rules Coordinator and Point of Contact for All RAC Logistics

Casaria.taylor@state.or.us

503-934-0065

Please note: email correspondence should be sent directly to Casaria.taylor@state.or.us who will then distribute to staff or advisory committee members as needed.

Housing Rulemaking Advisory Committee Meeting

November 14, 2019; 10:00 am – 1:00 pm

Department of Land Conservation and Development

Basement Hearing Room

635 Capitol Street NE

Salem, Oregon 97301



PROPOSED AGENDA

Housing Rulemaking Advisory Committee Meeting		
Time	Topic	Who
9:30 – 10:00 am	<i>Arrive and Settle In</i>	<ul style="list-style-type: none">• RAC members
10:00 – 10:15 am	Welcome, Opening Remarks, and Review Agenda	<ul style="list-style-type: none">• Chair Jerry Lidz, LCDC• Commissioner Anyeley Hallova, LCDC• Sylvia Ciborowski, Kearns & West
10:15 – 10:45 am	RAC Member Introductions <i>Reflect on questions:</i> <ul style="list-style-type: none">• <i>What does success look like to you in this RAC process?</i>• <i>What challenges will the RAC need to overcome?</i>	<ul style="list-style-type: none">• Sylvia• RAC Members
10:45 – 11:30 am	Review RAC Role, Charter, Operating Principles, and Schedule	<ul style="list-style-type: none">• Sylvia• RAC members• Kevin Young, DLCD
11:30 – 11:40 am	Update on Community Engagement	<ul style="list-style-type: none">• Ethan Stuckmayer, DLCD• RAC members
11:45 – 12:10pm	Overview of House Bills 2001 and 2003	<ul style="list-style-type: none">• Kevin
12:05 – 12:20pm	<i>Lunch (provided on-site)</i>	
12:20 – 12:40pm	Technical Advisory Committees Roles and Topics	<ul style="list-style-type: none">• Kevin
12:40 – 12:50pm	Public Comment	<ul style="list-style-type: none">• Members of the public



Housing Rulemaking Advisory Committee Meeting

Time	Topic	Who
12:50 - 1:00pm	Next Steps and Wrap Up	<ul style="list-style-type: none">• Sylvia• Chair Lidz• Commissioner Hallova



HOUSING RULEMAKING ADVISORY COMMITTEE

OPERATING PRINCIPLES AND GUIDELINES

Updated November 6, 2019



The Housing Rulemaking Advisory Committee's Charge

Members of the Rules Advisory Committee (RAC) shall provide guidance to agency staff to implement the legislative intent of House Bills 2001 and 2003. While complying with legislative intent, RAC members are asked to work with agency staff to develop recommended rules that:

- *Acknowledge the importance of reasonable regulations such as mass, scale, and design in accordance with clear and objective standards.*
- *Provide for affordable living choices including access to employment and transportation choice.*
- *Allow for phased development consistent with infrastructure supply.*
- *Strive to result in equitable outcomes that benefit marginalized communities and/or people.*

Overview of Rulemaking Advisory Committee Role

Oregon's Land Conservation and Development Commission (LCDC) has asked members of a Rulemaking Advisory Committee to recommend rules as described above. The role of the RAC is to be:

- Advisory to staff;
- Provide policy direction and guidance (is not intended to seek consensus);
- Receive work from Technical Advisory Committees on the detail of draft rules to consider;
- Considered "volunteers" by the state and will receive an overview accordingly;
- Supported by DLCD staff;
- Will comply with open meeting, public record and ethics laws;
- May submit claims for mileage; and
- May participate from remote, though in-person participation is ideal.



HOUSING RULEMAKING ADVISORY COMMITTEE

OPERATING PRINCIPLES AND GUIDELINES

For the advisory process to operate smoothly, it is helpful to agree at the outset on the purpose of the effort and the procedures the group will use to govern its work.

I. BACKGROUND AND PURPOSE OF THE RULEMAKING ADVISORY COMMITTEE

New laws enacted by the 2019 legislature, HB 2001 and HB 2003, aim to provide opportunities for the Department of Land Conservation and Development (DLCD) to partner with and assist local governments. HB 2001 is focused on increasing the supply of ‘middle housing’ in Oregon cities – not by limiting construction of single-family homes, but by allowing development of duplexes, triplexes, fourplexes, cottage clusters, and townhomes in zones that may have previously excluded them. HB 2001 also allows local governments to request a time extension for the application of middle housing provisions in areas with infrastructure constraints (water, sewer, storm water, or transportation) that would not allow further middle housing development. Additionally, HB 2003 includes a new requirement for cities to adopt housing production strategies.

LCDC has established this RAC to assist the department in developing the proposed rules for consideration by LCDC to meet the requirements of the law as described above.

The department will also seek the advisory committee’s input on the fiscal impact of any potential rule. If the advisory committee indicates that the potential rule will have a significant adverse fiscal impact on small business, the agency must seek the advisory committee’s input on mitigating the cost of compliance, as required by ORS 183.540. ORS 183.333(3). The agency must consider these comments when developing the statement of fiscal impact required by ORS 183.335(2)(b)(E). ORS 183.333(4).

Rulemaking is anticipated to provide needed clarification in the following three areas:

1. Adopting model codes and clarifying requirements for “medium” and “large” local governments that are required to adopt allowances for middle housing into their development codes, per HB 2001;
2. Clarifying the process to be followed, criteria to be considered, and any other necessary elements of the infrastructure-based time extension request (IBTER) process, per HB 2001; and
3. Clarifying required components of housing production strategies (HPSs) that will be adopted by local governments.

House Bill 2001 requires LCDC to adopt the model codes by December 31, 2020. Although the two bills do not include mandatory timelines for rule adoption in other areas, an aggressive rulemaking timeline is necessary to meet mandated IBTER application deadlines, provide timely direction to local governments,

and to allow time for financial assistance to local governments following rule adoption. Consequently, rulemaking is anticipated to begin November 14, 2019, with meetings of the rulemaking advisory committee (RAC) every four to six weeks, and additional subcommittee meetings interspersed within that schedule.

Our target deadline for adoption of medium city model code and infrastructure-based time extension rules is May of 2020. Adoption of large city model code and housing production strategy rules is targeted for September of 2020. (See the Rulemaking Advisory Committee Meeting Schedule in Attachment A)

II. MEETING PRINCIPLES AND SUGGESTED GUIDELINES

A. GOOD FAITH

All members agree to act in good faith in all aspects of the rulemaking process. As such, members will consider the viewpoints of other participants and conduct themselves in a respectful manner that promotes collaboration.

Acting in good faith also requires that:

- Specific proposals made in open and frank problem-solving conversation not be used against any other member in the future;
- Personal attacks and prejudiced statements are not acceptable;
- Individuals do not represent their personal or organization's views as views of the advisory committee;
- Individuals express consistent views and opinions in the advisory committee meetings and in other forums, including contacts with the press (see Section IV(B)); and
- Individuals with process concerns will raise them in the committee.

B. PROCESS SUGGESTIONS / GROUND RULES

Advisory committee members agree to apply the following ground rules:

- Honor the agenda and strive to stay on topic;
- Speak one at a time – use tent cards to signal you'd like to speak;
- Allow for a balance of speaking time – respect time limits;
- Bring concerns and ideas up for discussion at the earliest point in the process;
- Address issues and questions, not people or organizations;
- Avoid personal attacks;
- Listen with respect;
- Avoid side conversations; and
- Turn off cell phones or put them in the non-ring mode during formal meeting sessions

And consider the following process suggestions:

- Seek to learn and understand each other's perspective;
- Encourage respectful, candid, and constructive discussions;
- Seek to resolve differences and find common ground;

- As appropriate, discuss topics together rather than in isolation; and
- Make every effort to avoid surprises

III. DECISION MAKING PROCESS

The RAC is charged with advising department staff on the development of administrative rules to implement HB 2001 and HB 2003. Though this advisory committee is not a voting body, LCDC's goal in convening this set of diverse and experienced stakeholders is to receive individual and group guidance for staff on implementable rules. The advisory committee facilitator and staff will record and consider all points of view. Staff will work to develop a set of rules that reflects the guidance from members of the committee. Committee members are welcome to express their concerns in writing. All communications of this nature will be included in final recommended drafts for commission review.

IV. ORGANIZATIONAL STRUCTURE AND PARTICIPATION

A. MEMBERSHIP AGREEMENTS

All primary and alternate advisory committee members agree to the following:

- Attend meetings, review materials in advance and actively participate in good faith while respecting time constraints, including the need to hear from a diverse set of perspectives on the advisory committee. Various ways to provide feedback will be provided by the staff and facilitation team (written, verbal, survey, etc.);
- Members will be responsible for reporting out to and engaging their stakeholder groups
- Support the final decision, or communicate concerns in writing so that these concerns may be shared with the commission;
- The person serving as an alternate may not seek to revisit a previous decision made by the RAC;
- Follow through on promises and commitments;
- Share all relevant information that will assist the committee in achieving its goals; and
- Keep their organizations informed of potential decisions and actions.

B. PRIMARY MEMBERS – ROLES AND RESPONSIBILITIES

The primary members of this advisory committee were chosen because of the variety of their interests, experience with land use issues, experience with housing issues, and willingness to work together. While most members of this committee represent or have represented various interests, organizations, or local governments, in order to foster creative problem solving, members are encouraged to voice their individual viewpoints and ideas. Each primary advisory committee member is expected to attend all 10 meetings, and they are welcome to participate in technical advisory committees, if interested. Technical advisory committee descriptions are listed in Section IV(E).

C. ALTERNATE MEMBERS – ROLES AND RESPONSIBILITIES

The alternate members of this committee should attend each full rulemaking advisory committee meeting via zoom (video conference) to stay engaged and informed throughout the process. It is also expected that alternates will join at least one of the three technical advisory committees that will support the rulemaking process. Participation in these technical advisory committees are designed as a space for technical development of key issues. Descriptions of the technical advisory committees can be found in Section IV(E).

Alternate members will coordinate with the primary member in the same seat prior to each RAC meeting to share information, determine who is attending, and ensure committee members are speaking from as a cohesive position as possible.

Alternates are also encouraged to make comments on the draft rules throughout the process. They can do so by submitting comments in writing.

D. COMMITTEE REPRESENTATION

The Rulemaking Advisory Committee is comprised of a wide and varying range of stakeholder groups and representatives from across the State of Oregon. DLCD appreciates the contributions of each member of this committee and has made every effort to include stakeholders who will bring unique and valuable prospective, including those that may not have been traditionally represented on such a Committee. DLCD has invited the participation of members with perspectives or affiliations listed below:

- League of Women Voters
- Mayor/Councilor (medium city)
- Mayor/Councilor (large city)
- Planning Professional (medium and large cities)
- Market-rate Middle Housing Developer
- Finance (market rate)
- Affordable Housing Developer
- Public Works Professional (medium and large cities)
- Local Government Housing Administrators
- Environmental and Social Justice Advocacy
- Tenants Advocacy Organizations
- Metro Regional Government
- Metro-Area Counties
- Fair Housing Advocates
- Research/Academic
- Special Districts
- Land Use Organizations
- Advocates for Middle Housing
- Development/Homebuilders
- Affordable Housing Advocacy Groups
- Historic Preservation/Neighborhood Professional
- Sovereign Nations/Tribes
- Homeowners Association (market rate)
- Renters (market and subsidized)
- Homelessness-Serving or Previously Homeless
- Realty Professional
- Affordable Middle Housing Builder

E. ATTENDANCE



Members are expected to make a good faith effort to attend ALL meetings, including the meetings of any technical advisory committee(s) on which they serve. It is expected that the full RAC will meet approximately every five (5) weeks until a final recommendation is made to the department. Although the proposed schedule anticipates a final RAC meeting in July of 2020, there may be a need for additional meetings that would extend to September of 2020. It is important to have the members attend every meeting so that progress can be made. Each position will have an alternate. Members shall notify DLCD's rulemaking staff liaison and facilitator if they are unable to make a meeting in advance, and whether the alternate will be participating in their place.

F. TECHNICAL ADVISORY COMMITTEES

The full RAC will frequently rely on technical advisory committees to develop and refine detailed recommendations. Alternates are encouraged to serve on at least one (1) technical advisory committee. Primary RAC members may do so as their time allows. Ideally, there will be one or two RAC members on each technical advisory committee to be a liaison back to the full RAC. Technical advisory committee members may develop draft sections of rule and, via staff, will share comments and suggestions to the full RAC. As with the RAC, technical advisory committee meetings will be open to the public and follow Oregon's Public Meeting Law.

Technical advisory committees may be formed regarding the following topics, but are not limited to this list:

- **Middle Housing Model Code Technical Advisory Committee.** Clarifying requirements for “medium” and “large” local governments in the adoption of codes allowing the development of middle housing types as required by House Bill 2001. This includes drafting Model Development Code language and formulating a set of minimum standards that can be used as a basis for compliance by subject to House Bill 2001. This committee will consider two distinct Model Codes for consideration by the RAC and LCDC, one for medium cities and one for large cities, as defined in statute.
- **Infrastructure Deficiency Time-Extension Technical Advisory Committee.** Formulate applicable criteria and the process to be followed by local jurisdictions requesting an extension for middle housing development code adoption due to an infrastructure deficiency. This committee will serve to define how a city might formally request an extension, what qualifies as deficient infrastructure, and in which areas a city may delay adoption of middle housing development code.
- **Housing Production Strategy Technical Advisory Committee.** Clarifying required components of housing production strategies (HPSs) that will be adopted by local governments; identifying the process, criteria, and other necessary elements required for department review of HPSs; and developing the process and criteria to be followed for LCDC to review, in consultation with the Oregon Housing and Community Services Department, and identify cities with a population greater than 10,000 that have not sufficiently achieved needed housing within their jurisdiction or have not sufficiently implemented a housing production strategy adopted under Section 4 of House Bill 2003.

G. LCDC

LCDC's Chair Jerry Lidz and Commissioner Anyeley Hallova will participate in the advisory committee and serve as liaisons to the full commission. Committee members recognize that final decision-making authority regarding the proposed draft rules rests with LCDC.

H. FACILITATOR

The advisory committee will be facilitated by a professional facilitator. The facilitator will ensure that all members' voices are heard and help the group have meaningful and productive conversations. The role of the facilitator is to:

- Support RAC members in providing their input and help ensure a balanced process;
- Ensure members adhere to the operating principle;
- Identify/communicate common themes, areas of disagreement, and decision points; and
- Work with DLCD to develop agendas;

I. DEPARTMENT STAFF

The advisory committee will have assistance from department staff who will attend all meetings. Select DLCD staff may sit at the table and advise as needed in the advisory committee and technical advisory committee meetings. Legal questions will be handled by DLCD staff with LCDC's legal counsel.

J. WITHDRAWAL

Any member may withdraw from the advisory committee at any time. Communication about the reasons for withdrawing, if related to the process, would be appreciated. Good faith provisions (see Section II(A)) apply to those who withdraw.

V. MEETINGS AND ADDITIONAL COMMUNITY AND STAKEHOLDER ENGAGEMENT

DLCD expects a wide range of public and other stakeholder perspectives will be expressed through advisory committee members. DLCD staff will seek additional public comment through listening sessions, focus groups, interviews, and online surveys. Results of all these modes will be summarized with verbatim appendices, posted on DLCD's website, and made available to RAC members for their consideration.

