



PLANNING COMMISSION REGULAR SESSION AGENDA
Monday, February 12, 2024 - 7:00 PM
Council Chambers, 169 SW Coast Hwy, Newport, Oregon 97365

All public meetings of the City of Newport will be held in the City Council Chambers of the Newport City Hall, 169 SW Coast Highway, Newport. The meeting location is accessible to persons with disabilities. A request for an interpreter, or for other accommodations, should be made at least 48 hours in advance of the meeting to Erik Glover, City Recorder at 541.574.0613, or e.glover@newportoregon.gov.

All meetings are live-streamed at <https://newportoregon.gov>, and broadcast on Charter Channel 190. Anyone wishing to provide written public comment should send the comment to publiccomment@newportoregon.gov. Public comment must be received four hours prior to a scheduled meeting. For example, if a meeting is to be held at 3:00 P.M., the deadline to submit written comment is 11:00 A.M. If a meeting is scheduled to occur before noon, the written comment must be submitted by 5:00 P.M. the previous day. To provide virtual public comment during a city meeting, a request must be made to the meeting staff at least 24 hours prior to the start of the meeting. This provision applies only to public comment and presenters outside the area and/or unable to physically attend an in person meeting.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

1. CALL TO ORDER AND ROLL CALL

Commission Members: Bill Branigan, Bob Berman, Jim Hanselman, Gary East, Braulio Escobar, John Updike, and Marjorie Blom.

2. APPROVAL OF MINUTES

2.A Approval of the Planning Commission Regular Session Meeting Minutes of January 22, 2024.

[Draft PC Reg Session Minutes 01-22-2024](#)

[01-22-24 PC Regular Session Meeting Video Link](#)

3. CITIZENS/PUBLIC COMMENT

A Public Comment form is available immediately inside the Council Chambers. Anyone who would like to address the Planning Commission on any matter not on the agenda will be given the opportunity after submitting a form. Each speaker should limit comments to three minutes. The normal disposition of these items will be at the next scheduled Planning Commission meeting.

4. ACTION ITEMS

5. PUBLIC HEARINGS

5.A File No. 1-CUP-24: Conditional Use Permit to Allow the Operation of a Coffee Shop in a W-2/"Water-Related" Zone.

[Staff Report](#)

[Attachment "A" - Application Form](#)

[Attachment "B" - Lincoln County Assessor Property Report](#)

[Attachment "C" - Certificate of Trust Listing Art Moore and Karen A Schulzki as Trustees](#)

[Attachment "D" - Applicant's Existing Use Floorplan](#)

[Attachment "E" - Applicant's Planned Use Floorplan](#)

[Attachment "F" - Zoning Map](#)

[Attachment "G" - Uses in the W-2 Zoning District](#)

[Attachment "H" - Uses in the C-2 Zoning District](#)

[Attachment "I" - Final Order and Findings for File 2-CUP-15](#)

[Attachment "J" - Public Hearing Notice](#)

[Attachment "K" - Ordinance No. 2215](#)

6. NEW BUSINESS

7. UNFINISHED BUSINESS

8. DIRECTOR COMMENTS

8.A SB 137 Governor's Housing Bill

[Memoradum](#)

[SB 1537](#)

[-4 Amendments](#)

[LOC SB 1537 Bill Summary](#)

[City of Newport's HB 3414 Testimony](#)

[City of Newport's SB 1537 Testimony - 2-9-2024](#)

9. ADJOURNMENT

**City of Newport
Draft Planning Commission Regular Session Minutes
January 22, 2024**

LOCATION: CITY COUNCIL CHAMBERS, NEWPORT CITY HALL 169 SW COAST HIGHWAY NEWPORT	Time End: 7:24 P.M.
Time Start: 7:00 P.M.	

