Department of Land Conservation and Development
Housing in Unincorporated Areas Rulemaking
Frequently Asked Questions
Updated November 20, 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, staff have recommended 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. Some key things to keep in mind:

- Current rules recognize the importance of communities in rural Oregon and allow counties to zone for any level of density in unincorporated communities, including options for expansion

- Rule drafts are focused on improving clarity, expanding planning time horizons and factors in qualifying communities

- No changes to commercial or industrial opportunities are proposed

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, under the proposed rules, expansions for long-term growth are limited to two types of unincorporated communities – urban and rural – and those unincorporated communities must have community systems for water and sewer. Lastly, the proposed rules would prohibit

expansion for long-term growth into the state's best wildlife habitat (which is something allowed under current rules).

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, the proposed 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. Under the proposed rules, expansions for long-term growth are limited to two types of unincorporated communities – urban and a subset of rural. In both cases, the area must be served by community sewer and water systems to expand.

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, under the proposed rules, counties must plan and zone for a mix of housing types that is affordable across all income levels, consistent with regional data and Statewide Planning Goal 10 (Housing).

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

   No. The proposed rules do change anything in the current rules related to commercial or industrial uses.

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 proposed rules require county to adopt mitigation measures for for natural hazards such as flooding and wildfires as identified in the county's comprehensive plan.,

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.

8. **How have the proposed rules tracked the rulemaking charge adopted by LCDC?**

   In several important ways, the proposed rules have narrowed the scope of the rulemaking charge. Key changes include restricting these rules to urban unincorporated communities and a limited number of rural communities, requiring community sewer and water systems, and requiring counties to demonstrate the efficient utilization of existing land before expanding.

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

Interested individuals can sign-up to testify at the commission's upcoming public hearing on these rules.

2. **When can I comment on draft rules?**

   DLCD published draft rules for public comment on November 2. with a comment period running through January 12, 2027, at 11:55 p.m. The Land Conservation and Development Commission (LCDC) will hold a public hearing at 2:15 p.m., Friday, December 4, 2026. The hearing will take place at the Eugene City Hall, 500 East 4th Ave., Eugene, OR 97401.

   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 period.