Advisory and technical advisory committee meetings are public meetings under Oregon's open meetings laws. Members of the public who wish to make their opinions known to the advisory committee are encouraged to submit written comments on the work of the advisory committee, which will then be distributed to all members for consideration. There will also be a time allotment on the advisory committee meeting agenda to accept comments in person as time allows. This time will be limited as needed to allow committee work to progress in accordance with statutory and department timelines. Written comment is always accepted.

Meetings will be open to the public and follow Oregon's Public Meeting Law.

A. AGENDAS AND NOTICE

Proposed meeting agendas will be drafted by the department and circulated in advance of meetings. They will be posted on DLCD's website a week before the meeting. Members of the public may sign up for notice at <https://www.oregon.gov/lcd/UP/Pages/Housing-Resources.aspx>.

VI. ADDITIONAL GUIDELINES

A. RIGHTS IN OTHER FORUMS

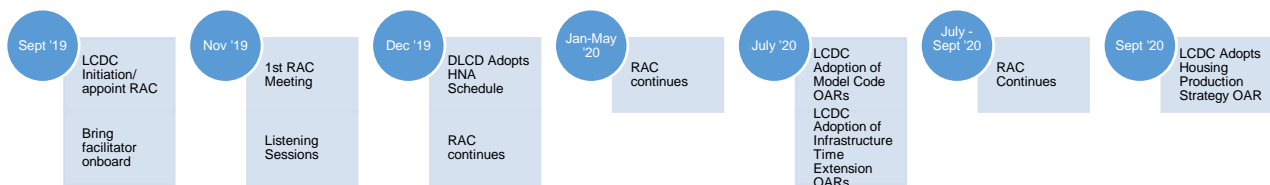
Participation in the advisory committee process does not limit the rights of any member. Members will make a good faith effort to notify one another in advance, if another action outside the process will be initiated or pursued, which could affect the proposals, recommendations, or agreements being discussed.

B. PRESS/OTHER PUBLIC FORUMS

Advisory committee members agree to refrain from making negative comments about or characterizing the views of the other advisory committee members in contacts with the press. They also agree not to knowingly mischaracterize the positions and views of any other party, nor their own, in public forums. If contacted by the media, please refer the media to Palmer Mason or Kevin Young at DLCD. Members shall make clear, when talking to the media, that the views they are expressing are their own, not that of the RAC.

VII. SCHEDULE

Given the timeline for LCDC to make decisions on the proposed rules, the final input from the advisory committee should be reached by September 2020. The advisory committee will meet at least once every five weeks.



VIII. STAFF INFORMATION

Kevin Young, Senior Urban Planner

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503-934-0030

Ethan Stuckmayer, Lead Housing Planner and Point of Contact for Substantive and Procedural Questions

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503-934-0619

Casaria Taylor, Rules Coordinator and Point of Contact for All RAC Logistics

Casaria.taylor@state.or.us

503-934-0065

Please note: email correspondence should be sent to Casaria.taylor@state.or.us who will then distribute to staff or advisory committee members as needed.

**AGENDA ITEM 5
 SEPTEMBER 26-27, 2019 – LCDC MEETING
 ATTACHMENT B**

Proposed LCDC, Rules Advisory Committee (RAC), and Subcommittee Meeting Outline – Updated Draft Sept 10, 2019

Mtg	Mo	Length (hours)	LCDC Interface	HB 2001 (Middle Housing)	Subcommittees (2 - Code and Infrastructure)	HB 2003 (Housing Needs)	Subcommittee (Housing Production Strategies)
RAC 1	Nov	3		Introductory Meeting		Introductory Meeting	
Subs.					Via email; organizational only.		Via email; organizational only.
LCDC			BRIEFING	Update		Update	
RAC 2	Dec	3		Review input from listening sessions Outline duplex only rule		Review input from listening sessions	
Subs.					Duplex and Infrastructure		Housing production strategies
LCDC			No Mtg				
RAC 3	Jan	3		Draft duplex rule and code, infrastructure extension draft rules		Outline of HPS rule	
Subs.					Duplex and Infrastructure		HPS draft rule
LCDC			BRIEFING	Update		Update	
RAC 4	Feb	3		Revised duplex rule and code, revised infrastructure extension rule		Review draft HPS rule	
Subs.					Finalize recommendations		Revised draft HPS rule
LCDC			No mtg				
RAC 5	Mar	3		Final recommendation, duplex code and infrastructure extension [early in March to allow for revisions prior to commission packet]		Revised Draft Rule.	
Subs.					Begin large city rule and code		Draft recommended rule
LCDC	Mar		BRIEFING	Duplex rule and code, Infrastructure		BRIEFING	
RAC 6	April	4		Consider revisions as needed		Revised Draft HPS Rule	
Subs.					Consider revisions if needed		As needed
LCDC			No mtg				
RAC 7	May	4		Finalize duplex rule and code, Infrastructure rules Review draft large cities rule and model code		HPS revisions	
Subs.					Revise lg. city rule and code		Revise recommended rule
LCDC	May		HEARING	FIRST HEARING: Mid-Size Cities and Infrastructure Extension		BRIEFING/Possible Hearing	
RAC 8	Jun	4		Review large cities draft rule and model code		HPS draft recommendation	
Subs.					Revise lg. city rule and code		Revise recommended rule
LCDC			HEARING	FINAL HEARING/SPECIAL MEETING Mid-size + Infrastructure			
RAC 9	Jul	4		Revise large cities draft rule		Finalize HPS recommendation	
Subs.					Revise lg. city rule and code		If needed
LCDC	Jul		HEARING	FIRST HEARING: larger cities code and rule		FIRST HEARING: Housing Production Strategy Rule	
RAC10	Aug	4		As needed revisions to rule/code language		As needed	
Subs.					Revise per LCDC and RAC		Revise per LCDC and RAC
LCDC			No mtg				
RAC	Sep			If needed		If needed	
Subs.					If needed		If needed
LCDC	Sep		HEARING	FINAL HEARING: large city code and rule		FINAL HEARING: Housing Production Strategies Rule	

Housing Rulemaking Advisory Committee Membership

Updated November 06, 2019

	Co-Chair	Co-Chair
	Jerry Lidz LCDC	Anyaley Hallova LCDC
	Primary	Alternate
League of Women Voters of Oregon	Peggy Lynch	Debbie Aiona
Mayor/Councilor – Medium	Drew Farmer, Coos Bay	Scott Fairley, Pendleton
Mayor/Councilor – Large	Chris Pryor, Eugene	Angel Falconer, Milwaukie
Planning Director Medium/Large	Mark Rust, Springfield	Heather Richards, McMinnville
Market-rate Missing Middle Developer	Stacey Stemach	Kol Peterson
Finance (Market)	Mike Schrader	TBD
Affordable Housing Developer	Joel Madsen	Brian Shelton – Kelley
Public Works Medium/Large	Jeff Blaine, Albany	Derrick Tokos, Newport
Local Government Housing Administrator	Lynne McConnell, Bend	Stephanie Jennings, Eugene
Environmental and Social Justice	TBD	TBD
Tenants Advocacy	Katrina Holland	TBD
Metro Regional Government	Ted Reid	Jes Larson
Metro Area Counties	Theresa Cherniak, Washington County	Martha Fritzie, Clackamas County
Fair Housing	Allan Lazo	LeRoy Patton
Research/Academic	Dr. Sarah Adams-Schoen	Dr. Gerardo Sandoval
Special Districts	Shelly Parini-Runge, Clackamas County	Jeannine Rustad, Tualatin Hills Parks and Recreation
Land Use Organizations	Mary Kyle McCurdy	Damian Syrnyk
Advocates for Missing Middle Housing	TBD	Michelle Glass
Development/Homebuilders	Jodi Hack	Ellen Miller
Affordable Housing Advocacy	Ed Sullivan	Alison McIntosh

Historic Preservation/Neighborhood	Kimberli Fitzgerald	Amanda Ferguson
Sovereign Nations/Tribes	Pamela Barlow-Lind	TBD
Resident Renter Market Rate	Tim Morris	Kelsey Zlevor
Homeowners Association Market Housing	Nancy McDaniel	TBD
Resident Subsidized Housing	TBD	TBD
Homeless-serving Organization	TBD	Will Harris
Realty Professionals	Hope Berahe	Hugh Prichard
Affordable Housing Missing Middle	Kimberly Horner	Shannon Vilhauer
Planning Director	Colin Cooper, Hillsboro	Brian Martin, Beaverton
STAFF		
Name	Phone	Email
Ethan Stuckmayer	503-934-0619	Ethan.stuckmayer@state.or.us
Kevin Young	503-934-0030	Kevin.young@state.or.us
Gordon Howard	503-934-0034	Gordon.howard@state.or.us
Casaria Taylor	503-934-0065	Casaria.taylor@state.or.us



Enrolled
House Bill 2001

Sponsored by Representative KOTEK; Representatives FAHEY, HERNANDEZ, MARSH, MITCHELL, POWER, STARK, WILLIAMS, ZIKA (Presession filed.)

CHAPTER

AN ACT

Relating to housing; creating new provisions; amending ORS 197.296, 197.303, 197.312 and 455.610 and section 1, chapter 47, Oregon Laws 2018; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2019 Act is added to and made a part of ORS chapter 197.

SECTION 2. (1) As used in this section:

(a) "Cottage clusters" means groupings of no fewer than four detached housing units per acre with a footprint of less than 900 square feet each and that include a common courtyard.

(b) "Middle housing" means:

(A) Duplexes;

(B) Triplexes;

(C) Quadplexes;

(D) Cottage clusters; and

(E) Townhouses.

(c) "Townhouses" means a dwelling unit constructed in a row of two 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.

(2) Except as provided in subsection (4) of this section, each city with a population of 25,000 or more and each county or city within a metropolitan service district shall allow the development of:

(a) All middle housing types in areas zoned for residential use that allow for the development of detached single-family dwellings; and

(b) A duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings.

(3) Except as provided in subsection (4) of this section, each city not within a metropolitan service district with a population of more than 10,000 and less than 25,000 shall allow the development of a duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings. Nothing in this subsection prohibits a local government from allowing middle housing types in addition to duplexes.

(4) This section does not apply to:

(a) Cities with a population of 1,000 or fewer;

(b) Lands not within an urban growth boundary;

(c) Lands that are not incorporated and also lack sufficient urban services, as defined in ORS 195.065;

(d) Lands that are not zoned for residential use, including lands zoned primarily for commercial, industrial, agricultural or public uses; or

(e) Lands that are not incorporated and are zoned under an interim zoning designation that maintains the land's potential for planned urban development.

(5) Local governments may regulate siting and design of middle housing required to be permitted under this section, provided that the regulations do not, individually or cumulatively, discourage the development of all middle housing types permitted in the area through unreasonable costs or delay. Local governments may regulate middle housing to comply with protective measures adopted pursuant to statewide land use planning goals.

(6) This section does not prohibit local governments from permitting:

(a) Single-family dwellings in areas zoned to allow for single-family dwellings; or

(b) Middle housing in areas not required under this section.

SECTION 3. (1) Notwithstanding ORS 197.646, a local government shall adopt land use regulations or amend its comprehensive plan to implement section 2 of this 2019 Act no later than:

(a) June 30, 2021, for each city subject to section 2 (3) of this 2019 Act; or

(b) June 30, 2022, for each local government subject to section 2 (2) of this 2019 Act.

(2) The Land Conservation and Development Commission, with the assistance of the Building Codes Division of the Department of Consumer and Business Services, shall develop a model middle housing ordinance no later than December 31, 2020.

(3) A local government that has not acted within the time provided under subsection (1) of this section shall directly apply the model ordinance developed by the commission under subsection (2) of this section under ORS 197.646 (3) until the local government acts as described in subsection (1) of this section.

(4) In adopting regulations or amending a comprehensive plan under this section, a local government shall consider ways to increase the affordability of middle housing by considering ordinances and policies that include but are not limited to:

(a) Waiving or deferring system development charges;

(b) Adopting or amending criteria for property tax exemptions under ORS 307.515 to 307.523, 307.540 to 307.548 or 307.651 to 307.687 or property tax freezes under ORS 308.450 to 308.481; and

(c) Assessing a construction tax under ORS 320.192 and 320.195.

(5) When a local government makes a legislative decision to amend its comprehensive plan or land use regulations to allow middle housing in areas zoned for residential use that allow for detached single-family dwellings, the local government is not required to consider whether the amendments significantly affect an existing or planned transportation facility.

SECTION 4. (1) Notwithstanding section 3 (1) or (3) of this 2019 Act, the Department of Land Conservation and Development may grant to a local government that is subject to section 2 of this 2019 Act an extension of the time allowed to adopt land use regulations or amend its comprehensive plan under section 3 of this 2019 Act.

(2) An extension under this section may be applied only to specific areas where the local government has identified water, sewer, storm drainage or transportation services that are either significantly deficient or are expected to be significantly deficient before December 31, 2023, and for which the local government has established a plan of actions that will remedy the deficiency in those services that is approved by the department. The extension may not extend beyond the date that the local government intends to correct the deficiency under the plan.

(3) In areas where the extension under this section does not apply, the local government shall apply its own land use regulations consistent with section 3 (1) of this 2019 Act or the model ordinance developed under section 3 (2) of this 2019 Act.

(4) A request for an extension by a local government must be filed with the department no later than:

- (a) **December 31, 2020, for a city subject to section 2 (3) of this 2019 Act.**
- (b) **June 30, 2021, for a local government subject to section 2 (2) of this 2019 Act.**
- (5) **The department shall grant or deny a request for an extension under this section:**
 - (a) **Within 90 days of receipt of a complete request from a city subject to section 2 (3) of this 2019 Act.**
 - (b) **Within 120 days of receipt of a complete request from a local government subject to section 2 (2) of this 2019 Act.**
- (6) **The department shall adopt rules regarding the form and substance of a local government's application for an extension under this section. The department may include rules regarding:**
 - (a) **Defining the affected areas;**
 - (b) **Calculating deficiencies of water, sewer, storm drainage or transportation services;**
 - (c) **Service deficiency levels required to qualify for the extension;**
 - (d) **The components and timing of a remediation plan necessary to qualify for an extension;**
 - (e) **Standards for evaluating applications; and**
 - (f) **Establishing deadlines and components for the approval of a plan of action.**

SECTION 5. ORS 197.296 is amended to read:

197.296. (1)(a) The provisions of subsections (2) to (9) of this section apply to metropolitan service district regional framework plans and local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of 25,000 or more.

(b) The Land Conservation and Development Commission may establish a set of factors under which additional cities are subject to the provisions of this section. In establishing the set of factors required under this paragraph, the commission shall consider the size of the city, the rate of population growth of the city or the proximity of the city to another city with a population of 25,000 or more or to a metropolitan service district.

(2) At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan or regional framework plan that concerns the urban growth boundary and requires the application of a statewide planning goal relating to buildable lands for residential use, a local government shall demonstrate that its comprehensive plan or regional framework plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years. The 20-year period shall commence on the date initially scheduled for completion of the periodic or legislative review.

(3) In performing the duties under subsection (2) of this section, a local government shall:

(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and

(b) Conduct an analysis of **existing and projected** housing need by type and density range, in accordance with **all factors under** ORS 197.303 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.

(4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, "buildable lands" includes:

(A) Vacant lands planned or zoned for residential use;

(B) Partially vacant lands planned or zoned for residential use;

(C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and

(D) Lands that may be used for residential infill or redevelopment.

