Housing in Unincorporated Communities (UCs)
Rulemaking Advisory Committee

RAC Meeting 2 Summary

The second meeting of the Rulemaking Advisory Committee was held in-person and virtually on September 11, 2026 from 9am to 12pm. Video of this meeting is available on the DLCD YouTube channel.

Attendees

RAC Members
Branden Pursinger, Brandon Reich, Brock Nation, Cheryl Pouley, Daryn Murphy, Eric Walker, Gail Henrikson, Kevin Porter, Kim Gammond, Marcus Luke, Mark Bennett, Mark Landauer, Mary Kyle McCurdy, Matt Cyrus, McRae Carmichael, Megan Tuck, Tabitha Eck

Land Conservation and Development Commission (LCDC)
Commissioner Mark Bennett

Department of Land Conservation and Development (DLCD)
Jon Jinings, Palmer Mason, Angela Williamson, Casaria Taylor, Leila Aman, Sadie Carney, Angie Brewer, Adam Marl

Guests and Others
Tanya Saltzman, Brendan Buckley

Facilitation
Sylvia Ciborowski, Mosaic Resolutions

Opening Remarks and Agenda Review

Sylvia Ciborowski, facilitator, opened the meeting and welcomed meeting participants. Land Conservation and Development Commission (LCDC) Commissioner Mark Bennett provided opening remarks. He thanked RAC members for their participation. LCDC is looking forward to hearing RAC input and the public comments on the rules.

RAC members and DLCD staff introduced themselves.

Leila Aman, DLCD, thanked members for their engagement and remarked on the last LCDC meeting which included a lot of comments from the public on the Housing in Unincorporated Communities rulemaking. The RAC was appointed to represent a large set of perspectives to advise DLCD. A formal public comment period will open when the rules are filed with the Secretary of State (SOS), anticipated for November 1. DLCD is logging public comments and

will attach pre-public comment period input as part of LCDC materials when the SOS filing occurs.

Sylvia reviewed the meeting agenda and reminded members of their charge.

She noted that staff will use input from today's meeting to update the rules for member review at the October RAC meeting.

County Planning Panel

Three county representatives presented stories of planning in unincorporated communities to help RAC members understand some challenges and issues facing these communities.

Brooks-Hopmere
Brandon Reich, Marion County, presented a case study of the Brooks-Hopmere Urban Unincorporated Community in Marion County. The community is located 3 miles north of Salem, has approximately 500 residents, and provides over 1000 jobs with several large employers. Brandon reviewed the zoning of the community, noting that some of the housing zoning is becoming denser with 70 additional units anticipated. The community includes significant industrial area that is changing, and mixed services that support nearby farming and agriculture. It has a single-family housing zone and a multi-family housing zone. Most of the community is on a step sewer system.

A recent study looked at what it would take to bring upgraded water and wastewater to the community. Through community visioning, residents noted that they want to support the existing business community and allow for growth, and to encourage more public and commercial uses that support community needs.

RAC Questions and Discussion:

- Brandon clarified that the community is interested in expanding its infrastructure system but does not want to spend funding to do so until they understand what kind of boundary expansion would be allowed. The infrastructure system works well to support the existing community today. If boundary expansion is allowable, the County would be interested in making more investment in the system to support future growth, rather than investing only to meet current need.
- There was concern expressed that, if the boundary is expanded, it is important that the expansion serve the existing community and not lead to sprawl.
- Brandon clarified that the Brooks-Hopmere boundaries cannot currently be expanded because, within the existing rules, a UUC cannot expand its boundaries if it is within ten miles of a nearby UGB (distance prohibition). Brooks is located 3 miles from Salem. A member added that the rationale for this rule is to discourage urban dwellers from moving out into rural areas and creating more sprawl.
- A member asked if the County has looked at increasing density within existing boundaries. Brandon noted that the Bethel community is in the process of increasing

density, but there may not be community interest in increasing density in other areas within the boundaries.