ATTENDANCE LOG/ROLLCALL

COMMISSIONER/ ADVISORY MEMBER	STAFF
Chair Bill Branigan (absent, excused)	Derrick Tokos, Community Development Director
Commissioner Bob Berman	Sherri Marineau, Community Development Dept.
Commissioner Jim Hanselman	
Commissioner Gary East	
Commissioner Braulio Escobar (absent, excused)	
Commissioner John Updike	
Commissioner Marjorie Blom (absent, excused)	

AGENDA ITEM	ACTIONS
REGULAR MEETING	
CALL TO ORDER AND ROLL CALL	
a. Roll Call	None.
APPROVAL OF THE MINUTES	
a. Meeting minutes of Work Session Meeting on January 8, 2023	Motion by Commissioner Updike, seconded by Commissioner East, to approve the work session meeting minutes of January 8, 2023 as written. Motion carried unanimously in a voice vote.
b. Meeting minutes of Regular Session Meeting on January 8, 2023	Motion by Commissioner Updike, seconded by Commissioner East, to approve the regular session meeting minutes of January 8, 2023 as written. Motion carried unanimously in a voice vote.
CITIZEN/PUBLIC COMMENT	
	Tokos acknowledged the written comments received from Mark Arnold concerning the City's implementation of the updated Yaquina Bay Estuary Management Plan. Tokos reported he would provide Arnold's comments to the DLCD to consider as they updated the code. The Planning Commission requested a discussion be held at a future work session concerning the updated Yaquina Bay Estuary Management Plan.
PUBLIC HEARING	
File 2-Z-23: Legislative Amendments to Establish a "Custom Creative Work" Light-Industrial Use Category.	
a. PUBLIC HEARING OPEN	7:07 p.m.

<p>b. STAFF REPORT - DERRICK TOKOS</p> <p>c. PUBLIC COMMENT</p> <p>d. PUBLIC HEARING CLOSED</p> <p>e. COMMISSION DECISION</p>	<p>Tokos presented the written staff report.</p> <p>Janet Webster (Newport) spoke in support of the approving the amendments.</p> <p>Carol Shenk (Newport) spoke in support of the approving the amendments. She reported she received positive feedback from the Coastal Arts Guild who were in favor of the amendments.</p> <p>7:18 p.m.</p> <p>Motion was made by Commissioner East, seconded by Commissioner Hanselman, to forward a favorable recommendation to the City Council for File 2-Z-23: Legislative amendments to establish a “Custom Creative Work” Light-Industrial Use category. Motion carried unanimously in a voice vote.</p> <p>The Commission requested that a discussion be added to a future work session concerning distance parameters for schools in all zones.</p>
<p>UNFINISHED BUSINESS</p> <p>Planning Commission Work Program Update.</p>	<p>Tokos discussed updates to the Planning Commission work program.</p>
<p>DIRECTOR COMMENTS</p>	<p>Tokos reviewed the Governor’s Housing Proposal for the 2024 Short Session for bill assignment.</p>

Submitted by: _____

Sherry Marineau, Executive Assistant

01-22-2024 - Planning Commission Regular Session Meeting Video Link:

https://thecityofnewport.granicus.com/player/clip/1191?view_id=2&redirect=true&h=6b92f72df9f97e4c31e0d77aa4432b13