(b) For the purpose of the inventory and determination of housing capacity described in subsection (3)(a) of this section, the local government must demonstrate consideration of:

(A) The extent that residential development is prohibited or restricted by local regulation and ordinance, state law and rule or federal statute and regulation;

(B) A written long term contract or easement for radio, telecommunications or electrical facilities, if the written contract or easement is provided to the local government; and

(C) The presence of a single family dwelling or other structure on a lot or parcel.

(c) Except for land that may be used for residential infill or redevelopment, a local government shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands.

(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity *[and need]* pursuant to subsection [(3)] **(3)(a)** of this section must be based on data relating to land within the urban growth boundary that has been collected since the last *[periodic]* review or *[five]* **six** years, whichever is greater. The data shall include:

(A) The number, density and average mix of housing types of urban residential development that have actually occurred;

(B) Trends in density and average mix of housing types of urban residential development;

(C) **Market factors that may substantially impact future urban residential development;**
and

[(C) Demographic and population trends;]

[(D) Economic trends and cycles; and]

[(E)] **(D)** The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

(b) A local government shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if the local government finds that the shorter time period will provide more accurate and reliable data related to housing capacity *[and need]*. The shorter time period may not be less than three years.

(c) A local government shall use data from a wider geographic area or use a time period *[for economic cycles and trends]* longer than the time period described in paragraph (a) of this subsection if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a) of this subsection. The local government must clearly describe the geographic area, time frame and source of data used in a determination performed under this paragraph.

(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(a) of this section, the local government shall take one or *[more]* **both** of the following actions to accommodate the additional housing need:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, the local government shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and the local government that has the authority to approve the urban growth boundary[;].

(b) Amend its comprehensive plan, regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. A local government or metropolitan service district that takes this action shall *[monitor and record the level of development activity and development density by housing type following the date of the adoption of the new measures; or]* **adopt findings regarding the density expectations assumed to result from measures adopted under this paragraph based upon the factors listed in ORS 197.303 (2) and data in subsection (5)(a) of this section. The density expectations may not project an increase in residential capacity above achieved density by more than three percent without quantifiable validation of such departures. For a local government located outside of a metropolitan service district, a quantifiable vali-**

ation must demonstrate that the assumed housing capacity has been achieved in areas that are zoned to allow no greater than the same authorized density level within the local jurisdiction or a jurisdiction in the same region. For a metropolitan service district, a quantifiable validation must demonstrate that the assumed housing capacity has been achieved in areas that are zoned to allow no greater than the same authorized density level within the metropolitan service district.

[(c) Adopt a combination of the actions described in paragraphs (a) and (b) of this subsection.]

(c) As used in this subsection, “authorized density level” has the meaning given that term in ORS 227.175.

(7) Using the **housing need** analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, the local government, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

(8)(a) A local government outside a metropolitan service district that takes any actions under subsection (6) or (7) of this section shall demonstrate that the comprehensive plan and land use regulations comply with goals and rules adopted by the commission and implement ORS 197.295 to 197.314.

(b) *[The]* A local government shall determine the density and mix of housing types anticipated as a result of actions taken under subsections (6) and (7) of this section and monitor and record the actual density and mix of housing types achieved **following the adoption of these actions**. The local government shall compare actual and anticipated density and mix. The local government shall submit its comparison to the commission at the next periodic review or at the next legislative review of its urban growth boundary, whichever comes first.

(9) In establishing that actions and measures adopted under subsections (6) and (7) of this section demonstrably increase the likelihood of higher density residential development, the local government shall at a minimum ensure that land zoned for needed housing is in locations appropriate for the housing types identified under subsection (3) of this section, *[and]* is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section **and is in areas where sufficient urban services are planned to enable the higher density development to occur over the 20-year period**. Actions or measures, or both, may include but are not limited to:

- (a) Increases in the permitted density on existing residential land;
- (b) Financial incentives for higher density housing;
- (c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;
- (d) Removal or easing of approval standards or procedures;
- (e) Minimum density ranges;
- (f) Redevelopment and infill strategies;
- (g) Authorization of housing types not previously allowed by the plan or regulations;
- (h) Adoption of an average residential density standard; and
- (i) Rezoning or redesignation of nonresidential land.

(10)(a) The provisions of this subsection apply to local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of less than 25,000.

(b) At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan that requires the application of a statewide planning goal relating to buildable lands for residential use, a city shall, according to rules of the commission:

- (A) Determine the estimated housing needs within the jurisdiction for the next 20 years;
- (B) Inventory the supply of buildable lands available within the urban growth boundary to accommodate the estimated housing needs determined under this subsection; and
- (C) Adopt measures necessary to accommodate the estimated housing needs determined under this subsection.

(c) For the purpose of the inventory described in this subsection, “buildable lands” includes those lands described in subsection (4)(a) of this section.

SECTION 6. ORS 197.303 is amended to read:

197.303. (1) As used in ORS [197.307] **197.295 to 197.314**, “needed housing” means all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a. “Needed housing” includes 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.

(2) For the purpose of estimating housing needs, as described in ORS 197.296 (3)(b), a local government shall use the population projections prescribed by ORS 195.033 or 195.036 and shall consider and adopt findings related to changes in each of the following factors since the last periodic or legislative review or six years, whichever is greater, and the projected future changes in these factors over a 20-year planning period:

- (a) Household sizes;**
- (b) Household demographics in terms of age, gender, race or other established demographic category;**
- (c) Household incomes;**
- (d) Vacancy rates; and**
- (e) Housing costs.**

(3) A local government shall make the estimate described in subsection (2) of this section using a shorter time period than since the last periodic or legislative review or six years, whichever is greater, if the local government finds that the shorter time period will provide more accurate and reliable data related to housing need. The shorter time period may not be less than three years.

(4) A local government shall use data from a wider geographic area or use a time period longer than the time period described in subsection (2) of this section if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to subsection (2) of this section. The local government must clearly describe the geographic area, time frame and source of data used in an estimate performed under this subsection.

[2] **(5)** Subsection (1)(a) and (d) of this section does not apply to:

- (a) A city with a population of less than 2,500.
- (b) A county with a population of less than 15,000.

[3] **(6)** A local government may take an exception under ORS 197.732 to the definition of “needed housing” in subsection (1) of this section in the same manner that an exception may be taken under the goals.

SECTION 7. ORS 197.312, as amended by section 7, chapter 15, Oregon Laws 2018, is amended to read:

197.312. (1) A city or county may not by charter prohibit from all residential zones attached or detached single-family housing, multifamily housing for both owner and renter occupancy or manufactured homes. A city or county may not by charter prohibit government assisted housing or impose additional approval standards on government assisted housing that are not applied to similar but unassisted housing.

(2)(a) A single-family dwelling for a farmworker and the farmworker's immediate family is a permitted use in any residential or commercial zone that allows single-family dwellings as a permitted use.

(b) A city or county may not impose a zoning requirement on the establishment and maintenance of a single-family dwelling for a farmworker and the farmworker's immediate family in a residential or commercial zone described in paragraph (a) of this subsection that is more restrictive than a zoning requirement imposed on other single-family dwellings in the same zone.

(3)(a) Multifamily housing for farmworkers and farmworkers' immediate families is a permitted use in any residential or commercial zone that allows multifamily housing generally as a permitted use.

(b) A city or county may not impose a zoning requirement on the establishment and maintenance of multifamily housing for farmworkers and farmworkers' immediate families in a residential or commercial zone described in paragraph (a) of this subsection that is more restrictive than a zoning requirement imposed on other multifamily housing in the same zone.

(4) A city or county may not prohibit a property owner or developer from maintaining a real estate sales office in a subdivision or planned community containing more than 50 lots or dwelling units for the sale of lots or dwelling units that remain available for sale to the public.

(5)(a) A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas within the urban growth boundary that are zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design.

(b) As used in this subsection[.]:

(A) "Accessory dwelling unit" means an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling.

(B) "**Reasonable local regulations relating to siting and design**" does not include owner-occupancy requirements of either the primary or accessory structure or requirements to construct additional off-street parking.

(6) **Subsection (5) of this section does not prohibit local governments from regulating vacation occupancies, as defined in ORS 90.100, to require owner-occupancy or off-street parking.**

SECTION 8. Section 1, chapter 47, Oregon Laws 2018, is amended to read:

Sec. 1. (1) For purposes of this section:

(a) A household is severely rent burdened if the household spends more than 50 percent of the income of the household on gross rent for housing.

(b) A regulated affordable unit is a residential unit subject to a regulatory agreement that runs with the land and that requires affordability for an established income level for a defined period of time.

[(c) A single-family unit may be rented or owned by a household and includes single-family homes, duplexes, townhomes, row homes and mobile homes.]

(2)(a) The Housing and Community Services Department shall annually provide to the governing body of each city in this state with a population greater than 10,000 the most current data available from the United States Census Bureau, or any other source the department considers at least as reliable, showing the percentage of renter households in the city that are severely rent burdened.

(b) The Housing and Community Services Department, in collaboration with the Department of Land Conservation and Development, shall develop a survey form on which the governing body of

a city may provide specific information related to the affordability of housing within the city, including, but not limited to:

(A) The actions relating to land use and other related matters that the governing body has taken to increase the affordability of housing and reduce rent burdens for severely rent burdened households; and

(B) The additional actions the governing body intends to take to reduce rent burdens for severely rent burdened households.

(c) If the Housing and Community Services Department determines that at least 25 percent of the renter households in a city are severely rent burdened, the department shall provide the governing body of the city with the survey form developed pursuant to paragraph (b) of this subsection.

(d) The governing body of the city shall return the completed survey form to the Housing and Community Services Department and the Department of Land Conservation and Development within 60 days of receipt.

(3)(a) In any year in which the governing body of a city is informed under this section that at least 25 percent of the renter households in the city are severely rent burdened, the governing body shall hold at least one public meeting to discuss the causes and consequences of severe rent burdens within the city, the barriers to reducing rent burdens and possible solutions.

(b) The Housing and Community Services Department may adopt rules governing the conduct of the public meeting required under this subsection.

(4) No later than February 1 of each year, the governing body of each city in this state with a population greater than 10,000 shall submit to the Department of Land Conservation and Development a report for the immediately preceding calendar year setting forth separately for each of the following categories the total number of units that were permitted and the total number that were produced:

- (a) Residential units.
- (b) Regulated affordable residential units.
- (c) Multifamily residential units.
- (d) Regulated affordable multifamily residential units.
- (e) Single-family *[units]* **homes**.
- (f) Regulated affordable single-family *[units]* **homes**.
- (g) Accessory dwelling units.**
- (h) Regulated affordable accessory dwelling units.**
- (i) Units of middle housing, as defined in section 2 of this 2019 Act.**
- (j) Regulated affordable units of middle housing.**

SECTION 9. ORS 455.610 is amended to read:

455.610. (1) The Director of the Department of Consumer and Business Services shall adopt, and amend as necessary, a Low-Rise Residential Dwelling Code that contains all requirements, including structural design provisions, related to the construction of residential dwellings three stories or less above grade. The code provisions for plumbing and electrical requirements must be compatible with other specialty codes adopted by the director. The Electrical and Elevator Board, the Mechanical Board and the State Plumbing Board shall review, respectively, amendments to the electrical, mechanical or plumbing provisions of the code.

(2) Changes or amendments to the code adopted under subsection (1) of this section may be made when:

- (a) Required by geographic or climatic conditions unique to Oregon;
- (b) Necessary to be compatible with other statutory provisions;
- (c) Changes to the national codes are adopted in Oregon; or
- (d) Necessary to authorize the use of building materials and techniques that are consistent with nationally recognized standards and building practices.

(3) Notwithstanding ORS 455.030, 455.035, 455.110 and 455.112, the director may, at any time following appropriate consultation with the Mechanical Board or Building Codes Structures Board,

amend the mechanical specialty code or structural specialty code to ensure compatibility with the Low-Rise Residential Dwelling Code.

(4) The water conservation provisions for toilets, urinals, shower heads and interior faucets adopted in the Low-Rise Residential Dwelling Code shall be the same as those adopted under ORS 447.020 to meet the requirements of ORS 447.145.

(5) The Low-Rise Residential Dwelling Code shall be adopted and amended as provided by ORS 455.030 and 455.110.

(6) The director, by rule, shall establish uniform standards for a municipality to allow an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code in areas where the local jurisdiction determines that the fire apparatus means of approach to a property or water supply serving a property does not meet applicable fire code or state building code requirements. The alternate method of construction, which may include but is not limited to the installation of automatic fire sprinkler systems, must be approved in conjunction with the approval of an application under ORS 197.522.

(7) For lots of record existing before July 2, 2001, or property that receives any approval for partition, subdivision or construction under ORS 197.522 before July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code may apply the uniform standards established by the director pursuant to subsection (6) of this section. For property that receives all approvals for partition, subdivision or construction under ORS 197.522 on or after July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code must apply the uniform standards established by the director pursuant to subsection (6) of this section.

(8) The director, by rule, shall establish uniform standards for a municipality to allow alternate approval of construction related to conversions of single-family dwellings into no more than four residential dwelling units built to the Low-Rise Residential Dwelling Code that received occupancy approval prior to January 1, 2020. The standards established under this subsection must include standards describing the information that must be submitted before an application for alternate approval will be deemed complete.

(9)(a) A building official described in ORS 455.148 or 455.150 must approve or deny an application for alternate approval under subsection (8) of this section no later than 15 business days after receiving a complete application.

(b) A building official who denies an application for alternate approval under this subsection shall provide to the applicant:

(A) A written explanation of the basis for the denial; and

(B) A statement that describes the applicant's appeal rights under subsection (10) of this section.

(10)(a) An appeal from a denial under subsection (9) of this section must be made through a municipal administrative process. A municipality shall provide an administrative process that:

(A) Is other than a judicial proceeding in a court of law; and

(B) Affords the party an opportunity to appeal the denial before an individual, department or body that is other than a plan reviewer, inspector or building official for the municipality.

(b) A decision in an administrative process under this subsection must be completed no later than 30 business days after the building official receives notice of the appeal.

(c) Notwithstanding ORS 455.690, a municipal administrative process required under this subsection is the exclusive means for appealing a denial under subsection (9) of this section.

(11) The costs incurred by a municipality under subsections (9) and (10) of this section are building inspection program administration and enforcement costs for the purpose of fee adoption under ORS 455.210.

SECTION 10. (1) It is the policy of the State of Oregon to reduce to the extent practicable administrative and permitting costs and barriers to the construction of middle housing, as defined in section 2 of this 2019 Act, while maintaining safety, public health and the general welfare with respect to construction and occupancy.

(2) The Department of Consumer and Business Services shall submit a report describing rules and standards relating to low-rise residential dwellings proposed under ORS 455.610, as amended by section 9 of this 2019 Act, in the manner provided in ORS 192.245, to an interim committee of the Legislative Assembly related to housing no later than January 1, 2020.

SECTION 11. Section 12 of this 2019 Act is added to and made a part of ORS 94.550 to 94.783.

SECTION 12. A provision in a governing document that is adopted or amended on or after the effective date of this 2019 Act, is void and unenforceable to the extent that the provision would prohibit or have the effect of unreasonably restricting the development of housing that is otherwise allowable under the maximum density of the zoning for the land.

SECTION 13. A provision in a recorded instrument affecting real property is not enforceable if:

(1) The provision would allow the development of a single-family dwelling on the real property but would prohibit the development of:

(a) Middle housing, as defined in section 2 of this 2019 Act; or

(b) An accessory dwelling unit allowed under ORS 197.312 (5); and

(2) The instrument was executed on or after the effective date of this 2019 Act.

