Department of Land Conservation and Development
Housing in Unincorporated Areas Rulemaking
Frequently Asked Questions
Updated November 18, 2026

With Oregon needing 500,000 new houses over the next 20 years, state agencies are evaluating a wide range of actions to increase production. One of the actions agencies have identified is to consider allowing more housing in the state's unincorporated communities.

Under Oregon's land use planning program, while urban uses are generally concentrated within Urban Growth Boundaries (UGBs), current rules allow residential development in all types of unincorporated communities. Some unincorporated communities (UCs) can resemble villages and even cities with housing, commercial areas, and public services serving denser development than surrounding rural areas. These communities may be appropriate for more housing under certain circumstances.

According to the charge given by the Land Conservation and Development Commission (LCDC) in April, 2026, this rulemaking will recommend changes to allow Oregon counties to expand and upzone certain unincorporated communities consistent with other state laws, the protection of natural and cultural resources, working lands, and the provision of public infrastructure.

I. Purpose of Rulemaking

1. **Will this rulemaking result in sweeping opportunities or requirements to allow urban levels of residential development across Oregon's rural landscape, including lands currently protected for farming, ranching, and forestry activities.**

   No. This rulemaking pertains only to unincorporated communities designated through an official county process. Furthermore, this rulemaking will rely upon what is currently allowed in unincorporated communities under current rules. In some instances, opportunities for expansion may be clarified or increased for a limited subset of unincorporated communities.

2. **What is allowed in unincorporated communities under current rules?**

   Current rules allow any residential use and density in each type of unincorporated communities and limited commercial and industrial development.

   Each type of unincorporated community can expand its boundaries based on a demonstrated need to accommodate a specific rural use, subject to the goal exception process. Urban unincorporated communities can also expand their boundaries based on a demonstration of the need for long-term housing. Urban unincorporated communities are prohibited within certain distances of exiting urban growth boundaries.

3. **Why is the Department of Land Conservation and Development (DLCD) proposing this rulemaking now?**

   While unincorporated communities may have a small housing footprint, adding a few units in these places can make a large difference. The amended rules could give farm workers, rural residents and others a broader range of housing types and choice. Also, because the rules have largely not been updated since the 1990s, staff have noticed other challenges and gaps with the rules as written. The current rules, for instance, do not require counties to plan and adopt mitigation measures to address natural hazards such as flooding and wildfires.

4. **What data and information on unincorporated communities have been collected?**

   As a part of the rulemaking, DLCD has requested information from select counties but has not conducted a broader survey. Based on these requests, it appears that the current data and information is limited or non-existent. However, for a county to increase housing in an unincorporated community, it is staff's intent that the amended rules will require the county to collect and analyze data to demonstrate the need for more housing, provide adequate public facilities, address natural hazards, and protect adjacent farm and forest lands. These values are consistent with the charge from the commission in April.

II. What is this Rulemaking?

1. **Will this rulemaking apply to every unincorporated community in the state? If not, which specific unincorporated communities would this rulemaking apply to?**

   No. This rulemaking will not change the current rules for boundary expansions for every unincorporated community in the state. Consistent with direction from the commission these amended rules will only change boundary expansions for Urban Unincorporated Communities or other unincorporated communities with the appropriate population, public infrastructure and other characteristics, including community interest needed to support more housing.

2. **Will counties be required to expand unincorporated communities or to allow for more housing?**

   No. Any decision by counties to increase housing under these amended rules will be voluntary.

3. **If counties choose to use the amended rules, what types of housing must be allowed?**

   Consistent with direction from LCDC, counties will need to plan and zone for a mix of housing to support a range of incomes and household characteristics

4. **Will this rulemaking allow additional commercial and light industrial development like warehouses or data centers?**

   No. The amended rules are not expected to allow commercial or light industrial uses beyond what is currently available under existing rules. These uses include allowances for supportive services such as grocery stores, gas stations, restaurants, and general stores. While context matters, these land uses may be necessary at appropriate levels to support new and existing housing. Allowances or requirements for larger commercial and industrial development is not within scope of this rulemaking.

5. **Will the public infrastructure needed to manage water and sewer for increased be required.**

   Yes. Under current rules, counties must plan for infrastructure to meet the needs of unincorporated communities. The amended rules will not change this requirement. Neither the current nor amended rules will change the requirement that development in unincorporated communities must comply with other state and federal permitting programs, including water quality, wetlands, and environmental cleanup.

6. **What about wildfire risks or other natural hazards?**

   Current rules do not require counties to plan and mitigate for natural hazards in unincorporated communities. The draft amended rules may address this gap. Counties would need to plan for natural hazards such as flooding and wildfires, including the adoption of policies and strategies to minimize the risks to people and property.

7. **Will counties need to consider and plan for increased traffic, public safety, and urban services?**

   Yes. As directed by LCDC in the rulemaking charge, participating counties will be required under the amended rules to plan and zone for these community needs. However, counties are not required to participate.

III. Selection of the Rulemaking Advisory Committee

1. How were the members of the Rulemaking Advisory Committee (RAC) selected?

As directed by the Land Conservation and Development Commission, DLCD requested that anyone interested in serving on the RAC submit an online application. RAC members were selected from those applications with additional members added to provide a broader range of perspectives consistent with the commission's charge.

IV. Getting Involved

1. How can I be involved?

Interested community members can view RAC meetings on YouTube here: Oregon DLCD - YouTube. DLCD encourages anyone interested in this rulemaking to sign up for announcements and updates on this rulemaking and other DLCD actions under News and Notices on DLCD's website here. For general questions about this rulemaking, please email HUC.Comments@dlcd.oregon.gov

2. When can I comment on draft rules?

DLCD published draft rules for public comment on November 1st. with a comment period running through January 12, 2027, at 11:55 pm. Staff plan to ask the commission to hold a public hearing on the November 1 draft rules at their meeting December 3-4, 2026. Communications to the commission received before the public comment period also will be reviewed by staff to inform the draft rules. All comments will be shared with the commission at the close of public comment.