PLANNING STAFF REPORT

Case File No. 1-CUP-24

- A. **APPLICANT:** Art Moore, Trustee, & Karen Schulzki, Trustee (owners).
- B. **REQUEST:** Approval of a request pursuant to Newport Municipal Code (NMC) Section 14.03.080/“Water-Dependent and Water-Related Uses” of the Newport Zoning Ordinance, for a conditional use permit to allow the operation of a coffee shop at the subject property that is located in a W-2/“Water-Related” zone. Any service use that is permitted outright in the Tourist Commercial C-2 district is allowed in the W-2 district following issuance of a conditional use permit.
- C. **LOCATION:** 146 SW Bay Blvd
- D. **LEGAL DESCRIPTION:** Lot 2, Block 7, Plan of Newport (Assessor’s Map 11-11-08-CA, Tax Lot 11100).
- E. **LOT SIZE:** Approximately 0.08 acre (3,484.8 sq. ft.) per Lincoln County Tax Assessor records.
- F. **STAFF REPORT**
1. **REPORT OF FACT**
- a. **Plan Designation:** Yaquina Bay Shoreland.
- b. **Zone Designation:** W-2/“Water-Related.”
- c. **Surrounding Land Uses:** A mix of commercial, tourist-oriented uses including eating and drinking places and retail shops, seafood processing related businesses, Port facilities, US Coast Guard facilities, and residential uses.
- d. **Topography and Vegetation:** The property is developed, with site grades that are relatively flat.
- e. **Existing Structures:** A 1,400 sq. ft., one-level building constructed in 1960.
- f. **Utilities:** All are available to the site.
- g. **Development Constraints:** Tsunami Hazard Overlay.
- h. **Past Land Use Actions:** File No. 2-CUP-15. Approved a retail outlet for wine, ocean/beach photography, fishing gear, and hand-crafted glass seascapes and similar specialty retail items. Approved on May 26, 2015.
- i. **Notification:** Notification to surrounding property owners and to city departments/public agencies was mailed on January 22, 2024, and notice of the February 12, 2024 public hearing was published in the Lincoln County Leader on January 31, 2024.

j. **Attachments:**

- Attachment "A" – Application Form
- Attachment "B" – Lincoln County Assessor Property Report
- Attachment "C" – Certificate of Trust Listing Art Moore and Karen A Schulzki as Trustees
- Attachment "D" – Applicant's Existing Use Floorplan
- Attachment "E" – Applicant's Planned Use Floorplan
- Attachment "F" – Zoning Map
- Attachment "G" – Uses in the W-2 Zoning District
- Attachment "H" – Uses in the C-2 Zoning District
- Attachment "I" – Final Order and Findings for File 2-CUP-15
- Attachment "J" – Public Hearing Notice
- Attachment "K" – Ordinance No. 2215

2. **Explanation of the Request:** Pursuant to Chapter 14.03.080(18)/"Water-dependent and Water-related Uses" of the Newport Municipal Code (NMC), a retail use that is permitted outright in a C-2/"Tourist Commercial" zoning district requires a conditional use permit to be located in a W-2/"Water-Related" zoning district.

The applicant is requesting the conditional use permit to operate a coffee shop. A previous conditional use permit application was approved in 2015 (File 2-CUP-15) for the property at 146 SW Bay Blvd (Attachment "J"). The applicant is looking to change the use from a specialty retail store to a coffee shop.

Coffee shops are listed as a type of entertainment-oriented retail use that is permitted outright in the C-2 zone district (NMC 14.03.060(C)(2)(b)(iv)), meaning such a use can be permitted in the W-2 zone district if approved as part of a conditional use permit (NMC 14.03.080(18)).

3. **Evaluation of the Request:**

- a. **Comments:** No comments have been received related to this application.

b. **Conditional Use Criteria (NMC Chapter 14.34.050):**

- (1) The public facilities can adequately accommodate the proposed use.
- (2) The request complies with the requirements of the underlying zone or overlay zone.
- (3) The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.
- (4) A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.

c. **Staff Analysis:**

To grant the permit, the Planning Commission must find that the applicant's proposal meets the following criteria.

(1) The public facilities can adequately accommodate the proposed use.

Public facilities are defined in the Zoning Ordinance as sanitary sewer, water, streets and electricity. All public facilities are available and presently serve the property, as noted on the zoning map, which includes utility details (Attachment "F"). The applicant will be renovating an existing tenant space.

