November 17, 2026

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By email to HUC.Comments@dlcd.oregon.gov
LCDC Chair, Land Conservation & Development Commission,
C/O Casaria Taylor, Senior Rules Coordinator
635 Capitol St., Ste. 150
Salem, Oregon 97301

Re: Rulemaking for Urbanizing Unincorporated Rural Communities

Dear Commissioners,

Friends of the Metolius ("FOM") is a conservation organization with stewardship focused on the Metolius Basin. The Metolius Basin lies entirely in Jefferson County. In these comments we respectfully request three changes (if the rulemaking continues):

First, that the proposed rules be amended so that ADUs are excluded from the Metolius Area of Critical State Concern ("ACSC) because under enacted state law, ADUs are excluded from the ACSC.

Second, that the rules include a clear and unequivocal provision that they do not apply to any area in Oregon that is designated by state law as an Area of Critical State Concern.

Third, that increased housing density should not be allowed in Rural Communities (OAR § 660-022-0020(6) ("Rural UCs" herein) because they lack services including septic, water and emergency response services. At a minimum, if this Rulemaking goes forward, ***Rural UCs should be excluded from the Rulemaking and it should be strictly limited to Urban UCs.***

Oregon's Only Area of Critical State Concern

The Metolius River is spring-fed and considered one of the most stable rivers in the world for its size. The Metolius Basin is located on a steep rain gradient on the eastern slope of the Cascade Mountain range. The unique geology of the Metolius Basin creates springs and highly permeable outwash plains of sand and gravel left by glaciers. The river supports important

fisheries, including one of the healthiest bull trout populations in the state. The Metolius River once supported large sockeye and spring chinook runs and significant efforts are being made under the relicensing of the Pelton/Round Butte dams to re-establish those runs.

The Metolius Basin supports a wide variety of wildlife. Large deer and elk populations, combined with the threat of "sagebrush subdivisions," led Governor Tom McCall to request in 1974 that the Land Conservation and Development Commission consider the Fly Creek portion of the Metolius Basin as an Area of Critical State Concern. This area also forms the eastern edge of habitat for the Northern spotted owl.

The Metolius River is an important recreational resource for the state. The basin attracts a large number of visitors as a result of its unique hydrology, natural beauty, and world-class fishing, hunting, and hiking. According to the USFS, several hundred thousand recreational visitors enjoy the basin every year. There are nine public campgrounds within the basin, and several lodges on the surrounding private lands. The day-use area at the Head of the Metolius River receives 120,000 to 130,000 visits per year.

The Metolius Basin is one of the most protected landscapes in Oregon. The river is a Federally designated Wild and Scenic River and an Oregon Scenic Waterway. In 1990, the Deschutes National Forest established the 86,000-acre Metolius Conservation Area to ensure that the Basin is managed to maintain a more natural condition in the future.

In 2009, in response to enormous public outcry for protection of the Metolius River, the Oregon legislature passed the Metolius Area of Critical Concern legislation, prohibiting resort development in the area and providing a management plan for the region. ORS. § 197.416. See also OAR § 660-043-0100 (detailing management plan for the Metolius Area of Critical State Concern). The legislation designated the Metolius and its surrounding basin as an ***Area of Critical State Concern*** ("ACSC") in Oregon, the only such designation in the state, and approved the management plan.

The ACSC management plan is a wide-ranging plan that is, among other things, designed to protect the Metolius Basin from large-scale and other development that would be inconsistent with the outstanding and unique environmental, cultural and scenic values and resources described in the plan. Any new development within the ACSC boundary is strictly limited so that it will not result in negative impact to the Metolius River, its springs or its tributaries; negative impact on fish resources in the area of critical state concern; or negative impact on the wildlife resources in the area of critical state concern.

Camp Sherman, a small rural unincorporated community of approximately 150 dwelling units, is located entirely within the ACSC. The community does not have a community septic system or community water system. It is surrounded by the Deschutes National Forest. There is a store, post office, and some tourist lodging so there are very limited local employment opportunities.

Cognizant of the sensitivity of the Metolius Basin and the need to limit housing density, the State has recognized the importance of the Metolius ACSC designation is subsequently

legislation. As an example, see ORS § 215.495(2)(i), which **prohibits all accessory dwelling units in a designated area of state concern (i.e., the Metolius ACSC). That means that ADUs are prohibited in Camp Sherman.**

The RAC is apparently unaware of the prohibitions in ORS 215.295(2)(i) because the proposed rule amendments that are being considered in the present Rulemaking, at OAR § 660-022-0050 (3)(A) include the following:

> (A) Accessory dwelling units as defined at ORS § 197A.425(1)(b)(A) are allowed as an outright permitted use in all residential zoning districts.

(Parenthetically, we note that perhaps the reference to ORS § 197A.425 in the proposed rule might more appropriately be to ORS § 215.495.)

The language quoted above is in direct conflict with the prohibitions contained in ORS § 215.495(2)(i). If the DLCD decides to keep that language, it should be modified as follows so that it complies with state law:

> (A) <u>Except as provided in ORS § 215.495,</u> accessory dwelling units as defined at ORS § 197A.425(1)(b)(A) are allowed as an outright permitted use in all residential zoning districts.