SECTION 14. (1) Sections 2, 12 and 13 of this 2019 Act and the amendments to ORS 197.296, 197.303, 197.312 and 455.610 and section 1, chapter 47, Oregon Laws 2018, by sections 5 to 9 of this 2019 Act become operative on January 1, 2020.

(2) The Land Conservation and Development Commission, the Department of Consumer and Business Services and the Residential and Manufactured Structures Board may take any actions before the operative date specified in subsection (1) of this section necessary to enable the commission, department or board to exercise, on or after the operative date specified in subsection (1) of this section, the duties required under sections 2, 3 and 10 of this 2019 Act and the amendments to ORS 455.610 by section 9 of this 2019 Act.

SECTION 15. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium beginning July 1, 2019, out of the General Fund, the amount of \$3,500,000 for the purpose of providing technical assistance to local governments in implementing section 3 (1) of this 2019 Act and to develop plans to improve water, sewer, storm drainage and transportation services as described in section 4 (2) of this 2019 Act. The department shall prioritize technical assistance to cities or counties with limited planning staff or that commit to implementation earlier than the date required under section 3 (1) of this 2019 Act.

SECTION 16. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.

Passed by House June 20, 2019

.....
Timothy G. Sekerak, Chief Clerk of House

.....
Tina Kotek, Speaker of House

Passed by Senate June 30, 2019

.....
Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2019

Approved:

.....M,....., 2019

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2019

.....
Bev Clarno, Secretary of State

House Bill 2001: More Housing Choices for Oregonians

In 2019, the Oregon Legislature passed House Bill 2001, a bipartisan bill to help provide Oregonians with **more housing choices**, especially housing choices **more people can afford**.

The new law lets people build certain traditional housing types that already exist in most cities, instead of being limited to a single housing type.

House Bill 2001 requires updates of local rules that have limited what sorts of housing people could build. These limitations have led to increased housing costs.

The Need for More Diverse, Affordable Choices

People need a variety of housing choices. Today, too many Oregonians are paying too much for the housing they have and are limited to renting or buying detached single-unit homes. Meanwhile, the composition of Oregon households is shifting; more than a quarter of households today are a single person living alone.

At different times in their lives, we have different needs. Imagine what sort of housing a young adult might want or be able to afford, or think of the needs of a retired person.

The Bill: Traditional Housing Types Allowed in Most Neighborhoods Soon

Under the bill, by June 30, 2021, Oregon's medium-sized cities must allow Oregonians to build duplexes in areas zoned for single-family dwellings. Most cities already allowed duplexes in certain circumstances.

By June 30, 2022, cities in the Portland Metro region and Oregon's other largest dozen cities (those over 25,000 population), must allow people to build duplexes, triplexes, fourplexes, cottage clusters, and townhouses in residential areas.

These houses can be more affordable and meet the housing needs of many younger people, older people, and people who work hard but can't afford a large detached house of their own.

The bill also provided \$3.5 million for technical assistance to cities, and has other details. Read the bill for details: olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001/Enrolled

Siting and Design Flexibility; Transformation Expected to be Gradual

While the bill re-legalizes certain housing types, the bill is about choices. People can still build detached single-family homes. We expect most homes in residential areas to be built as such.

Cities can set reasonable siting and design requirements on the houses, including making sure there is adequate infrastructure. The bill directs the Department of Land Conservation and Development (DLCD) to help cities figure this out.

While the law allows traditional housing types, DLCD expects the transformation of housing choices to be gradual. Cities have allowed some of these types in certain areas. Not many have been built. Local knowledge of how to build these housing types will grow over time. The building of them will depend on local housing markets.

Learn More and Sign Up to Stay Informed

www.oregon.gov/lcd/UP/Pages/Housing-Choices.aspx

Ethan Stuckmayer, Senior Housing Planner, ethan.stuckmayer@state.or.us (503) 934-0619



Before being outlawed, non-single-unit homes have long been built in our cities; this is a Salem triplex.





KEY ELEMENTS OF HOUSE BILL 2001 (Middle Housing)

Updated Nov. 6, 2019

House Bill 2001 (HB 2001) provides \$3.5 million to DLCD for technical assistance to local governments to:

- 1) assist local governments with the development of regulations to allow duplexes and/or middle housing, as specified in the bill, and/or
- 2) assist local governments with the development of plans to improve water, sewer, storm drainage and transportation services in areas where duplexes and other middle housing types would not be feasible due to service constraints.

DLCD Required Rulemaking: Who is affected:	Middle Housing Requirements		Infrastructure Deficiency Process
	Medium Cities	Large Cities	Medium & Large Cities
Significant dates:	DLCD Rules and model code adoption December 31, 2020	DLCD Rules and model code adoption December 31, 2020	DLCD Rules adoption [no date specified in bill] Target: July 2020
Local Government Deadlines:	Local Government Adoption of model code or alternative June 30, 2021	Local Government Adoption of model code or alternative June 30, 2022	Medium Cities Extension Requests due by December 31, 2020 Large Cities Extension Requests due by June 30, 2021
Effect of missed deadline:	Model code applies directly	Model code applies directly	No extension granted

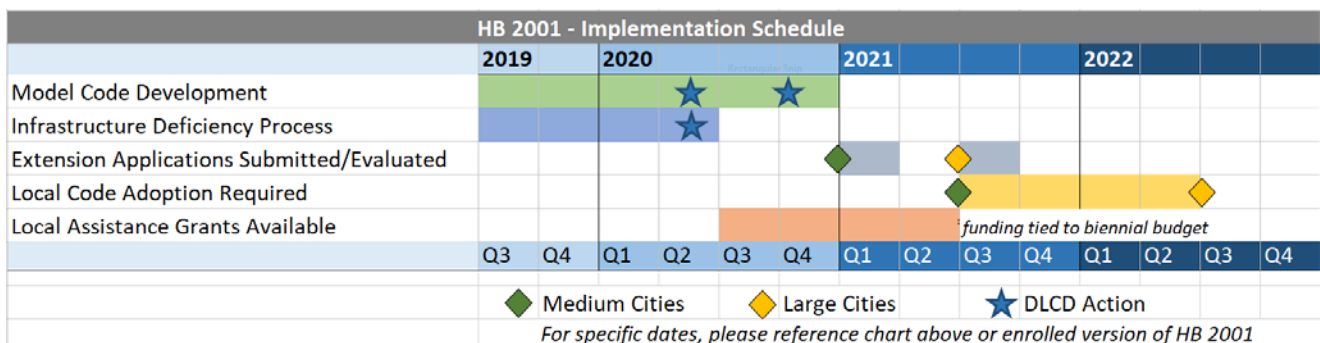
Medium Cities

All Oregon cities outside the Portland Metro boundary with a population between 10,000 and 25,000.	
Middle Housing Requirement	Duplexes to be allowed “on each lot or parcel zoned for residential use that allows for the development of detached single family dwellings.”

Large Cities

All Oregon cities with a population of more than 25,000, unincorporated areas within the Portland Metro boundary that are served by sufficient urban services, and all cities within the Portland Metro boundary with a population of more than 1,000.	
Middle Housing Requirement	Duplexes (as above) <u>AND</u> triplexes, quadplexes, cottage clusters, and townhouses “in areas zoned for residential use that allow for the development of detached single family dwellings.”

Flexibility *Medium and Large Cities “may regulate siting and design of middle housing required to be permitted under this section, provided that the regulations do not, individually or cumulatively, discourage the development of all middle housing types permitted in the area through unreasonable cost or delay.”*



Other Provisions in HB 2001

- ✓ A local government may request an extension of time to adopt the required regulations based on an application identifying an infrastructure constraint (water, sewer, storm drainage, or transportation) to accommodating middle housing development, along with a plan of actions to remedy the deficiencies in those services.
- ✓ The applications for time extensions based on infrastructure deficiency will be reviewed by DLCD and approved or denied.
- ✓ Housing Needs Analyses, in conjunction with a UGB decision, may not assume more than a three percent increase in housing units produced as a result of the adoption of middle housing regulations unless the local government can show that higher increases have been achieved to date.
- ✓ The bill amends requirements relating to accessory dwelling units (ADUs). The bill states, “Reasonable local regulations relating to siting and design’ [for ADUs] does not include owner-occupancy requirements of either the primary or accessory structure or requirements to construct additional off-street parking.” However, such regulations may be applied if the ADU is used for vacation occupancy.
- ✓ Changes the annual housing production survey required by passage of HB 4006 in 2018. Adds requirement to report on ADUs and units of middle housing, both for market rate housing and for regulated affordable units.
- ✓ Directs the Building Codes Division to develop standards to facilitate conversions of single-family dwellings into no more than four residential dwelling units.
- ✓ Prohibits the establishment of new Covenants, Conditions & Restrictions or similar instruments that would prohibit middle housing or ADUs in a residential neighborhood.
- ✓ The bill also notes that the department shall prioritize technical assistance to cities or counties with limited planning staff, or that commit to implementation earlier than the date required by the act.

This fact sheet is intended to summarize key elements of HB 2001. It is not intended to replace a detailed review of the legislation. For specific bill language, please review the enrolled version of the HB 2001:
<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001>

“HB 2001 is focused on increasing the supply of ‘middle housing’ in Oregon cities – not by limiting construction of single family homes, but by allowing development of duplexes, triplexes, and quadplexes. Through technical assistance and resources for local governments, DLCD joins the effort to help create housing opportunities for all Oregonians.”

- Jim Rue, DLCD Director

For more information visit our website at <http://www.oregon.gov/lcd/UP/Pages/Housing-Choices.aspx>

DLCD Staff Contacts: With questions about local implementation – [Contact your Regional Representative](#)

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Enrolled
House Bill 2003

Sponsored by Representative KOTEK; Representatives FAHEY, KENY-GUYER, WILDE

CHAPTER

AN ACT

Relating to buildings; creating new provisions; amending ORS 197.296, 197.299, 197.303, 197.319, 197.320, 215.416, 215.441, 227.175, 227.500 and 455.062 and section 1, chapter 47, Oregon Laws 2018, and section 3, chapter 97, Oregon Laws 2019 (Enrolled Senate Bill 39); and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) As used in this section:

(a) **“Area median income” means the median income for households established by the United States Department of Housing and Urban Development.**

(b) **“Existing housing stock” means housing, by affordability level and type, actually constructed in a city or Metro.**

(c) **“High income” means above 120 percent of the area median income.**

(d) **“Housing shortage” means the difference between the estimated housing units of different affordability levels and housing types needed to accommodate the existing population and the existing housing stock, measured in dwelling units.**

(e) **“Low income” means income above 50 percent and at or below 80 percent of the area median income.**

(f) **“Metro” means a metropolitan service district organized under ORS chapter 268.**

(g) **“Moderate income” means income above 80 percent and at or below 120 percent of the area median income.**

(h) **“Region” has the meaning given that term in ORS 284.752.**

(i) **“Very low income” means income at or below 50 percent of the area median income.**

(2) **The Housing and Community Services Department, in coordination with the Department of Land Conservation and Development and the Oregon Department of Administrative Services, shall develop a methodology for calculating:**

(a) **A regional housing needs analysis that identifies the total number of housing units necessary to accommodate anticipated populations in a region over the next 20 years based on:**

(A) **Trends in density and in the average mix of housing types of urban residential development;**

(B) **Demographic and population trends;**

(C) **Economic trends and cycles; and**

(D) **Equitable distribution of publicly supported housing within a region.**

(b) **An estimate of existing housing stock of each city and Metro.**

(c) **A housing shortage analysis for each city and Metro.**

(d) An estimate of the number of housing units necessary to accommodate anticipated population growth over the next 20 years for each city and Metro.

(3) The methodologies for calculating the regional housing needs analysis, the estimate of existing housing stock, the housing shortage analysis and the estimate of housing necessary to accommodate growth that are developed under subsection (2) of this section must classify housing by:

(a) Housing type, including attached and detached single-family housing, multifamily housing and manufactured dwellings or mobile homes; and

(b) Affordability, by housing that is affordable to households with:

(A) Very low income;

(B) Low income;

(C) Moderate income; or

(D) High income.

(4) No later than September 1, 2020, the Housing and Community Services Department, in coordination with the Department of Land Conservation and Development and the Oregon Department of Administrative Services, shall conduct for each region a regional housing needs analysis and, for each city and Metro, shall estimate existing housing stock, conduct a housing shortage analysis and estimate the housing necessary to accommodate growth.

(5) In developing the methodologies and conducting the analyses under this section, the Housing and Community Services Department may:

(a) Consult or contract with subject matter experts, cities and Metro, regional solutions centers described in ORS 284.754 (2) and other jurisdictions that have created or conducted regional housing needs analyses.

(b) Consider the most recent consolidated population forecast produced by the Portland State University Population Research Center in making any relevant calculation or forecast.

(c) Consider any other relevant existing analyses, data and other information collected or produced by state agencies or public entities.

(d) Make changes to the regional boundaries in order to make regions more accurately align with shared employment, transportation or housing market dynamics.

SECTION 2. (1) No later than March 1, 2021, the Housing and Community Services Department, in consultation with the Department of Land Conservation and Development and the Oregon Department of Administrative Services, shall submit a report, in the manner provided in ORS 192.245 to an appropriate committee of the Legislative Assembly, that summarizes the findings of the regional housing needs analysis, estimate of housing stock, housing shortage analysis and estimate of housing necessary to accommodate growth conducted under section 1 (4) of this 2019 Act.

(2) No later than March 1, 2021, the Department of Land Conservation and Development, in consultation with the Oregon Department of Administrative Services and the Housing and Community Services Department, shall submit a report, in the manner provided in ORS 192.245, to an appropriate committee of the Legislative Assembly that evaluates:

(a) Whether a regional housing needs analysis and housing shortage analysis described in section 1 of this 2019 Act could appropriately allocate among the cities or local governments in a region the housing shortage described;

(b) How a regional housing needs analysis and housing shortage analysis may compare to existing assessments of housing need and capacity conducted by local governments under ORS 197.296 (3) and (10) in terms of:

(A) Cost and cost effectiveness;

(B) Reliability and accuracy;

(C) Repeatability; and

(D) Predictability;

(c) How a regional housing needs analysis and housing shortage analysis may relate to statewide planning goals related to housing and any rules and policies adopted pursuant to these goals and ORS 197.295 to 197.314;

(d) Whether different boundaries would be more appropriate for defining regions within the regional housing needs analysis based on:

(A) Relevance of data in appropriately defining a commuting, employment or housing market; or

(B) Ease or cost of collecting or analyzing data;

(e) Other ways in which the regional housing needs analysis or housing shortage analysis could be improved; and

(f) Whether the regional housing needs analysis, or an improved version, could serve as an acceptable methodology statewide for land use planning relating to housing.

(3) In preparing the report required under subsection (2) of this section, the Department of Land Conservation and Development may consult or contract with other state agencies, subject matter experts, private firms, local governments, regional solutions centers described in ORS 284.754 (2) and other jurisdictions that have created or conducted regional housing needs analyses.

SECTION 3. Sections 4 to 6 of this 2019 Act are added to and made a part of ORS 197.295 to 197.314.

SECTION 4. (1) A city with a population greater than 10,000 shall develop and adopt a housing production strategy under this section no later than one year after:

(a) The city's deadline for completing a housing capacity analysis under ORS 197.296 (2)(a);

(b) The city's deadline for completing a housing capacity analysis under ORS 197.296 (10)(b); or

(c) A date scheduled by the Land Conservation and Development Commission following the allocation of housing capacity to the city by a metropolitan service district under ORS 197.299 (2)(d).