Terrebonne Community Plan Update
Tanya Saltzman, Deschutes County, presented on the Terrebonne Community Plan update. Terrebonne is a Rural Community, located north of Redmond near Smith Rock State Park and has a population of less than 1,400. The area has two residential districts and two commercial districts. Greater Terrebonne includes mostly farm and some residential uses.

Development over the last 10 years has included lot consolidations (due to historically very small lots), new and remodel single unit dwellings, and septic system repairs. Challenges today are limited septic capabilities, especially on small lots. A 2020 Wastewater Feasibility Study explored options to bring sewer services to the area, and services are anticipated to be online as early as 2028.

With the potential for sewer, the County started a process to update the Terrebonne Community Plan to understand what residents want for their community. Outreach was tailored to the community and sensitive to past efforts.

Residents said they want to keep the community small and rural, with limited commercial development. They value the views, nature, and quiet. Most people prefer single unit low-density housing and have significant interest in ADUs but not in apartments or duplexes. The challenge for the County now is to balance the community's vision for itself into realistic goals, policies and zoning in light of the affordability crisis.

RAC Questions and Discussion:

- Has there been discussion of reducing the 5-acre lot sizes? Tanya noted that this has not been suggested by any community members.
- Acknowledge that this is a community that has rural lifestyle but is different from living on a farm and working on the land.
- Clarified that the sewer projectis paid for by multiple grants and state and federal funding.

Odell Urban Unincorporated Community
Eric Walker, Hood River County, provided an example of Odell's land use process. Odell serves as the hub of the fruit industry. It is a residential area with fruit and glass manufacturer industry. It has a large Latino population, and while 1,000 people work in Odell only 15% live in the community. There is a disconnect between jobs and housing.

Housing costs are high in Odell due to its proximity to Hood River. Odell is comprised of two exception areas that include a mix of residential, industrial, and commercial areas. The community has adequate public facilities and has capacity to serve many more units.

Odell has gone through multiple attempts to create community boundaries. The UC rule precludes UUCs from expanding their boundary if located within 10 miles of a city with certain population size, known as the distance prohibition. The County Board wanted a boundary as

large as possible to get Odell enough land to grow into over time and to meet anticipated housing and industry needs. The area is surrounded by high-quality farmland, which is very difficult to convert to residential.

The County is currently in the process of trying to adopt a smaller boundary than what was originally desired, with two different boundary options. Rezoning would occur under either option. The process includes taking an exception to Goal 3. If the boundary process is successful, under either option, about 550 additional dwelling units could occur at full build out.

Hood River County would like to see reevaluation of the distance prohibition in cases like Odell's where the community is not just a bedroom community for other cities but has its own economy and character and potential to provide rural jobs and housing.

RAC Questions and Discussion:

- A challenge for Odell and for Terrebonne is to ensure that new housing meets rural needs, and is not just spillover of second homes, vacation rentals, and residence to serve nearby cities, which would cause even greater affordability issues. Eric noted that this is a challenge, but the community planning process would allow for multi-family housing in places that currently only support single-family homes which could create more affordable housing.
- Some additional measures can help with the challenge, such as bans on short-term rentals, vacancy taxes, and converting public land to affordable housing.
- Another factor for consideration is that the City of Hood River could have limited ability to expand its UGB. Odell is an opportunity to use lesser quality lands for development.
- Is Odell able to support additional housing within its existing boundaries? Eric clarified that the County has not been able to develop a boundary for Odell over the last 25 years so the lands are treated as rural which are subject to a 2-acre minimum.

Discussion on Rule Categories

Jon Jinings provided clarity on some definitions:

- There is opportunity to create safe harbors within the rules. A safe harbor is an optional course of action that a county can use to satisfy a rule. A safe harbor does not remove or replace the regular process but provides a straightforward way for counties to comply with a rule.

RAC members were invited to provide comments and discuss several topics to help staff understand where there may be room to update the rules to meet interests and address challenges.

1. **Appropriate Mix of Housing Types**

Jon provided some context around what is currently in the rules about residential use and density. Jon provided some different approaches for dealing with existing zoning, upzoning in existing boundaries, and expansion of existing boundaries. RAC members were invited to

consider what changes could be made to the rules to provide for an appropriate mix of housing in UCs.