As depicted on the aerial image on the zoning map, street and sidewalk access to this developed site is available off of SW Bay Boulevard. SW Bay Boulevard is designed as a collector roadway and is fully improved and paved. The Commission accepts this as sufficient evidence to establish that street access to the property is adequate. The City provides water service to the site via 12-inch mains in SW Bay Blvd. Sewer service is provided via a 10-inch line in SW Bay Boulevard. Storm drainage is collected in catch basins and directed under SW Bay Boulevard to the bay. The existing residence utilizes these services. The services have been sized to accommodate regional development in the area, including industrial users such as the fish plants along SW Bay Boulevard and the Commission can rely upon the presence of these utilities to establish that the water, sewer, and storm drainage services are adequate to support a coffee shop use at this location. Electric service is available to the existing building and the demands a coffee shop use will place on electrical service should be comparable to the existing residential use.

(2) The request complies with the requirements of the underlying zone or overlay zone.

This criterion addresses requirements of the underlying or overlay zone. Each zoning district includes "intent" language. For the W-2 district, it includes the following:

"All conditional uses in a W-2 district shall also comply with the following standard: In areas considered to be historic, unique, or scenic, the proposed use shall be designed to maintain or enhance the historic, unique, or scenic quality."
(NMC 14.03.040)

The applicant has not indicated that there will be any changes to exterior of the premises, and the overall development character of the area will not be changed. Lincoln County Assessment records indicate that the structure was originally built in 1960.

The premises is zoned W-2 with retail uses permitted in C-2 being conditional. The applicant's retail business complies with these zoning parameters.

Given the above, it is reasonable for the Planning Commission to find that this criterion is satisfied.

- (3) The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.

This criterion relates to the issue of whether or not the proposed use has potential "adverse impacts" greater than existing uses and whether conditions may be attached to ameliorate those "adverse impacts." Impacts are defined in the Zoning Ordinance as including, but not being limited to, the effect of nuisances such as dust, smoke, noise, glare, vibration, safety, and odors on a neighborhood. Adequate off-street parking, or the lack thereof, may also be considered by the Commission under this criterion.

The area around the subject property is zoned for "Tourist Commercial" uses. The businesses around the premises are varied, but include retail sales businesses and restaurants.

This property is within the Bayfront Special Parking Area where public parking meters are being utilized. NMC 14.14.100(B) of Ordinance No. 2215 (Attachment "K") provides that redevelopment that generates an additional parking demand that is less than 20 spaces is not required to construct new off-street parking. Parking demand for a coffee shop, which is akin to a restaurant, will generate an additional demand of fewer than 5 spaces. The calculations are shown at the top of page 15, of Ordinance No. 2215, since this specific property was used as an example of the types of development that can occur under the 20 space allowance.

The building is existing, and the applicant is not proposing to enlarge the size of the structure.

Given the above, it is reasonable for the Planning Commission to find that this criterion has been satisfied.

- (4) A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.

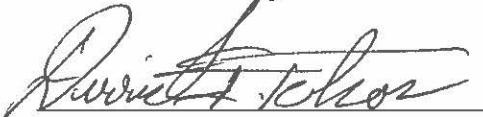
The applicant has not indicated that they plan to make any changes to the exterior of the building.

Given the above, it is reasonable for the Planning Commission to find that the use will be consistent with the overall development character of the neighborhood.

4. **Conclusion:** If the Planning Commission finds that the applicant has met the criteria established in the Zoning Ordinance for granting a conditional use permit, then the Commission should approve the request. The Commission can attach reasonable conditions that are necessary to carry out the purposes of the Zoning Ordinance and the Comprehensive Plan. If the Commission finds that the request does not comply with the criteria, then the Commission should deny the application.

G. **STAFF RECOMMENDATION:** As outlined in this report, this application to operate a retail use at 146 SW Bay Boulevard within the W-2 zoning district can satisfy the approval criteria for a conditional use provided conditions are imposed as outlined below. Accordingly, the Commission should approve this request, subject to the following:

1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to the staff report. No use shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the applicant/property owner to comply with these documents and the limitations of approval described herein.
2. The applicant shall comply with all applicable building codes, fire codes, and other public health and safety regulations to ensure that the use will not be detrimental to the safety and health of persons in the neighborhood. The applicant is responsible for obtaining the necessary approvals and permits pertaining to the proposed use. If the applicant must materially modify the size or height of the building in order to comply with these codes, then a conditional use permit shall be submitted to establish that the changes are consistent with the overall development character of the neighborhood.