(2) A housing production strategy must include a list of specific actions, including the adoption of measures and policies, that the city shall undertake to promote development within the city to address a housing need identified under ORS 197.296 (6) for the most recent 20-year period described in ORS 197.296 (2)(b). Actions under this subsection may include:

(a) The reduction of financial and regulatory impediments to developing needed housing, including removing or easing approval standards or procedures for needed housing at higher densities or that is affordable;

(b) The creation of financial and regulatory incentives for development of needed housing, including creating incentives for needed housing at higher densities or that is affordable; and

(c) The development of a plan to access resources available at local, regional, state and national levels to increase the availability and affordability of needed housing.

(3) In creating a housing production strategy, a city shall review and consider:

(a) Socioeconomic and demographic characteristics of households living in existing needed housing;

(b) Market conditions affecting the provision of needed housing;

(c) Measures already adopted by the city to promote the development of needed housing;

(d) Existing and expected barriers to the development of needed housing; and

(e) For each action the city includes in its housing production strategy:

(A) The schedule for its adoption;

(B) The schedule for its implementation;

(C) Its expected magnitude of impact on the development of needed housing; and

(D) The time frame over which it is expected to impact needed housing.

(4) The housing production strategy must include within its index a copy of the city's most recently completed survey under section 1 (2), chapter 47, Oregon Laws 2018.

(5) 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 section 5 of this 2019 Act.

SECTION 5. (1) No later than 20 days after a city's adoption or amendment of a housing production strategy under section 4 of this 2019 Act, a city shall submit the adopted strategy or amended strategy to the Department of Land Conservation and Development.

(2) The submission under subsection (1) of this section must include copies of:

(a) The signed decision adopting the housing production strategy or amended strategy;

(b) The text of the housing production strategy clearly indicating any amendments to the most recent strategy submitted under this section;

(c) A brief narrative summary of the housing production strategy; and

(d) The information reviewed and considered under section 6 (2) of this 2019 Act.

(3) On the same day the city submits notice of the housing production strategy or amended strategy, the city shall provide a notice to persons that participated in the proceedings that led to the adoption of the strategy and requested notice in writing.

(4) Within 10 days of receipt of the submission under subsection (1) of this section, the department shall provide notice to persons described under ORS 197.615 (3).

(5) The notices given under subsections (3) and (4) of this section must state:

(a) How and where materials described in subsection (2) of this section may be freely obtained;

(b) That comments on the strategy may be submitted to the department within 45 days after the department has received the submission; and

(c) That there is no further right of appeal.

(6) Based upon criteria adopted by the Land Conservation and Development Commission, including any criteria adopted under section 6 (2) of this 2019 Act, the department shall, within 120 days after receiving the submission under subsection (1) of this section:

(a) Approve the housing production strategy;

(b) Approve the housing production strategy, subject to further review and actions under section 6 (2) of this 2019 Act; or

(c) Remand the housing production strategy for further modification as identified by the department.

(7) A determination by the department under subsection (6) of this section is not a land use decision and is final and not subject to appeal.

SECTION 6. (1) The Land Conservation and Development Commission, in consultation with the Housing and Community Services Department, shall adopt criteria for reviewing and identifying cities with a population greater than 10,000 that have not sufficiently:

(a) Achieved production of needed housing within their jurisdiction; or

(b) Implemented a housing production strategy adopted under section 4 of this 2019 Act.

(2) The criteria adopted by the commission under subsection (1) of this section may include the city's:

(a) Unmet housing need as described in ORS 197.296 (6);

(b) Unmet housing need in proportion to the city's population;

(c) Percentage of households identified as severely rent burdened as described in section 1, chapter 47, Oregon Laws 2018;

(d) Recent housing development;

(e) Recent adoption of a housing production strategy under section 4 of this 2019 Act or adoption of actions pursuant to a housing production strategy;

(f) Recent or frequent previous identification by the Department of Land Conservation and Development under this section; or

(g) Other attributes that the commission considers relevant.

(3) The Department of Land Conservation and Development may review cities under the criteria adopted under subsection (2) of this section for the purposes of prioritizing actions by the department, including:

- (a) Awarding available technical or financial resources;
- (b) Providing enhanced review and oversight of the city's housing production strategy;
- (c) Requiring a report and explanation if a city does not implement an action within the approximate time frame scheduled within a housing production strategy;
- (d) Entering into agreements with the city relating to the city's modification or implementation of its housing production strategy; or
- (e) Petitioning the commission to act under ORS 197.319 to 197.335 to require the city to comply with ORS 197.295 to 197.314 or statewide land use planning goals related to housing or urbanization.

SECTION 7. No later than December 31, 2019, the Land Conservation and Development Commission shall adopt a schedule by which metropolitan service districts and cities described in ORS 197.296 (2)(a)(B) and (10)(c)(B) shall demonstrate sufficient buildable lands. Dates in the schedule may not be earlier than two years following the commission's creation of rules implementing sections 4 to 6 of this 2019 Act and the amendments to ORS 197.296 and 197.299 by sections 8 and 9 of this 2019 Act.

SECTION 8. ORS 197.296 is amended to read:

197.296. (1)(a) The provisions of subsections (2) to (9) of this section apply to metropolitan service district regional framework plans and local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of 25,000 or more.

(b) The Land Conservation and Development Commission may establish a set of factors under which additional cities are subject to the provisions of this section. In establishing the set of factors required under this paragraph, the commission shall consider the size of the city, the rate of population growth of the city or the proximity of the city to another city with a population of 25,000 or more or to a metropolitan service district.

(2)(a) *[At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan or regional framework plan that concerns the urban growth boundary and requires the application of a statewide planning goal relating to buildable lands for residential use,]* A local government shall demonstrate that its comprehensive plan or regional framework plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years:

(A) At periodic review under ORS 197.628 to 197.651;

(B) As scheduled by the commission:

(i) At least once each eight years for local governments that are not within a metropolitan service district; or

(ii) At least once each six years for a metropolitan service district; or

(C) At any other legislative review of the comprehensive plan or regional framework plan that concerns the urban growth boundary and requires the application of a statewide planning goal relating to buildable lands for residential use.

(b) The 20-year period shall commence on the date initially scheduled for completion of the *[periodic or legislative]* review **under paragraph (a) of this subsection.**

(3) In performing the duties under subsection (2) of this section, a local government shall:

(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and

(b) Conduct an analysis of housing need by type and density range, in accordance with ORS 197.303 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.

(4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, "buildable lands" includes:

- (A) Vacant lands planned or zoned for residential use;
- (B) Partially vacant lands planned or zoned for residential use;
- (C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and
- (D) Lands that may be used for residential infill or redevelopment.

(b) For the purpose of the inventory and determination of housing capacity described in subsection (3)(a) of this section, the local government must demonstrate consideration of:

(A) The extent that residential development is prohibited or restricted by local regulation and ordinance, state law and rule or federal statute and regulation;

(B) A written long term contract or easement for radio, telecommunications or electrical facilities, if the written contract or easement is provided to the local government; and

(C) The presence of a single family dwelling or other structure on a lot or parcel.

(c) Except for land that may be used for residential infill or redevelopment, a local government shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands.

(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity and need pursuant to subsection (3) of this section must be based on data relating to land within the urban growth boundary that has been collected since the last *[periodic]* review *[or]* **under subsection (2)(a)(B) of this section** *[five years, whichever is greater]*. The data shall include:

(A) The number, density and average mix of housing types of urban residential development that have actually occurred;

(B) Trends in density and average mix of housing types of urban residential development;

(C) Demographic and population trends;

(D) Economic trends and cycles; and

(E) The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

(b) A local government shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if the local government finds that the shorter time period will provide more accurate and reliable data related to housing capacity and need. The shorter time period may not be less than three years.

(c) A local government shall use data from a wider geographic area or use a time period for economic cycles and trends longer than the time period described in paragraph (a) of this subsection if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a) of this subsection. The local government must clearly describe the geographic area, time frame and source of data used in a determination performed under this paragraph.

(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(a) of this section, the local government shall take one or more of the following actions to accommodate the additional housing need:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, the local government shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and the local government that has the authority to approve the urban growth boundary;

(b) Amend its comprehensive plan, regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without

expansion of the urban growth boundary. A local government or metropolitan service district that takes this action shall monitor and record the level of development activity and development density by housing type following the date of the adoption of the new measures; or

(c) Adopt a combination of the actions described in paragraphs (a) and (b) of this subsection.

(7) Using the analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, the local government, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

(8)(a) A local government outside a metropolitan service district that takes any actions under subsection (6) or (7) of this section shall demonstrate that the comprehensive plan and land use regulations comply with goals and rules adopted by the commission and implement ORS 197.295 to 197.314.

(b) The local government shall determine the density and mix of housing types anticipated as a result of actions taken under subsections (6) and (7) of this section and monitor and record the actual density and mix of housing types achieved. The local government shall compare actual and anticipated density and mix. The local government shall submit its comparison to the commission at the next *[periodic review or at the next legislative]* review of its urban growth boundary, *whichever comes first* **under subsection (2)(a) of this section.**

(9) In establishing that actions and measures adopted under subsections (6) and (7) of this section demonstrably increase the likelihood of higher density residential development, the local government shall at a minimum ensure that land zoned for needed housing is in locations appropriate for the housing types identified under subsection (3) of this section and is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section. Actions or measures, or both, may include but are not limited to:

(a) Increases in the permitted density on existing residential land;

(b) Financial incentives for higher density housing;

(c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;

(d) Removal or easing of approval standards or procedures;

(e) Minimum density ranges;

(f) Redevelopment and infill strategies;

(g) Authorization of housing types not previously allowed by the plan or regulations;

(h) Adoption of an average residential density standard; and

(i) Rezoning or redesignation of nonresidential land.

(10)(a) The provisions of this subsection apply to local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of less than 25,000.

(b) *[At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan that requires the application of a statewide planning goal relating to buildable lands for residential use,]* **As required under paragraph (c) of this subsection,** a city shall, according to rules of the commission:

(A) Determine the estimated housing needs within the jurisdiction for the next 20 years;

(B) Inventory the supply of buildable lands available within the urban growth boundary to accommodate the estimated housing needs determined under this subsection; and

(C) Adopt measures necessary to accommodate the estimated housing needs determined under this subsection.

(c) The actions required under paragraph (b) of this subsection shall be undertaken:

- (A) At periodic review pursuant to ORS 197.628 to 197.651;
- (B) On a schedule established by the commission for cities with a population greater than 10,000, not to exceed once each eight years; or
- (C) At any other legislative review of the comprehensive plan that requires the application of a statewide planning goal relating to buildable lands for residential use.

[(c)] (d) For the purpose of the inventory described in this subsection, “buildable lands” includes those lands described in subsection (4)(a) of this section.

SECTION 8a. If House Bill 2001 becomes law, section 8 of this 2019 Act (amending ORS 197.296) is repealed and ORS 197.296, as amended by section 5, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2001), is amended to read:

197.296. (1)(a) The provisions of subsections (2) to (9) of this section apply to metropolitan service district regional framework plans and local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of 25,000 or more.

(b) The Land Conservation and Development Commission may establish a set of factors under which additional cities are subject to the provisions of this section. In establishing the set of factors required under this paragraph, the commission shall consider the size of the city, the rate of population growth of the city or the proximity of the city to another city with a population of 25,000 or more or to a metropolitan service district.

(2)(a) [At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan or regional framework plan that concerns the urban growth boundary and requires the application of a statewide planning goal relating to buildable lands for residential use,] A local government shall demonstrate that its comprehensive plan or regional framework plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years:

- (A) At periodic review under ORS 197.628 to 197.651;
- (B) As scheduled by the commission:
 - (i) At least once each eight years for local governments that are not within a metropolitan service district; or
 - (ii) At least once each six years for a metropolitan service district; or
- (C) At any other legislative review of the comprehensive plan or regional framework plan that concerns the urban growth boundary and requires the application of a statewide planning goal relating to buildable lands for residential use.

(b) The 20-year period shall commence on the date initially scheduled for completion of the [periodic or legislative] review **under paragraph (a) of this subsection.**

(3) In performing the duties under subsection (2) of this section, a local government shall:

- (a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and
- (b) Conduct an analysis of existing and projected housing need by type and density range, in accordance with all factors under ORS 197.303 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.

(4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, “buildable lands” includes:

- (A) Vacant lands planned or zoned for residential use;
- (B) Partially vacant lands planned or zoned for residential use;
- (C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and
- (D) Lands that may be used for residential infill or redevelopment.

(b) For the purpose of the inventory and determination of housing capacity described in subsection (3)(a) of this section, the local government must demonstrate consideration of:

(A) The extent that residential development is prohibited or restricted by local regulation and ordinance, state law and rule or federal statute and regulation;

(B) A written long term contract or easement for radio, telecommunications or electrical facilities, if the written contract or easement is provided to the local government; and

(C) The presence of a single family dwelling or other structure on a lot or parcel.

(c) Except for land that may be used for residential infill or redevelopment, a local government shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands.

(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity pursuant to subsection (3)(a) of this section must be based on data relating to land within the urban growth boundary that has been collected since the last review [*or six years, whichever is greater*] **under subsection (2)(a)(B) of this section.** The data shall include:

(A) The number, density and average mix of housing types of urban residential development that have actually occurred;

(B) Trends in density and average mix of housing types of urban residential development;

(C) Market factors that may substantially impact future urban residential development; and

(D) The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

(b) A local government shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if the local government finds that the shorter time period will provide more accurate and reliable data related to housing capacity. The shorter time period may not be less than three years.

(c) A local government shall use data from a wider geographic area or use a time period longer than the time period described in paragraph (a) of this subsection if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a) of this subsection. The local government must clearly describe the geographic area, time frame and source of data used in a determination performed under this paragraph.

(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(a) of this section, the local government shall take one or both of the following actions to accommodate the additional housing need:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, the local government shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and the local government that has the authority to approve the urban growth boundary.

(b) Amend its comprehensive plan, regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. A local government or metropolitan service district that takes this action shall adopt findings regarding the density expectations assumed to result from measures adopted under this paragraph based upon the factors listed in ORS 197.303 (2) and data in subsection (5)(a) of this section. The density expectations may not project an increase in residential capacity above achieved density by more than three percent without quantifiable validation of such departures. For a local government located outside of a metropolitan service district, a quantifiable validation must demonstrate that the assumed housing capacity has been achieved in areas that are zoned to allow no greater than the same authorized density level within the local jurisdiction or a jurisdiction in the same region. For a metropolitan service district, a quantifiable validation must demonstrate that the assumed housing capacity has been achieved in areas that are

zoned to allow no greater than the same authorized density level within the metropolitan service district.

(c) As used in this subsection, “authorized density level” has the meaning given that term in ORS 227.175.

(7) Using the housing need analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, the local government, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

(8)(a) A local government outside a metropolitan service district that takes any actions under subsection (6) or (7) of this section shall demonstrate that the comprehensive plan and land use regulations comply with goals and rules adopted by the commission and implement ORS 197.295 to 197.314.