Jon posed the overall RAC question for consideration: how can we have a greater level of confidence that there is a greater variety of housing offered in UUCs? Do the rules work as they are, or is a change needed?

Member comments and questions included:

- Counties shared what would help them be successful:
    - Duplexes and apartments work as affordable housing in urban areas, but not in rural areas. Multigenerational housing and other types of single-family affordable housing are needed for rural areas to support how people work. The housing needs in rural areas are different than in urban areas.
    - Having different dwelling type options is a good thing. A safe harbor that provides for that would be helpful.
- Advocate for zoning that allows a diversity of housing, supported by public facilities.
- Under current rules, Goal 10 does not apply to UUCs and counties can designate any kind of residential density[1]. There is nothing preventing density today. The question is: how do we ensure UUCs are meeting the needs of rural uses, residents and workforce. Is there something that could be included in the rules to get at that question?
- It might be helpful to define what "diversity of housing" means within the context of these rules. Is it diversity of housing as defined under Goal 10, or something else that better corresponds to the unique needs or rural communities?
- Any kind of housing is allowed in UUCs, but it is in the style of Goal 10, which might not match the needs of rural living. A safe harbor is not always helpful because then the County needs to show why they didn't use the safe harbor (a burden). There may be a need to interpret Goal 10 for rural communities.

2. Protection of Agricultural Lands and Forestry Uses

Jon noted that under existing rules, counties must ensure that new and expanded uses do not adversely affect agricultural or forestry uses. In boundary expansions, the best agricultural and forest lands must be included last.

Members discussed: are there any changes needed to the rules to better protect agricultural lands and forestry uses?

Member comments and questions included:

- Rural communities already want to protect agricultural lands and avoid sprawl; they do not want to develop high-quality farmland unless there is no other choice. It doesn't seem there is a need to include additional regulations to enforce this. Communities should be allowed to expand, because they will provide a check based on their values which include protection of farmland.

[1] Staff has observed that under existing rule at OAR 660-022-0040 "All statewide planning goals applicable to cities shall also apply to UUC's, except for those goals provisions relating to urban growth boundaries and related requirements regarding the accommodation of long-term need for housing and employment growth." Therefore, Goal 10 does technically apply to UUCs.

    - Another member countered that a community's values are not always reflected in what decision-makers do, and that checks may be needed to capture the community will.
    - Another member noted that the current rules around the expansion process work well, and include community engagement to help guide whether the community wants to expand, and where.
- Have you explored a farmland bank that is tied to restoration? This could help compensate for development in farmland.
    - DLCD noted that a farmland bank is very complicated but is something that could be looked at as a form of mitigation.
- The rules today are working well. The more you insulate a rural community from the farm, the more likely you will have second homes. When rural resident can live on the land they work, it protects rural character.

3. Consideration of natural hazards

Jon noted that the existing rules do not speak much to natural hazards.

Members discussed: How should counties consider natural hazards when upzoning or expanding boundaries?

Member comments and questions included:

- The counties know best about what the local hazards are, and it doesn't seem necessary to have state involvement. Counties must apply the goal related to natural hazards already.
- For communities in wildfire areas, it would be reasonable to take into consideration whether an area is in a fire district and consider building codes and other protection measures.
- There are ways to minimize impacts to structures through code. Applying those as necessary for development in hazard areas would be reasonable.
- Fire departments exist close to the rural communities, and they are invested in fighting fires and ready for that.
- Don't limit opportunity based on fire danger because it is a reality for living in rural communities.
- Don't layer on restrictions of administrative burden; rural communities are incredibly good at dealing with their natural hazards.
- Note that the area at risk for wildfire has expanded in recent years. There may be things to put in place to ensure safety in these areas. Thoughtful development is what is needed.
- Boundary expansions and added density translates to more resources and people to help deal with natural hazards. Increased density is not necessarily something that should require more regulations to consider natural hazards differently.
- Thoughtful precautions are reasonable when developing in natural hazard areas, but don't need to add additional restrictions or bans on developing in those areas.
- People in rural communities are highly capable and actively engaged in protecting their communities. Adding layers of regulations takes away their abilities to be creative, resourceful and find local solutions.