Derrick I. Tokos AICP
Community Development Director
City of Newport

February 8, 2024



City of Newport Land Use Application

I-CUP-24

Applicant Name(s): ART MOORE TSTEE	Property Owner Name(s) if other than applicant
KAREN SCHULZKI MOORE TSTEE	SCHULZKI LIVING TRUST
Applicant Mailing Address:	Property Owner Mailing Address:
P.O. Box 98 DEPOE BAY, OR 97341	
Applicant Phone No.	Property Owner Phone No.
541-961-9087	541-961-9087
Applicant Email	Property Owner Email
PACCOASTART@AOL.COM	PACCOASTART@AOL.COM
Authorized Representative(s): <i>Person authorized to submit and act on this application on applicant's behalf</i>	
Authorized Representative Mailing Address:	
Authorized Representative Telephone No.	
Authorized Representative Email.	

Project Information

Property Location: <i>Street name if address # not assigned</i>	
146 S.W. BAY BLVD NEWPORT, OR 97365	
Tax Assessor's Map No.:	Tax Lot(s):
11-11-08-AE-11100-00	
Zone Designation:	Legal Description: <i>Add additional sheets if necessary</i>
Comp. Plan Designation:	
Brief description of Land Use Request(s):	
CHANGING FROM WINE TASTING TO A COFFEE SHOP	
Examples:	
1. Move north property line 5 feet south	
2. Variance of 2 feet from the required 15-foot front yard setback	
Existing Structures: if any	
Topography and Vegetation:	

Application Type (please check all that apply)

- | | | |
|--|---|---|
| <input type="checkbox"/> Annexation
<input type="checkbox"/> Appeal
<input type="checkbox"/> Comp Plan/Map Amendment
<input type="checkbox"/> Conditional Use Permit
<input type="checkbox"/> PC
<input type="checkbox"/> Staff
<input type="checkbox"/> Design Review
<input type="checkbox"/> Geologic Permit | <input type="checkbox"/> Interpretation
<input type="checkbox"/> Minor Replat
<input type="checkbox"/> Partition
<input type="checkbox"/> Planned Development
<input type="checkbox"/> Property Line Adjustment
<input type="checkbox"/> Shoreland Impact
<input type="checkbox"/> Subdivision
<input type="checkbox"/> Temporary Use Permit | <input type="checkbox"/> UGB Amendment
<input type="checkbox"/> Vacation
<input type="checkbox"/> Variance/Adjustment
<input type="checkbox"/> PC
<input type="checkbox"/> Staff
<input type="checkbox"/> Zone Ord/Map
<input type="checkbox"/> Amendment
<input type="checkbox"/> Other |
|--|---|---|

FOR OFFICE USE ONLY


File No. Assigned: 1-CUP-24		
Date Received: 1/11/24	Fee Amount: 971-	Date Accepted as Complete:
Received By: SI	Receipt No. 7621	Accepted By:
City Hall 169, SW Coast Hwy Newport, OR 97365 541.574.0629		
625-24-000003-PLUG		



City of Newport Land Use Application

I understand that I am responsible for addressing the legal criteria relevant to my application and that the burden of proof justifying an approval of my application is with me. I also understand that this responsibility is independent of any opinions expressed in the Community Development and Planning Department Staff Report concerning the applicable criteria.

I certify that, to the best of my knowledge, all information provided in this application is accurate.

