Date:	**July 28, 2026**
To:	Chair Lazo, Members of the Land Conservation and Development Commission
From:	Association of Oregon Counties Legislative Affairs Manager Branden Pursinger
Subject:	**Proposed DLCD Division 47 Rules: Oregon Homes Program**

Chair Lazo, Members of the Commission

The Association of Oregon Counties (AOC) is a non-partisan member organization that advocates on issues that unite all county governing bodies and have an impact on county functions, governance, budgets, and services. AOC appreciates the opportunity to participate in the rulemaking process and provide comments today about our ongoing concerns with the draft Oregon Homes rules.

The Oregon Homes program was established through the passage of HB 2258 during the 2025 session as an attempt to increase the speed in which housing developments occur in Oregon. The rules aim to do this by allowing a developer to take a preapproved plan and have the local jurisdiction issue a permit for land use and building code. AOC staff as well as two county planning directors were members of the Rules Advisory Committee (RAC) and we understand and appreciate the efforts to spur housing development. Many local jurisdictions (city and county) have submitted concerns regarding the draft rules; however, the issue we would like to raise today is one of process.

House Bill 2258 can be found in ORS 197A.408 and it lays out a series of side boards that must be met for a parcel to fall under this program. These can be found in the proposed Oregon Home rules as follows:

(8) "Oregon Homes Lot" means a lot or parcel that is:

- *(a) Lawfully established units of land;*
- *(b) Within an urban growth boundary;*
- *(c) Zoned to allow residential use;*
- *(d) At least 1,500 square feet;*
- *(e) Not larger than 20,000 square feet;*
- *(f) Not covered by slopes averaging more than 15 percent;*
- *(g) Not within an area identified in an inventory or map that is part of the local government's comprehensive plan as:*

a. *Environmentally sensitive or containing significant natural resources;*
b. *Open space or scenic areas; or*
c. *Natural hazard areas, including floodplains, river greenways, landslide zones or wildfire risk areas; and*

(h) Vacant, including a lot or parcel:

a. *Created by any lawful division of land, regardless of when the division occurred.*
b. *On which is sited a nonresidential structure that is nonconforming or not suitable for any lawful use.*
c. *For which residential units were demolished more than five years prior.*
d. *For which residential units were demolished within the previous five years, provided that the approved development would create net additional units and would use a building construction plan approved under Department of Consumer and Business Services pursuant to ORS 455.062, ORS 455.685, or housing types that meet the criteria in section (5) and approved through local building code review.*[1]

The Proposed Rules also lay out the limitations on the parcels themselves:

(7) Oregon Homes Development means a residential development type that would be approved to be placed on an Oregon Homes Lot include:

(a) Attached or detached housing, including accessory dwelling units or prefabricated or modular housing.

(b) Types with a buildable area of:

a. *A size of not more than 2,200 square feet for a single-unit dwelling, accessory dwelling unit, duplex, triplex, quadplex or townhome.*
b. *An average per-unit size of not more than 1,400 square feet for cottage clusters or a multiunit dwelling.*

(c) A multiunit dwelling with more than six and fewer than 12 units.

(d) Housing that complies with the minimum density requirements of the applicable comprehensive plan or land use regulations for the lot or parcel.

(e) Housing types whose building plans have been approved by Department of Consumer and Business Services pursuant to ORS 455.062, ORS 455.685, or housing types that meet the criteria as provided in subsections (a)-(d) and approved through local building code review.[2]

Outside of subsections (7) and (8) of proposed division 47 rule 0010, the provisions of this program turn to discretionary on the part of LCDC. ORS 197A.408 (5) states "the

---

[1] Proposed OAR 660-047-0030

[2] Proposed OAR 660-047-0030

commission **may** specify for the approved residential development types allowed under this section:" the applicable design standards, scope of design review, use of material, method of construction, allowable variations, minimum or maximum setbacks, parking requirements, floor-to-area ratios or minimum dwelling units per acre. The statute gives LCDC the option to decide if they wish to regulate these siting standards. The proposed rules before you for consideration include drafted rules pertaining to all of these optional topics and turn the "may" into "shall".

Setback:

(1) Provide a setback of 5 feet on all sides of the building or the distance required for a proposed or existing utility easement. For buildings greater than 35 feet in building height, the setbacks must be 10 feet on all sides. Building height is defined in OAR 660-047-0010.[3]

Design Standards:

(1) All units within the development, unless an attached or detached accessory dwelling unit, must have their pedestrian entry orientation meet at least one of the following:
- *(a) Face the street*
- *(b) Be at an angle of up to 45 degrees from the street*
- *(c) Face a common open space that is adjacent to the street; or*
- *(d) Open onto a covered porch or covered patio that is at least 25 square feet in area and have at least one entrance facing the street.*[4]

Numerous times during the RAC process, local government representatives asked if LCDC had given direction to the agency that these aspects of the rules should be drafted, DLCD staff failed to give an answer at each prompting.

Numerous times local practitioners gave feedback on the proposed direction the agency staff were heading toward; however no feedback was taken on these "optional" rules.

<u>ONE SIZE DOES NOT FIT ALL:</u>

Setbacks and building lot coverage have been created after lengthy conversations with our public works offices, emergency service personnel and, when inside the urban growth boundary, our cities. These rules as written assume those standards do not matter and instead should be a set standard universally accepted.

---

[3] Proposed rule 660-047-0020

[4] Proposed OAR 660-047-0030

(2) calls for "garages, carports, or on-site parking or vehicle maneuvering areas are not required. However, if proposed as part of an Oregon Home Development, the combined width of all garages and outdoor on-site parking and vehicle maneuvering areas, as measured at their widest dimension, shall not exceed a total of 50 percent of the street frontage. [5]

Seeing as this is a statewide program, it is unreasonable to prohibit counties that lack the public infrastructure to then also lack on-street parking.

(4) a local government shall approve an Oregon Homes Development application if the proposed site plan varies not more than 10 percent from the setbacks or outdoor area characteristics requirements within this section.[6]

The issue here is the lack of numerical thresholds for the features found in sub (3) - sports courts, swimming pools, fitness courses, etc. Local jurisdictions are unaware based on the proposed rules what the numerical value is of a children's play structure to know what 10% would entail.

Cost of Compliance Statement:

The Cost of Compliance Statement provided to LCDC for proposed rules under division 47 calls for the *"economic impact to local governments"* to be *"marginal and largely accounted for in regular work planning."*[7] Local Governments will need to update their codes, update their comprehensive plans to account for all areas listed in ORS 197A.408, they will most likely need to map their county to better understand the areas an Oregon Homes development could be placed on, and measure 56 notices will need to be issued. To say the expense is marginal and accounted for is a gross misrepresentation by the department.

In conclusion:

AOC strongly encourages LCDC to adopt the required portions of the rules to be in compliance with ORS 197A.408 and direct DLCD to bring RAC members together to draft clear and objective standards on the optional rules LCDC would like - found in subsection (5) of that statute.

Thank you for your consideration,

---

[5] Proposed OAR 660-047-0040
[6] *Ibid.*
[7] Notice of Proposed Rulemaking Chapter 660, division 46; creation fo division 47, Oregon Homes, page 4