4. Infrastructure and Public Facilities

Jon noted that RAC members have been clear that adequate infrastructure and public facilities are a precursor to development and have noted the challenges of sewer and water in many rural areas. Goal 11 addresses public facilities. Existing rules require a Public Facility Plan in some cases.

Members discussed: What kind of information should counties need to show to demonstrate they have adequate infrastructure and public facilities in place to support development? Should other kinds of public services be considered?

Member comments and questions included:

- The options for alternative treatments have increased over the years. Not everything needs to be on a public system. What's important is that a system works for the community and can be maintained sufficiently to support development. There should be flexibility for communities to show how their facilities are sufficient for their specific community's needs.
- It would be helpful if the rules could help communities that have challenges with their existing septic systems. Some communities have a public safety challenge but cannot afford to replace failing septic systems and there is no public sewer option. Could the rules make it easier for communities to put in sewer systems if they choose?
- It might be helpful to have flexibility to have a community facility plan with shared components among lots: a plan without the goal exception.

5. Opportunities to Expand Unincorporated Communities (non-urban)

Jon noted that under current rules, non-urban UCs can expand boundaries only to accommodate specific rural uses. They cannot explicitly expand to accommodate growth.

Members discussed: Should counties be able to plan for growth in these areas?

Member comments and questions included:

- Allowing the opportunity would be important. For example, some UCs in Clatsop County have experienced growth and it would be good to channel growth into those areas.
- Note that these counties can grow within their existing boundaries. Worry that expanding these rural UC areas that have very small populations and unsophisticated sewer is not the place to channel investment. Nearby small rural cities and incorporated communities need investment and should be the place to channel development.
- In places like Eastern Oregon, it makes sense to have housing near where people work to avoid many hours of driving between home and work. Giving the option to do that would be helpful.
- Having the opportunity for more employment in these communities means higher income jobs, which is another way to deal with housing affordability.

6. **Opportunities to Expand Urban Unincorporated Communities: Distance Prohibition and Long-Term Need**

Jon noted that under current rules, in order to show compliance with Goal 14, UUC boundaries can only be expanded if they are a certain distance away from a UGB. Additionally, current rules define long-term need as 10 years. Currently, expansions of a UUC are subject to both Divisions 4 and 22.

Members discussed: Should there be an alternative option to demonstrate compliance with Goal 14? Should a planning horizon other than 10 years be available? Is it necessary to apply both Divisions 4 and 22?

Member comments and questions included:

- The miles in the distance prohibition are out of date. Today, people living in rural communities are living a separate life from cities. The distance itself is not what separates a city and UC. If a UC has a combination of the following factors, it should be allowed to grow: population growth, a distinct economic rural opportunity, and a community facility plan.
- Advocate for flexibility in the distance prohibition, but there are also benefits in retaining existing regulation to direct urban levels of development to cities. At the same time, appreciate that Division 4 provides a process to get an exception and allow communities to make their case; and not shut down growth entirely. Advocate for having both the Division 4 and 22 processes available but would welcome tweaks to the rules.
- If a UC converts from a rural UC to a UCC, would it be allowed to do that? Do the distance prohibitions apply?
    - DLCD responded that this has not been settled. If rural communities are given a new opportunity to plan for growth, then the next question would be what that looks like and whether a distance prohibition would apply.
- Confirmed that under current rules, there are essentially no exceptions to the distance prohibition. The other path would be incorporation.

Next Steps and Adjourn

Sylvia reviewed next steps. Members should provide any additional written comments by noon on September 16.

Staff will use RAC input to help guide a draft set of rules for consideration at RAC Meeting 3, scheduled for October 12 from 1-4pm.

Members of the public will have an opportunity to provide formal comments on draft rules when the rules are filed with the Secretary of State, anticipated for November 1. The HUC.Comments@dlcd.oregon.gov email address is available for informal input before then.