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PERMANENT ADMINISTRATIVE ORDER

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CHAPTER 660

LAND CONSERVATION AND DEVELOPMENT DEPARTMENT

FILED

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ARCHIVES DIVISION
SECRETARY OF STATE
& LEGISLATIVE COUNSEL

FILING CAPTION: Amendment to Affordable Housing Pilot Project Rules Regarding Affordable and Market-Rate Housing Units Phasing

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AMEND: 660-039-0070

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RULE SUMMARY: Current rules in OAR 660-039-0070 (3)(a) and (b) require phasing of affordable and market-rate housing units within an affordable housing pilot project that either 1) ensure all affordable housing units have been issued permanent certificates of occupancy prior to issuance of permanent certificates of occupancy to the last 50 percent of any market rate housing units included as part of the pilot project; or 2) phase development so that affordable housing units and market-rate housing units are issued permanent certificates of occupancy over time in a ratio similar to the ratio of affordable and market-rate housing units within the pilot project as a whole. The amended rules would ensure the construction of all affordable units has commenced before the city issues certificates of occupancy to the last 15 percent of market-rate units. This change is consistent with the phasing requirements for affordable vs. market-rate housing units required by the Oregon Legislature in Oregon Laws 2024, chapter 110, section 55 (Senate Bill 1537 (2024)).

CHANGES TO RULE:

660-039-0070
Housing Requirements ¶¶

(1) The following types of affordable housing are allowed on pilot project sites:¶¶

(a) Attached and detached single-family housing and multiple family housing for both owner and renter occupancy;¶¶

(b) Government assisted housing;¶¶

(c) Manufactured dwelling parks as provided in ORS 197.475 to 197.490; and¶¶

(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.¶¶

(2) At least 30 percent of the total housing units proposed and developed on a pilot project site must be affordable housing units. In addition:¶¶

(a) At least 10 affordable housing units must be proposed and developed on a pilot project site from a qualifying city with a population of 25,000 or less; and¶¶

(b) At least 20 affordable housing units must be proposed and developed on a pilot project site from a qualifying

city with a population greater than 25,000.¶

(3) Pilot project development phasing shall:¶

~~(a) Ensure all affordable housing units have been issued permanent certificates of occupancy prior to issuance of permanent certificates of occupancy to the last 50 percent of any market rate housing units included as part of the pilot project; or¶~~

~~(b) Phase development so that ensure the construction of all affordable housing units and market-rate housing units are issued permanent certificates of occupancy over time in a ratio similar to the ratio of affordable and units has commenced before the city issues certificates of occupancy to the last 15 percent of market-rate housing units within the pilot project as a whole units.¶~~

(4) All common areas and amenities accessible to residents of market-rate housing units within the pilot project site shall be equally accessible to residents of affordable housing units;¶

(5) The qualifying city must ensure all affordable housing units within the pilot project site are rented or sold exclusively to households described in OAR 660-039-0010(1) or, if the pilot project includes dedicated affordable housing units proposed under subsection (7)(b), to those households described, at the time of sale or rental during a period of at least 50 years after the selection of the pilot project site;¶

(6) The qualifying city must ensure that all housing units within the pilot project site are not used as vacation or short term rentals for any significant period during any calendar year.¶

(7) The commission shall consider the following when reviewing a final application pursuant to OAR 660-039-0080(2)(b)(A):¶

(a) Percentages or numbers of affordable housing units greater than the minimum percentages and numbers required in section (2);¶

(b) Dedication of affordable housing units for households with lower maximum incomes than described in the definition of affordable housing in OAR 660-039-0010(1); and¶

(c) In the case of a mixed income project, the total number and overall percentage of market rate housing units dedicated for households making 80 to 120 percent of the area median income.¶

(d) Other considerations that, in the determination of the commission, will advance affordable housing and knowledge about affordable housing in Oregon.

Statutory/Other Authority: ORS 197.040, OL 2016, Ch. 52

Statutes/Other Implemented: OL 2016, Ch. 52