Jefferson County has similarly recognized the need to limit housing density in the ACSC: See Jefferson County Code § 17.434.C.2.h (prohibiting "habitable accessory structures" in the ACSC).

Allowing increased housing density in the Metolius Basin would be inconsistent with established management plans and State law and county zoning ordinances because it would negatively impact the fragile ecology of the basin. We therefore request that DLCD add the following to the proposed rules:

> Area of Critical State Concern: The rules of OAR chapter 660, Divisions 4, 11 and 22 that are amended by this Rulemaking shall not apply within a legislatively designated area of critical state concern."

We leave it to the policy experts to figure out where this prohibition should be written into the rules, but it should at an appropriate place so that it is unmistakably clear that the restriction applies to all Divisions of Chapter 660 that are amended in this Rulemaking.

<u>Additional Objections</u>

1. Increased Housing Should Not be Allowed in Rural Unincorporated Communities

There are several types of UCs, in Oregon, notably, Urban Unincorporated Communities and Rural UCs. Urban UCs have infrastructure such as community water and septic systems. Rural UCs lack these infrastructural elements. In Rural UCs, housing is typically spread out in

the countryside and is often associated with farm and forest management. In Rural UCs there is little need for increased housing because there is little employment density. In addition, in Rural UCs the cost of constructing a new unit will be higher than in an urban area because of the need to drill a well and install a septic system for each unit.

Under this Rulemaking, all of the state's unincorporated communities could be subject to urban type housing densities, commercial and light industrial development, and boundary expansions. Although there are some guardrails in the proposed rules, those would not prevent increased housing densities in many communities where such increases would damage the very nature of life in a rural setting. As a result, rural communities that Oregonians live in *because of their rural nature* could become urbanized by allowing conversion of less expensive farm and forest land in rural communities into unaffordable housing. This type of sprawl is exactly what our land use protection program was intended to prevent.

Among other reasons for making the rules inapplicable to Rural UCs, those areas typically lack services that are necessary in areas with higher housing density. For instance, many Rural UCs have volunteer fire departments (if they have fire departments at all) and those departments are ill-equipped to deal with fire risks and emergency medical need that come with increased density. Similarly, Rural UCs usually do not have police services aside from the county sheriff's office. In many cases those offices are many, many miles away and the time for a deputy to arrive at an emergency can be extensive. Take, for example, the situation in Camp Sherman. Our police services are provided by the Jefferson County sheriff's office in Madras, which is about 1 ½ hours away by car. While other agencies may respond in an emergent situation, there are no regular patrols.

Rural UCs are often located in wildfire prone areas. Increased housing densities in such areas put the entire community at unnecessary risk. Moreover, in many rural parts of Oregon groundwater supplies are running out and wells are running dry. Increased housing means increased water usage, to the detriment of existing users.

2. A Better Understanding of the Unique Characteristics of each of the Unincorporated Communities is Needed

We have no definitive idea what the population of Oregon will be in coming years. According to the US Census Bureau, population growth forecasts have been trending downward the past few years. So much can happen to change the predictions in 5, 10 or 20 years that we need a more localized approach that reviews the characteristics of each unique unincorporated rural community to create more accurate predictions before broadly revising the fundamental tenets of Oregon's land use system. Given the uncertainties inherent in this kind of long-term planning, and for that reason alone, there is no rational basis at this time for making such fundamental changes to Oregon's land use system as proposed by this Rulemaking.

Thanks to our former leaders and legislators we have had Senate Bill 100 which has served Oregon very well since its adoption 50 years ago. By statute, every incorporated city must maintain a UGB that is designed to accommodate a 20-year supply of land for housing, employment, and public infrastructure. If new residents follow the same pattern as those

documented in OHNA, 70% will continue to live within established UGBs, and 30% outside of UGBs. If massive increases in density outside of UGBs are warranted they should be accommodated in Urban UCs.

Oregon's unique character, its sustainable growth, and the quality of life for rural residents depend on thoughtful land use planning. Please retain the strict Rural/Urban Growth Boundary lines that have served Oregon so well for decades. Reject the changes proposed by this Rulemaking that would allow urban sprawl with increased densities in rural areas and safeguard our water, our resource lands, and our communities for future generations.

Thank you for considering our comments.

Sincerely,

Douglas Hancock

President

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From:	TAYLOR Casaria * DLCD
To:	JOHNSON Denise * DLCD
Cc:	WILLIAMSON Angela * DLCD
Subject:	FW: Comments Regarding Rulemaking for Unincorporated Communities in Oregon
Date:	Tuesday, November 17, 2026 8:17:07 AM
Attachments:	Comments_Friends_of_the_Metolius.pdf image003.png

For the HUC agenda item. This is public comment.

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From: Friends of the Metolius <friendsofthemetolius@gmail.com>
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Cc: TAYLOR Casaria * DLCD <casaria.taylor@dlcd.oregon.gov>; JININGS Jon * DLCD <Jon.JININGS@dlcd.oregon.gov>; MASON Palmer * DLCD <Palmer.MASON@dlcd.oregon.gov>
Subject: Comments Regarding Rulemaking for Unincorporated Communities in Oregon

Friends,

Please find attached our comments with regard to the rulemaking in respect of increasing housing density in unincorporated communities.

Thank you for your consideration of our comments.