(b) A local government shall determine the density and mix of housing types anticipated as a result of actions taken under subsections (6) and (7) of this section and monitor and record the actual density and mix of housing types achieved following the adoption of these actions. The local government shall compare actual and anticipated density and mix. The local government shall submit its comparison to the commission at the next *[periodic review or at the next legislative]* review of its urban growth boundary, *whichever comes first* **under subsection (2)(a) of this section.**

(9) In establishing that actions and measures adopted under subsections (6) and (7) of this section demonstrably increase the likelihood of higher density residential development, the local government shall at a minimum ensure that land zoned for needed housing is in locations appropriate for the housing types identified under subsection (3) of this section, is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section and is in areas where sufficient urban services are planned to enable the higher density development to occur over the 20-year period. Actions or measures, or both, may include but are not limited to:

- (a) Increases in the permitted density on existing residential land;
- (b) Financial incentives for higher density housing;
- (c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;
- (d) Removal or easing of approval standards or procedures;
- (e) Minimum density ranges;
- (f) Redevelopment and infill strategies;
- (g) Authorization of housing types not previously allowed by the plan or regulations;
- (h) Adoption of an average residential density standard; and
- (i) Rezoning or redesignation of nonresidential land.

(10)(a) The provisions of this subsection apply to local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of less than 25,000.

(b) *[At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan that requires the application of a statewide planning goal relating to buildable lands for residential use.]* **As required under paragraph (c) of this subsection,** a city shall, according to rules of the commission:

- (A) Determine the estimated housing needs within the jurisdiction for the next 20 years;
- (B) Inventory the supply of buildable lands available within the urban growth boundary to accommodate the estimated housing needs determined under this subsection; and
- (C) Adopt measures necessary to accommodate the estimated housing needs determined under this subsection.

- (c) **The actions required under paragraph (b) of this subsection shall be undertaken:**
- (A) **At periodic review pursuant to ORS 197.628 to 197.651;**
 - (B) **On a schedule established by the commission for cities with a population greater than 10,000, not to exceed once each eight years; or**
 - (C) **At any other legislative review of the comprehensive plan that requires the application of a statewide planning goal relating to buildable lands for residential use.**

[c] (d) For the purpose of the inventory described in this subsection, "buildable lands" includes those lands described in subsection (4)(a) of this section.

SECTION 9. ORS 197.299 is amended to read:

197.299. (1) A metropolitan service district organized under ORS chapter 268 shall complete the inventory, determination and analysis required under ORS 197.296 (3) not later than six years after completion of the previous inventory, determination and analysis.

(2)(a) The metropolitan service district shall take such action as necessary under ORS 197.296 (6)(a) to accommodate one-half of a 20-year buildable land supply determined under ORS 197.296 (3) within one year of completing the analysis.

(b) The metropolitan service district shall take all final action under ORS 197.296 (6)(a) necessary to accommodate a 20-year buildable land supply determined under ORS 197.296 (3) within two years of completing the analysis.

(c) The metropolitan service district shall take action under ORS 197.296 (6)(b), within one year after the analysis required under ORS 197.296 (3)(b) is completed, to provide sufficient buildable land within the urban growth boundary to accommodate the estimated housing needs for 20 years from the time the actions are completed.

(d) The metropolitan service district shall consider and adopt new measures that the governing body deems appropriate under ORS 197.296 (6)(b) **and shall allocate any housing capacity that is not accommodated under this section to be accommodated by the application of ORS 197.296 (6)(b) by cities within the metropolitan service district with a population greater than 10,000.**

(e) **Cities to which housing capacity is allocated under paragraph (d) of this subsection shall take steps, at least once every six years as scheduled by the Land Conservation and Development Commission, to demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years as required by ORS 197.296 (6)(b).**

(3) The [*Land Conservation and Development*] commission may grant an extension to the time limits of subsection (2) of this section if the Director of the Department of Land Conservation and Development determines that the metropolitan service district has provided good cause for failing to meet the time limits.

(4)(a) The metropolitan service district shall establish a process to expand the urban growth boundary to accommodate a need for land for a public school that cannot reasonably be accommodated within the existing urban growth boundary. The metropolitan service district shall design the process to:

(A) Accommodate a need that must be accommodated between periodic analyses of urban growth boundary capacity required by subsection (1) of this section; and

(B) Provide for a final decision on a proposal to expand the urban growth boundary within four months after submission of a complete application by a large school district as defined in ORS 195.110.

(b) At the request of a large school district, the metropolitan service district shall assist the large school district to identify school sites required by the school facility planning process described in ORS 195.110. A need for a public school is a specific type of identified land need under ORS 197.298 (3).

(5) Three years after completing its most recent demonstration of sufficient buildable lands under ORS 197.296, a metropolitan service district may, on a single occasion, revise the determination

and analysis required as part of the demonstration for the purpose of considering an amendment to the metropolitan service district's urban growth boundary, provided:

(a) The metropolitan service district has entered into an intergovernmental agreement and has designated rural reserves and urban reserves under ORS 195.141 and 195.145 with each county located within the district;

(b) The commission has acknowledged the rural reserve and urban reserve designations described in paragraph (a) of this subsection;

(c) One or more cities within the metropolitan service district have proposed a development that would require expansion of the urban growth boundary;

(d) The city or cities proposing the development have provided evidence to the metropolitan service district that the proposed development would provide additional needed housing to the needed housing included in the most recent determination and analysis;

(e) The location chosen for the proposed development is adjacent to the city proposing the development; and

(f) The location chosen for the proposed development is located within an area designated and acknowledged as an urban reserve.

(6)(a) If a metropolitan service district, after revising its most recent determination and analysis pursuant to subsection (5) of this section, concludes that an expansion of its urban growth boundary is warranted, the metropolitan service district may take action to expand its urban growth boundary in one or more locations to accommodate the proposed development, provided the urban growth boundary expansion does not exceed a total of 1,000 acres.

(b) A metropolitan service district that expands its urban growth boundary under this subsection:

(A) Must adopt the urban growth boundary expansion not more than four years after completing its most recent demonstration of sufficient buildable lands under ORS 197.296; and

(B) Is exempt from the boundary location requirements described in the statewide land use planning goals relating to urbanization.

SECTION 10. ORS 197.303 is amended to read:

197.303. (1) As used in ORS [197.307] **197.295 to 197.314**, "needed housing" means all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a. "Needed housing" includes 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.

(2) Subsection (1)(a) and (d) of this section does not apply to:

(a) A city with a population of less than 2,500.

(b) A county with a population of less than 15,000.

(3) A local government may take an exception under ORS 197.732 to the definition of "needed housing" in subsection (1) of this section in the same manner that an exception may be taken under the goals.

SECTION 10a. If House Bill 2001 becomes law, section 10 of this 2019 Act (amending ORS 197.303) is repealed and ORS 197.303, as amended by section 6, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2001), is amended to read:

197.303. (1) As used in ORS 197.295 to 197.314, “needed housing” means all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a. “Needed housing” includes 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.

(2) For the purpose of estimating housing needs, as described in ORS 197.296 (3)(b), a local government shall use the population projections prescribed by ORS 195.033 or 195.036 and shall consider and adopt findings related to changes in each of the following factors since the last [*periodic or legislative review or six years, whichever is greater,*] **review under ORS 197.296 (2)(a)(B)** and the projected future changes in these factors over a 20-year planning period:

- (a) Household sizes;
- (b) Household demographics [*in terms of age, gender, race or other established demographic category*];
- (c) Household incomes;
- (d) Vacancy rates; and
- (e) Housing costs.

(3) A local government shall make the estimate described in subsection (2) of this section using a shorter time period than since the last [*periodic or legislative review or six years, whichever is greater,*] **review under ORS 197.296 (2)(a)(B)** if the local government finds that the shorter time period will provide more accurate and reliable data related to housing need. The shorter time period may not be less than three years.

(4) A local government shall use data from a wider geographic area or use a time period longer than the time period described in subsection (2) of this section if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to subsection (2) of this section. The local government must clearly describe the geographic area, time frame and source of data used in an estimate performed under this subsection.

(5) Subsection (1)(a) and (d) of this section does not apply to:

- (a) A city with a population of less than 2,500.
- (b) A county with a population of less than 15,000.

(6) A local government may take an exception under ORS 197.732 to the definition of “needed housing” in subsection (1) of this section in the same manner that an exception may be taken under the goals.

SECTION 11. ORS 197.319 is amended to read:

197.319. (1) Before a person may request adoption of an enforcement order under ORS 197.320, the person shall:

- (a) Present the reasons, in writing, for such an order to the affected local government; and
- (b) Request:

(A) Revisions to the local comprehensive plan, land use regulations, special district cooperative or urban service agreement or decision-making process which is the basis for the order; or

(B) That an action be taken regarding the local comprehensive plan, land use regulations, special district agreement, **housing production strategy** or decision-making process that is the basis for the order.

(2)(a) The local government or special district shall issue a written response to the request within 60 days of the date the request is mailed to the local government or special district.

(b) The requestor and the local government or special district may enter into mediation to resolve issues in the request. The Department of Land Conservation and Development shall provide mediation services when jointly requested by the local government or special district and the requestor.

(c) If the local government or special district does not act in a manner which the requestor believes is adequate to address the issues raised in the request within the time period provided in paragraph (a) of this subsection, a petition may be presented to the Land Conservation and Development Commission under ORS 197.324.

(3) A metropolitan service district may request an enforcement order under ORS 197.320 (12) without first complying with subsections (1) and (2) of this section.

SECTION 12. ORS 197.320 is amended to read:

197.320. The Land Conservation and Development Commission shall issue an order requiring a local government, state agency or special district to take action necessary to bring its comprehensive plan, land use regulation, limited land use decisions or other land use decisions **or actions** into compliance with the goals, acknowledged comprehensive plan provisions, [or] land use regulations **or housing production strategy** if the commission has good cause to believe:

(1) A comprehensive plan or land use regulation adopted by a local government not on a compliance schedule is not in compliance with the goals by the date set in ORS 197.245 or 197.250 for such compliance;

(2) A plan, program, rule or regulation affecting land use adopted by a state agency or special district is not in compliance with the goals by the date set in ORS 197.245 or 197.250 for such compliance;

(3) A local government is not making satisfactory progress toward performance of its compliance schedule;

(4) A state agency is not making satisfactory progress in carrying out its coordination agreement or the requirements of ORS 197.180;

(5) A local government has no comprehensive plan or land use regulation and is not on a compliance schedule directed to developing the plan or regulation;

(6) A local government has engaged in a pattern or practice of decision making that violates an acknowledged comprehensive plan or land use regulation. In making its determination under this subsection, the commission shall determine whether there is evidence in the record to support the decisions made. The commission shall not judge the issue solely upon adequacy of the findings in support of the decisions;

(7) A local government has failed to comply with a commission order entered under ORS 197.644;

(8) A special district has engaged in a pattern or practice of decision-making that violates an acknowledged comprehensive plan or cooperative agreement adopted pursuant to ORS 197.020;

(9) A special district is not making satisfactory progress toward performance of its obligations under ORS chapters 195 and 197;

(10) A local government's approval standards, special conditions on approval of specific development proposals or procedures for approval do not comply with ORS 197.307 (4) or (6);

(11) A local government is not making satisfactory progress toward meeting its obligations under ORS 195.065; [or]

(12) A local government within the jurisdiction of a metropolitan service district has failed to make changes to the comprehensive plan or land use regulations to comply with the regional framework plan of the district or has engaged in a pattern or practice of decision-making that violates a requirement of the regional framework plan[.]; **or**

(13) A city is not making satisfactory progress in taking actions listed in its housing production strategy under section 4 of this 2019 Act.

SECTION 13. Section 1, chapter 47, Oregon Laws 2018, is amended to read:

Sec. 1. (1) For purposes of this section:

(a) A household is severely rent burdened if the household spends more than 50 percent of the income of the household on gross rent for housing.

(b) A regulated affordable unit is a residential unit subject to a regulatory agreement that runs with the land and that requires affordability for an established income level for a defined period of time.

(c) A single-family unit may be rented or owned by a household and includes single-family homes, duplexes, townhomes, row homes and mobile homes.

(2)(a) The Housing and Community Services Department shall annually provide to the governing body of each city in this state with a population greater than 10,000 the most current data available from the United States Census Bureau, or any other source the department considers at least as reliable, showing the percentage of renter households in the city that are severely rent burdened.

(b) *[The Housing and Community Services Department, in collaboration with]* The Department of Land Conservation and Development, **in consultation with the Housing and Community Services Department**, shall develop a survey form on which the governing body of a city may provide specific information related to the affordability of housing within the city, including~~l~~, *but not limited to:*

[(A)] the actions relating to land use and other related matters that the *[governing body]* city has taken to **encourage the development of needed housing**, increase the affordability of housing and reduce rent burdens for severely rent burdened households~~;~~ *and*.

[(B)] *The additional actions the governing body intends to take to reduce rent burdens for severely rent burdened households.*

(c) *[If the Housing and Community Services Department determines that at least 25 percent of the renter households in a city are severely rent burdened,]* The Department of **Land Conservation and Development** shall provide the governing body of the city with the survey form developed pursuant to paragraph (b) of this subsection.

(d) The governing body of the city shall return the completed survey form to the *[Housing and Community Services Department and the]* Department of Land Conservation and Development *[within 60 days of receipt]* **at least 24 months prior to a deadline for completing a housing production strategy under section 4 of this 2019 Act.**

(3)(a) In any year in which the governing body of a city is informed under this section that at least 25 percent of the renter households in the city are severely rent burdened, the governing body shall hold at least one public meeting to discuss the causes and consequences of severe rent burdens within the city, the barriers to reducing rent burdens and possible solutions.

(b) The Housing and Community Services Department may adopt rules governing the conduct of the public meeting required under this subsection.

(4) No later than February 1 of each year, the governing body of each city in this state with a population greater than 10,000 shall submit to the Department of Land Conservation and Development a report for the immediately preceding calendar year setting forth separately for each of the following categories the total number of units that were permitted and the total number that were produced:

- (a) Residential units.
- (b) Regulated affordable residential units.
- (c) Multifamily residential units.
- (d) Regulated affordable multifamily residential units.
- (e) Single-family units.
- (f) Regulated affordable single-family units.

SECTION 14. Section 15 of this 2019 Act is added to and made a part of ORS chapter 197.

SECTION 15. (1) As used in this section, “public property” means all real property of the state, counties, cities, incorporated towns or villages, school districts, irrigation districts, drainage districts, ports, water districts, service districts, metropolitan service districts, housing authorities, public universities listed in ORS 352.002 or all other public or municipal corporations in this state.

(2) Notwithstanding any land use regulation, comprehensive plan, or statewide land use planning goal, a local government may allow the development of housing on public property provided:

(a) The real property is not inventoried as a park or open space as a protective measure pursuant to a statewide land use planning goal;

(b) The real property is located within the urban growth boundary;

(c) The real property is zoned for residential development or adjacent to parcels zoned for residential development;

(d) The housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone of the land or the adjacent residential land described in paragraph (c) of this subsection;

(e) At least 50 percent of the residential units provided under this section is affordable to households with incomes equal to or less than 60 percent of the area median income, as defined in ORS 456.270; and

(f) The affordability of the residential units described in paragraph (e) of this subsection is subject to an affordable housing covenant, as described in ORS 456.270 to 456.295, held by the local government or the Housing and Community Services Department and with a duration of no less than 60 years.

(3) Notwithstanding any statewide land use planning goal, a local government may amend its comprehensive plan and land use regulations to allow public property to be used for the purposes described in subsection (2) of this section.

SECTION 16. Notwithstanding ORS 197.646, a local government required to comply with the amendments to ORS 197.312 by section 6, chapter 745, Oregon Laws 2017, shall adopt land use regulations, or adopt amendments to its comprehensive plan, to comply with the amendments to ORS 197.312 by section 6, chapter 745, Oregon Laws 2017, no later than the effective date of this 2019 Act.