 Applicant Signature(s)	1-10-94 Date
Property Owner Signature(s) (if other than applicant)	Date
Authorized representative Signature(s) (if other than applicant)	Date
<p style="text-align: center;">Please note application will not be accepted without all applicable signatures.</p> <p>Please ask staff for a list of application submittal requirements for your specific type of request.</p>	

LINCOLNPROD PROPERTY RECORD CARD

Property ID: R23854

Map and Taxlot: 11-11-08-AC-11100-00

Tax Year: 2024

Attachment "B"

024 12:31:34 PM

PROPERTY SITUS ADDRESS
 46 SW BAY BLVD
 Maintenance Area: E-10

GENERAL PROPERTY INFORMATION
 Prop Class: 201
 NBH Code: N216
 Prop Type Code: COM
 Prop Code: Z5: COMMERCIAL NEWPORT & LINC
 Next Appr Date:
 Next Appr Reason:
 Last Appr Date: 12/13/2023
 Appraiser: PAB, PPB
 Zoning: W-2
 Code Area: 104
 Related Accts: P529131, P530429

OWNER NAME AND MAILING ADDRESS
 IOORE KAREN A SCHULZKI TSTEE
 IOORE ART TSTEE
 O BOX 98
 EPOE BAY, OR 97341

LEGAL DESCRIPTION
 EWPORT, BLOCK 7, LOT 2, DOC202306802

VALUE HISTORY

Year	Land RMV	Imp RMV	Total RMV	Total AV	LSU Value
2023	245,580	184,570	430,150	243,780	
2022	276,390	225,860	502,250	236,680	
2021	266,700	148,740	415,440	229,790	
2020	242,450	132,210	374,660	223,100	
2019	242,450	132,210	374,660	216,610	
2018	242,450	104,670	347,120	210,310	

I-CUP-24

ASSESSMENT INFORMATION

Category	Value	Category	Value
Land Non-LSU:	245,580	Prior MAV:	243,780
Improvement:	184,570	Prior MAV Adj:	0
Non-LSU RMV Total:	430,150	Prior AV:	243,780
Land LSU:	0	Prior AV Adj:	0
RMV Total:	430,150	AV +3%:	251,093
		New M50 AV:	251,093

SALES INFORMATION

Date	Type	Sale Price	Adj Sale Price	Validity	Inst. Type	Sale Ref
09/28/2023	33			SALE	WD WARRANTY DEE	202306802
08/12/2021	30			SALE	WD WARRANTY DEE	202110539
01/21/2013	33			SALE	WD WARRANTY DEE	201301905

Acres: 0 Sqft:

Effective Acres: 0

BUILDING PERMITS AND INSPECTIONS

Type	Appraiser	Issue Date	Date Checked	% Comp	Comment
RVI: REVIEW IMP VAI Z5, Z		01/01/2025		0	DESC: VERIFY USE IS STILL RETAIL AND NOT RESTAURANT

PARCEL COMMENTS

enFlag- M_06C,M_07C,M_09C,M_10C,M_16C,M_24C
 Prop-Note- 10NO.COND=EXC;RMLD 2005/06 EST YEAR BUILT 1960.,24YES - OWNER,1960 3+ HOUSE. ZONING ONLY ALLOWS RETAIL OR RESTAURANT USE.
 and- RES IN COMM. ZONE /REVISIONS TO BLDG-RES NOW COMMERCIAL

EXEMPTIONS

Code Exempt RMV

Exceptions

Code	Year	Amount	Meth
NI	2016	6,690	
NI	2007	32,550	
NI	2006	1,080	

MARKET LAND INFORMATION

Type	Table	Method	Acres	Base Value	Adjustment Code - %	NBHD %	Total Adj %	Final Value
SBV: COM DEV BAYVIEW SIT 5BSF		SFT	0.080	35	LOC-90,V-200,T-80	1.250	1.800	229,950
D: SITE DEVELOPMENT	NNOS	LT	0.000	11,500	LSP-1000	1.250	1.250	15,630
Total Acres:			0.080			Total Market Land Value:		245,580

LAND SPECIAL USE

Code	SAV	Unt	Pr	MSAV	Unt	Pr	LSU
Total LSU:							