SECTION 17. ORS 215.416 is amended to read:

215.416. (1) When required or authorized by the ordinances, rules and regulations of a county, an owner of land may apply in writing to such persons as the governing body designates, for a permit, in the manner prescribed by the governing body. The governing body shall establish fees charged for processing permits at an amount no more than the actual or average cost of providing that service.

(2) The governing body shall establish a consolidated procedure by which an applicant may apply at one time for all permits or zone changes needed for a development project. The consolidated procedure shall be subject to the time limitations set out in ORS 215.427. The consolidated procedure shall be available for use at the option of the applicant no later than the time of the first periodic review of the comprehensive plan and land use regulations.

(3) Except as provided in subsection (11) of this section, the hearings officer shall hold at least one public hearing on the application.

(4)(a) A county may not approve an application if the proposed use of land is found to be in conflict with the comprehensive plan of the county and other applicable land use regulation or ordinance provisions. The approval may include such conditions as are authorized by statute or county legislation.

(b)(A) A county may not deny an application for a housing development located within the urban growth boundary if the development complies with clear and objective standards, including but not limited to clear and objective design standards contained in the county comprehensive plan or land use regulations.

(B) This paragraph does not apply to:

(i) Applications or permits for residential development in areas described in ORS 197.307 (5); or

(ii) Applications or permits reviewed under an alternative approval process adopted under ORS 197.307 (6).

(c) A county may not [*reduce the density of*] **condition** an application for a housing development **on a reduction in density** if:

(A) The density applied for is at or below the authorized density level under the local land use regulations; and

(B) At least 75 percent of the floor area applied for is reserved for housing.

(d) A county may not [*reduce the height of*] **condition** an application for a housing development **on a reduction in height** if:

(A) The height applied for is at or below the authorized height level under the local land use regulations;

(B) At least 75 percent of the floor area applied for is reserved for housing; and

(C) Reducing the height has the effect of reducing the authorized density level under local land use regulations.

(e) Notwithstanding paragraphs (c) and (d) of this subsection, a county may [*reduce the density or height of*] **condition** an application for a housing development **on a reduction in density or height only** if the reduction is necessary to resolve a health, safety or habitability issue or to comply with a protective measure adopted pursuant to a statewide land use planning goal. **Notwithstanding ORS 197.350, the county must adopt findings supported by substantial evidence demonstrating the necessity of the reduction.**

(f) As used in this subsection:

(A) "Authorized density level" means the maximum number of lots or dwelling units or the maximum floor area ratio that is permitted under local land use regulations.

(B) "Authorized height level" means the maximum height of a structure that is permitted under local land use regulations.

(C) "Habitability" means being in compliance with the applicable provisions of the state building code under ORS chapter 455 and the rules adopted thereunder.

(5) Hearings under this section shall be held only after notice to the applicant and also notice to other persons as otherwise provided by law and shall otherwise be conducted in conformance with the provisions of ORS 197.763.

(6) Notice of a public hearing on an application submitted under this section shall be provided to the owner of an airport defined by the Oregon Department of Aviation as a "public use airport" if:

(a) The name and address of the airport owner has been provided by the Oregon Department of Aviation to the county planning authority; and

(b) The property subject to the land use hearing is:

(A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon Department of Aviation to be a "visual airport"; or

(B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon Department of Aviation to be an "instrument airport."

(7) Notwithstanding the provisions of subsection (6) of this section, notice of a land use hearing need not be provided as set forth in subsection (6) of this section if the zoning permit would only allow a structure less than 35 feet in height and the property is located outside the runway "approach surface" as defined by the Oregon Department of Aviation.

(8)(a) Approval or denial of a permit application shall be based on standards and criteria which shall be set forth in the zoning ordinance or other appropriate ordinance or regulation of the county and which shall relate approval or denial of a permit application to the zoning ordinance and comprehensive plan for the area in which the proposed use of land would occur and to the zoning ordinance and comprehensive plan for the county as a whole.

(b) When an ordinance establishing approval standards is required under ORS 197.307 to provide only clear and objective standards, the standards must be clear and objective on the face of the ordinance.

(9) Approval or denial of a permit or expedited land division shall be based upon and accompanied by a brief statement that explains the criteria and standards considered relevant to the deci-

sion, states the facts relied upon in rendering the decision and explains the justification for the decision based on the criteria, standards and facts set forth.

(10) Written notice of the approval or denial shall be given to all parties to the proceeding.

(11)(a)(A) The hearings officer or such other person as the governing body designates may approve or deny an application for a permit without a hearing if the hearings officer or other designated person gives notice of the decision and provides an opportunity for any person who is adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection, to file an appeal.

(B) Written notice of the decision shall be mailed to those persons described in paragraph (c) of this subsection.

(C) Notice under this subsection shall comply with ORS 197.763 (3)(a), (c), (g) and (h) and shall describe the nature of the decision. In addition, the notice shall state that any person who is adversely affected or aggrieved or who is entitled to written notice under paragraph (c) of this subsection may appeal the decision by filing a written appeal in the manner and within the time period provided in the county's land use regulations. A county may not establish an appeal period that is less than 12 days from the date the written notice of decision required by this subsection was mailed. The notice shall state that the decision will not become final until the period for filing a local appeal has expired. The notice also shall state that a person who is mailed written notice of the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS 197.830.

(D) An appeal from a hearings officer's decision made without hearing under this subsection shall be to the planning commission or governing body of the county. An appeal from such other person as the governing body designates shall be to a hearings officer, the planning commission or the governing body. In either case, the appeal shall be to a de novo hearing.

(E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial evidentiary hearing required under ORS 197.763 as the basis for an appeal to the Land Use Board of Appeals. At the de novo hearing:

(i) The applicant and other parties shall have the same opportunity to present testimony, arguments and evidence as they would have had in a hearing under subsection (3) of this section before the decision;

(ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised in a notice of appeal; and

(iii) The decision maker shall consider all relevant testimony, arguments and evidence that are accepted at the hearing.

(b) If a local government provides only a notice of the opportunity to request a hearing, the local government may charge a fee for the initial hearing. The maximum fee for an initial hearing shall be the cost to the local government of preparing for and conducting the appeal, or \$250, whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made by neighborhood or community organizations recognized by the governing body and whose boundaries include the site.

(c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the applicant and to the owners of record of property on the most recent property tax assessment roll where such property is located:

(i) Within 100 feet of the property that is the subject of the notice when the subject property is wholly or in part within an urban growth boundary;

(ii) Within 250 feet of the property that is the subject of the notice when the subject property is outside an urban growth boundary and not within a farm or forest zone; or

(iii) Within 750 feet of the property that is the subject of the notice when the subject property is within a farm or forest zone.

(B) Notice shall also be provided to any neighborhood or community organization recognized by the governing body and whose boundaries include the site.

(C) At the discretion of the applicant, the local government also shall provide notice to the Department of Land Conservation and Development.

(12) A decision described in ORS 215.402 (4)(b) shall:

(a) Be entered in a registry available to the public setting forth:

(A) The street address or other easily understood geographic reference to the subject property;

(B) The date of the decision; and

(C) A description of the decision made.

(b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a limited land use decision.

(c) Be subject to the appeal period described in ORS 197.830 (5)(b).

(13) At the option of the applicant, the local government shall provide notice of the decision described in ORS 215.402 (4)(b) in the manner required by ORS 197.763 (2), in which case an appeal to the board shall be filed within 21 days of the decision. The notice shall include an explanation of appeal rights.

(14) Notwithstanding the requirements of this section, a limited land use decision shall be subject to the requirements set forth in ORS 197.195 and 197.828.

SECTION 18. ORS 227.175 is amended to read:

227.175. (1) When required or authorized by a city, an owner of land may apply in writing to the hearings officer, or such other person as the city council designates, for a permit or zone change, upon such forms and in such a manner as the city council prescribes. The governing body shall establish fees charged for processing permits at an amount no more than the actual or average cost of providing that service.

(2) The governing body of the city shall establish a consolidated procedure by which an applicant may apply at one time for all permits or zone changes needed for a development project. The consolidated procedure shall be subject to the time limitations set out in ORS 227.178. The consolidated procedure shall be available for use at the option of the applicant no later than the time of the first periodic review of the comprehensive plan and land use regulations.

(3) Except as provided in subsection (10) of this section, the hearings officer shall hold at least one public hearing on the application.

(4)(a) A city may not approve an application unless the proposed development of land would be in compliance with the comprehensive plan for the city and other applicable land use regulation or ordinance provisions. The approval may include such conditions as are authorized by ORS 227.215 or any city legislation.

(b)(A) A city may not deny an application for a housing development located within the urban growth boundary if the development complies with clear and objective standards, including [*but not limited to*] clear and objective design standards contained in the city comprehensive plan or land use regulations.

(B) This paragraph does not apply to:

(i) Applications or permits for residential development in areas described in ORS 197.307 (5); or

(ii) Applications or permits reviewed under an alternative approval process adopted under ORS 197.307 (6).

(c) A city may not [*reduce the density of*] **condition** an application for a housing development **on a reduction in density** if:

(A) The density applied for is at or below the authorized density level under the local land use regulations; and

(B) At least 75 percent of the floor area applied for is reserved for housing.

(d) A city may not [*reduce the height of*] **condition** an application for a housing development **on a reduction in height** if:

(A) The height applied for is at or below the authorized height level under the local land use regulations;

(B) At least 75 percent of the floor area applied for is reserved for housing; and

(C) Reducing the height has the effect of reducing the authorized density level under local land use regulations.

(e) Notwithstanding paragraphs (c) and (d) of this subsection, a city may [reduce the density or height of] **condition** an application for a housing development **on a reduction in density or height only** if the reduction is necessary to resolve a health, safety or habitability issue or to comply with a protective measure adopted pursuant to a statewide land use planning goal. **Notwithstanding ORS 197.350, the city must adopt findings supported by substantial evidence demonstrating the necessity of the reduction.**

(f) As used in this subsection:

(A) "Authorized density level" means the maximum number of lots or dwelling units or the maximum floor area ratio that is permitted under local land use regulations.

(B) "Authorized height level" means the maximum height of a structure that is permitted under local land use regulations.

(C) "Habitability" means being in compliance with the applicable provisions of the state building code under ORS chapter 455 and the rules adopted thereunder.

(5) Hearings under this section may be held only after notice to the applicant and other interested persons and shall otherwise be conducted in conformance with the provisions of ORS 197.763.

(6) Notice of a public hearing on a zone use application shall be provided to the owner of an airport, defined by the Oregon Department of Aviation as a "public use airport" if:

(a) The name and address of the airport owner has been provided by the Oregon Department of Aviation to the city planning authority; and

(b) The property subject to the zone use hearing is:

(A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon Department of Aviation to be a "visual airport"; or

(B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon Department of Aviation to be an "instrument airport."

(7) Notwithstanding the provisions of subsection (6) of this section, notice of a zone use hearing need only be provided as set forth in subsection (6) of this section if the permit or zone change would only allow a structure less than 35 feet in height and the property is located outside of the runway "approach surface" as defined by the Oregon Department of Aviation.

(8) If an application would change the zone of property that includes all or part of a mobile home or manufactured dwelling park as defined in ORS 446.003, the governing body shall give written notice by first class mail to each existing mailing address for tenants of the mobile home or manufactured dwelling park at least 20 days but not more than 40 days before the date of the first hearing on the application. The governing body may require an applicant for such a zone change to pay the costs of such notice.

(9) The failure of a tenant or an airport owner to receive a notice which was mailed shall not invalidate any zone change.

(10)(a)(A) The hearings officer or such other person as the governing body designates may approve or deny an application for a permit without a hearing if the hearings officer or other designated person gives notice of the decision and provides an opportunity for any person who is adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection, to file an appeal.

(B) Written notice of the decision shall be mailed to those persons described in paragraph (c) of this subsection.

(C) Notice under this subsection shall comply with ORS 197.763 (3)(a), (c), (g) and (h) and shall describe the nature of the decision. In addition, the notice shall state that any person who is adversely affected or aggrieved or who is entitled to written notice under paragraph (c) of this subsection may appeal the decision by filing a written appeal in the manner and within the time period provided in the city's land use regulations. A city may not establish an appeal period that is less than 12 days from the date the written notice of decision required by this subsection was mailed. The notice shall state that the decision will not become final until the period for filing a local ap-

peal has expired. The notice also shall state that a person who is mailed written notice of the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS 197.830.

(D) An appeal from a hearings officer's decision made without hearing under this subsection shall be to the planning commission or governing body of the city. An appeal from such other person as the governing body designates shall be to a hearings officer, the planning commission or the governing body. In either case, the appeal shall be to a de novo hearing.

(E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial evidentiary hearing required under ORS 197.763 as the basis for an appeal to the Land Use Board of Appeals. At the de novo hearing:

(i) The applicant and other parties shall have the same opportunity to present testimony, arguments and evidence as they would have had in a hearing under subsection (3) of this section before the decision;

(ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised in a notice of appeal; and

(iii) The decision maker shall consider all relevant testimony, arguments and evidence that are accepted at the hearing.

(b) If a local government provides only a notice of the opportunity to request a hearing, the local government may charge a fee for the initial hearing. The maximum fee for an initial hearing shall be the cost to the local government of preparing for and conducting the appeal, or \$250, whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made by neighborhood or community organizations recognized by the governing body and whose boundaries include the site.

(c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the applicant and to the owners of record of property on the most recent property tax assessment roll where such property is located:

(i) Within 100 feet of the property that is the subject of the notice when the subject property is wholly or in part within an urban growth boundary;

(ii) Within 250 feet of the property that is the subject of the notice when the subject property is outside an urban growth boundary and not within a farm or forest zone; or

(iii) Within 750 feet of the property that is the subject of the notice when the subject property is within a farm or forest zone.

(B) Notice shall also be provided to any neighborhood or community organization recognized by the governing body and whose boundaries include the site.

(C) At the discretion of the applicant, the local government also shall provide notice to the Department of Land Conservation and Development.

(11) A decision described in ORS 227.160 (2)(b) shall:

(a) Be entered in a registry available to the public setting forth:

(A) The street address or other easily understood geographic reference to the subject property;

(B) The date of the decision; and

(C) A description of the decision made.

(b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a limited land use decision.

(c) Be subject to the appeal period described in ORS 197.830 (5)(b).

(12) At the option of the applicant, the local government shall provide notice of the decision described in ORS 227.160 (2)(b) in the manner required by ORS 197.763 (2), in which case an appeal to the board shall be filed within 21 days of the decision. The notice shall include an explanation of appeal rights.

(13) Notwithstanding other requirements of this section, limited land use decisions shall be subject to the requirements set forth in ORS 197.195 and 197.828.

SECTION 19. ORS 215.441 is amended to read:

215.441. (1) If a church, synagogue, temple, mosque, chapel, meeting house or other nonresidential place of worship is allowed on real property under state law and rules and local zoning ordinances and regulations, a county shall allow the reasonable use of the real property for activities customarily associated with the practices of the religious activity, including:

- (a) Worship services.
- (b) Religion classes.
- (c) Weddings.
- (d) Funerals.
- (e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building **or buildings** that *[is]* **are** detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(2) A county may:

(a) Subject real property described in subsection (1) of this section to reasonable regulations, including site review or design review, concerning the physical characteristics of the uses authorized under subsection (1) of this section; or

(b) Prohibit or restrict the use of real property by a place of worship described in subsection (1) of this section if the county finds that the level of service of public facilities, including transportation, water supply, sewer and storm drain systems is not adequate to serve the place of worship described in subsection (1) of this section.

(3) Notwithstanding any other provision of this section, a county may allow a private or parochial school for prekindergarten through grade 12 or higher education to be sited under applicable state law and rules and local zoning ordinances and regulations.

(4) Housing and space for housing provided under subsection (1)(g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of *[the]* a building or any residential unit contained in *[the]* a building from selling or renting any residential unit described in subsection (1)(g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

SECTION 20. ORS 227.500 is amended to read:

227.500. (1) If a church, synagogue, temple, mosque, chapel, meeting house or other nonresidential place of worship is allowed on real property under state law and rules and local zoning ordinances and regulations, a city shall allow the reasonable use of the real property for activities customarily associated with the practices of the religious activity, including:

- (a) Worship services.
- (b) Religion classes.
- (c) Weddings.
- (d) Funerals.
- (e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building **or buildings** that *[is]* **are** detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(2) A city may:

(a) Subject real property described in subsection (1) of this section to reasonable regulations, including site review and design review, concerning the physical characteristics of the uses authorized under subsection (1) of this section; or

(b) Prohibit or regulate the use of real property by a place of worship described in subsection (1) of this section if the city finds that the level of service of public facilities, including transportation, water supply, sewer and storm drain systems is not adequate to serve the place of worship described in subsection (1) of this section.

(3) Notwithstanding any other provision of this section, a city may allow a private or parochial school for prekindergarten through grade 12 or higher education to be sited under applicable state law and rules and local zoning ordinances and regulations.

(4) Housing and space for housing provided under subsection (1)(g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of [*the*] a building or any residential unit contained in [*the*] a building from selling or renting any residential unit described in subsection (1)(g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

SECTION 21. ORS 455.062 is amended to read:

455.062. (1) A Department of Consumer and Business Services employee acting within the scope of that employment may provide typical plans and specifications:

(a) For structures of a type for which the provision of plans or specifications is exempted under ORS 671.030 from the application of ORS 671.010 to 671.220 and exempted under ORS 672.060 from the application of ORS 672.002 to 672.325; and

(b) Notwithstanding ORS 671.010 to 671.220 and 672.002 to 672.325, for structures that are metal or wood frame Use and Occupancy Classification Group U structures under the structural specialty code.

(2) A Department of Consumer and Business Services employee, who is licensed or registered under ORS 671.010 to 671.220 or 672.002 to 672.325, who is acting within the scope of that employment and who is providing typical plans and specifications under subsection (1) of this section, is not required to seal or sign the typical plans and specifications and is not subject to disciplinary action under ORS 671.010 to 671.220 or 672.002 to 672.325 based on providing those typical plans and specifications.

[2] (3) A building official or inspector, as those terms are defined in ORS 455.715, when acting within the scope of direct employment by a municipality, may provide typical plans and specifications for structures of a type for which the provision of plans or specifications is exempted under ORS 671.030 from the application of ORS 671.010 to 671.220 and exempted under ORS 672.060 from the application of ORS 672.002 to 672.325.

[3] This [*section*] **subsection** does not alter any applicable requirement under ORS 671.010 to 671.220 or 672.002 to 672.325 regarding stamps and seals for a set of plans for a structure.

SECTION 21a. If Senate Bill 39 becomes law, ORS 455.062, as amended by section 2, chapter 97, Oregon Laws 2019 (Enrolled Senate Bill 39), and section 21 of this 2019 Act, is amended to read:

455.062. (1) A Department of Consumer and Business Services employee acting within the scope of that employment may provide typical drawings and specifications:

(a) For structures of a type for which the provision of drawings or specifications is exempted under ORS 671.030 from the application of ORS 671.010 to 671.220 and exempted under ORS 672.060 from the registration requirements of ORS 672.002 to 672.325; and

(b) Notwithstanding ORS 671.010 to 671.220 and 672.002 to 672.325, for structures that are metal or wood frame Use and Occupancy Classification Group U structures under the structural specialty code.

(2) A Department of Consumer and Business Services employee, who is licensed or registered under ORS 671.010 to 671.220 or 672.002 to 672.325, who is acting within the scope of that employment and who is providing typical [plans] **drawings** and specifications under subsection (1) of this section, is not required to seal or sign the typical [plans] **drawings** and specifications and is not subject to disciplinary action under ORS 671.010 to 671.220 or 672.002 to 672.325 based on providing those typical [plans] **drawings** and specifications.

(3) A building official or inspector, as those terms are defined in ORS 455.715, when acting within the scope of direct employment by a municipality, may provide typical drawings or specifications for structures of a type for which the provision of drawings or specifications is exempted under ORS 671.030 from the application of ORS 671.010 to 671.220 and exempted under ORS 672.060 from the registration requirements of ORS 672.002 to 672.325. This subsection does not alter any applicable requirement under ORS 671.010 to 671.220 or 672.002 to 672.325 regarding stamps and seals for a set of plans for a structure.

SECTION 21b. If Senate Bill 39 becomes law, section 3, chapter 97, Oregon Laws 2019 (Enrolled Senate Bill 39), is amended to read:

Sec. 3. The amendments to ORS 455.062 and 672.060 by sections 1 and 2 [of this 2019 Act], **chapter 97, Oregon Laws 2019 (Enrolled Senate Bill 39), and section 21a of this 2019 Act** apply to work performed, and offers made, on or after the effective date of [this 2019 Act] **chapter 97, Oregon Laws 2019 (Enrolled Senate Bill 39).**

SECTION 22. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium beginning July 1, 2019, out of the General Fund, the amount of \$1,000,000, to provide technical assistance to local governments to implement sections 4 to 6 and 15 of this 2019 Act and the amendments to ORS 197.296, 197.299, 197.303, 197.319, 197.320, 215.416, 215.441, 227.175 and 227.500 and section 1, chapter 47, Oregon Laws 2018, by sections 8 to 13 and 17 to 20 of this 2019 Act.

SECTION 23. In addition to and not in lieu of any other appropriation, there is appropriated to the Housing and Community Services Department, for the biennium beginning July 1, 2019, out of the General Fund, the amount of \$655,274, for research, administration and reporting that relate to a regional housing needs analysis described in section 1 of this 2019 Act.

SECTION 24. (1) Sections 4 to 6 of this 2019 Act and the amendments to ORS 197.296, 197.299, 197.303, 197.319 and 197.320 and section 1, chapter 47, Oregon Laws 2018, by sections 8 to 13 of this 2019 Act become operative on January 1, 2020.

(2) The Land Conservation and Development Commission, the Department of Land Conservation and Development and the Housing and Community Services Department may take any action before the operative date specified in subsection (1) of this section that is necessary for the departments and the commission to exercise, on or after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the departments and the commission by sections 4 to 6 of this 2019 Act and the amendments to ORS 197.296, 197.299, 197.303, 197.319, 197.320 and section 1, chapter 47, Oregon Laws 2018, by sections 8 to 13 of this 2019 Act.

SECTION 25. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.

Passed by House June 26, 2019

.....
Timothy G. Sekerak, Chief Clerk of House

.....
Tina Kotek, Speaker of House

Passed by Senate June 30, 2019

.....
Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2019

Approved:

.....M,....., 2019

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2019

.....
Bev Clarno, Secretary of State

House Bill 2003: Requiring Cities to Update Housing Needs Studies and Create Housing Production Strategies

In 2019, the Oregon Legislature passed House Bill 2003, a law to make sure communities are meeting the diverse housing needs of Oregonians.

The law requires Oregon's medium and large cities to study the future housing needs of their residents and to develop strategies to make sure that housing is produced.

Exploring Housing Needs, Developing Production Strategies

Oregon cities have had to study future housing needs when expanding an urban growth boundary. House Bill 2003 requires cities over 10,000 people to **analyze what housing is needed for current and future residents** every six to eight years.

The bill then requires each city to adopt a **housing production strategy** within a year of completing the analysis. The strategy must list specific actions the city will take to promote the development of all identified housing needs – such as revising regulations or providing financial incentives.

The bill also directs the Oregon Housing and Community Services Department to look at what **housing needs exist for the next 20 years in each region**, for all income levels, and how those needs can be met.

Rules, Technical Assistance Forthcoming

The bill requires the Oregon Department of Land Conservation and Development and Oregon Housing and Community Services Department to conduct rulemaking on how analyses and plans shall be done and timelines for completion.

The bill allocates resources to DLCD to provide technical assistance to cities working to complete their required housing needs analysis and production strategies.

Allows Affordable Housing on Public Lands and in Conjunction with Places of Worship

The bill also allows affordable housing to be built on public land inside urban growth boundaries, and allows multiple buildings for affordable housing to be built next to places of worship.

Learn More and Stay Up to Date

Read the bill: olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2003

More details: www.oregon.gov/lcd/UP/Pages/Housing-Needs.aspx

Sign up to receive e-mail updates: www.oregon.gov/lcd

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We need to make sure all communities have the critical resources they need, like good homes people can afford.





KEY ELEMENTS OF HOUSE BILL 2003 (Housing Needs)

Updated Nov. 6, 2019

House Bill 2003 (HB 2003) allocates \$1 million to DLCD to provide technical assistance to local governments to implement provisions of HB 2003, including housing needs analyses.

Elements of bill:	Housing Needs Analyses (HNA)	Regional Housing Needs Analysis (RNHA)	Housing Production Strategy (HPS)
DLCD Required Action:	Adoption of Statewide Schedule	Develop Methodology & Conduct Analysis	Develop Methodology & Adopt Rules
State agencies:	DLCD	OHCS, DLCD, DAS	DLCD
Significant dates:	LCDC approval by December 31, 2019	Analysis completed by September 1, 2020 Reports to Legislature by March 1, 2021	DLCD Rules adoption [no date specified in bill] Target: Sept. 2020
Affected cities:	All cities with a population greater than 10,000	Statewide	All cities with a population greater than 10,000
Local Government Deadlines:	HNA update requirements to begin ~2 years following the adoption of HPS rules (est. Sept. 2022)	none	Earliest HPS deadlines for cities estimated: Sept. 2023 City submits HPS to DLCD no more than 20 days after local adoption DLCD has 120 days for review
Enforcement:	No change to current LCDC enforcement authority	n/a	Establishes LCDC enforcement authority to ensure HPS progress

Key Elements

- **Regional Housing Needs Analyses (RNHA):** Requires multi-agency coordination, led by Oregon Housing and Community Services, in the development of a needs analysis by region to analyze and quantify the housing shortage in our state. The housing needs of a region will be determined for a 20 year period. Among other requirements, the RNHA will include analysis related to the equitable distribution of publicly supported housing within a region and a housing shortage analysis for each city and Metro.
- **Housing Needs Analyses:** Requires adoption of a statewide schedule for cities with a population greater than 10,000 to update a local Housing Needs Analysis (HNA). Cities within Metro will be required to update HNAs every six years, cities outside Metro must update every eight years.
- **Housing Production Strategies:** Requires cities with a population greater than 10,000 to prepare and adopt a housing production strategy, in accordance with rules adopted by DLCD, within one year of each city’s HNA update deadline. A housing production strategy (HPS) must include a list of specific actions that the city shall undertake to promote development within the city to address housing needs identified in their HNA.

“The legislative focus on housing options for Oregonians in the 2019 legislative session resulted in new opportunities for the Department of Land Conservation and Development to partner with and assist local governments. We look forward to our continued work together to remove barriers to the supply of housing options.”

- Jim Rue, DLCD Director

Other Provisions

- ✓ Allows qualified affordable housing development on public land within an urban growth boundary, notwithstanding land use regulations, comprehensive plan, or statewide planning goals, subject to certain requirements.
- ✓ Clarifies that affordable housing provided in conjunction with religious uses may be accommodated in multiple buildings under certain circumstances.
- ✓ Clarifies limited circumstances in which height and density limitations beyond zoning limits may be applied to residential development.
- ✓ Transfers responsibility for administration of the annual housing production survey required by HB 4006 (2018) of cities above 10,000 population to DLCDC. Survey will continue to be administered online.

HB 2003 - Implementation Schedule														
	2019		2020				2021				2022			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
HNA Update Schedule		★	★											
Housing Production Strategy						★								
Regional Housing Needs Analysis						◆		◆						
Local Assistance Grants Available														

◆ OHCS and DLCDC Reports Due ★ DLCDC Action
For specific dates, please reference chart on reverse or enrolled version of HB 2003

This fact sheet is intended to summarize key elements of HB 2003. It is not intended to replace a detailed review of the legislation. For specific bill language, please review the enrolled version of the HB 2003:
<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2003>

For more information visit our website at www.oregon.gov/lcd/UP/Pages/Housing-Needs.aspx

DLCDC Staff Contacts: With questions about
 local implementation –
[Contact your Regional
 Representative](#)

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HOUSING RULEMAKING ADVISORY COMMITTEE



TECHNICAL ADVISORY COMMITTEE DESCRIPTIONS

TO: Housing Rulemaking Advisory Committee Members

FROM: Ethan Stuckmayer, Senior Housing Planner

SUBJECT: Technical Advisory Committee Descriptions

The full Rulemaking Advisory Committee (RAC) will frequently rely on technical advisory committees to develop and refine detailed recommendations. DLCD will compile a technical advisory committee roster based on gathering stakeholders with specific technical experience, knowledge, and strengths, as necessary. RAC Alternates are encouraged to serve on at least one (1) technical advisory committee. Primary RAC members may do so as their time allows. Ideally, there will be one or two RAC members on each technical advisory committee to be a liaison back to the full RAC.

Technical advisory committee members may develop draft sections of rule and, via staff, will share comments and suggestions to the full RAC. Meetings of the technical advisory committees will likely take place on a monthly basis until the completion of the rulemaking process. As with the RAC, technical advisory committee meetings will be open to the public and follow Oregon's Public Meeting Law.

Technical advisory committees may be formed regarding the following topics, but are not limited to this list:

- **Middle Housing Model Code Technical Advisory Committee.** Clarifying requirements for “medium” and “large” local governments in the adoption of codes allowing the development of middle housing types as required by House Bill 2001. This includes drafting Model Development Code language and formulating a set of minimum standards that can be used as a basis for compliance by subject to House Bill 2001. This committee will work with DLCD staff and contracted parties to draft two distinct Model Codes for consideration by the RAC and LCDC, one for medium cities and one for large cities, as defined in statute.
- **Infrastructure Deficiency Time-Extension Technical Advisory Committee.** Formulate applicable criteria and the process to be followed by local jurisdictions requesting an extension for middle housing development code adoption due to an infrastructure deficiency. This committee will define, but is not limited to, 1) how a city might formally request an extension, 2) what qualifies as deficient infrastructure, and 3) in which areas a city may delay adoption of middle housing development code.
- **Housing Production Strategy Technical Advisory Committee.** Clarifying required components of housing production strategies (HPSs) that will be adopted by local governments; identifying the process, criteria, and other necessary elements required for department review of HPSs; and developing the process and criteria to be followed for LCDC to review, in consultation with the Oregon Housing and Community Services Department, and identify cities with a population greater than 10,000 that have not sufficiently achieved needed housing within their jurisdiction or have not sufficiently implemented a housing production strategy adopted under Section 4 of House Bill 2003.

If you are interested in participating on one of these technical advisory committees or would like to nominate someone to participate, please email Ethan Stuckmayer at ethan.stuckmayer@state.or.us. RAC members will also have an opportunity to formally sign-up for participation on a technical advisory committee at the first RAC meeting on November 14, 2019.