LINCOLNPROD PROPERTY RECORD CARD

Property ID: R23854

Map and Taxlot: 11-11-08-AC-11100-00

Tax Year: 2024

Run Date: 2/8/2024 12:31:34 PM

COMMERCIAL IMPROVEMENTS

o.	Inst. ID	OAA Seg	Business Name	Occupancy Class	Occ %	Stories	Hgt	Rank	Yr Blt	Eff Yr	Area	Perim	Adjustment Code-%	NBHD %	Total Adj %	RCNLD	MS Depr %	RMV
.1	2319966	MA		353-Retail St	100	1		2.0	1800		1,391	170.00		4.700	4.700	38,080	0	178,9
.2	2319971	CONC		163-Site Imp	100	1		2.0	1800		624			4.700	4.700	525	0	2,4
.3	2319972	PFNC		163-Site Imp	100	1		2.0	1800		78			4.700	4.700	663	0	3,1
Total RMV:																		184,5

COMMERCIAL ADDITIONS

o.	Instance ID	Type	Desc	Value
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COMMERCIAL BASEMENTS

No.	Instance ID	Bsmt Type	Area	Depth
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COMMERCIAL COMMENTS

LINCOLNPROD PROPERTY RECORD CARD

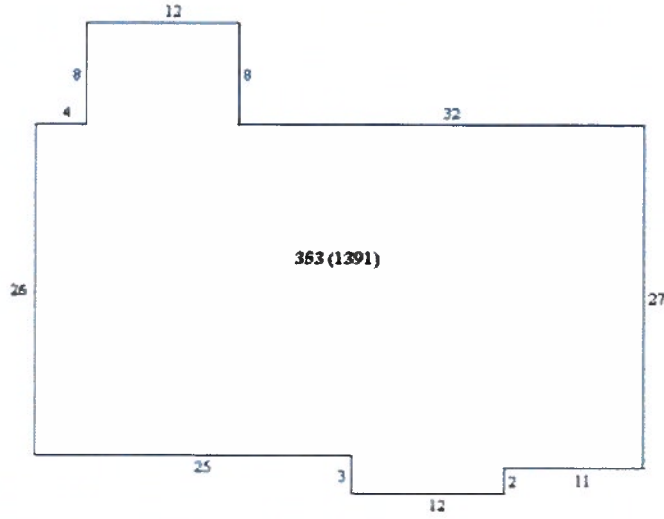
roperty ID: R23854

Map and Taxlot: 11-11-08-AC-11100-00

Tax Year: 2024

Run Date: 2/8/2024 12:31:34 PM

itus: 146 SW BAY BLVD



KETCH VECTORS: A0CR25D3R12U2R11U27L32U8L12D8L4D26
KETCH COMMENTS:

Certificate of Trust

The undersigned Trustor and Trustees hereby certify the following:

1. This Certificate of Trust refers to the SCHULZKI LIVING TRUST, dated November 20, 2002, and any amendments thereto, executed by KAREN A. SCHULZKI as Trustor. Property to be titled in this trust should be transferred to KAREN A. SCHULZKI and ART MOORE, Trustees, or their successors in trust, under the SCHULZKI LIVING TRUST, dated November 20, 2002.

2. The address of the Trustor is PO Box 98, Depoe Bay, OR 97341.

3. The initial Trustees of the Trust are:

KAREN A. SCHULZKI and ART MOORE

4. The present Trustees are:

KAREN A. SCHULZKI
PO Box 98
Depoe Bay, OR 97341

ART MOORE
PO Box 1069
Depoe Bay, OR 97341

5. My Trust is a grantor trust under the provisions of Sections 673-677 of the Code. My Social Security Number, 324-46-4529, may be used as the tax identification number for my Trust.

6. Notwithstanding any other provisions of my Trust Agreement, if any of the following is serving as a Co-Trustee of any Trust under my Trust Agreement, such Co-Trustee may make decisions and bind my Trust in the exercise of all powers and discretion granted to the Trustees without the consent of any other Trustee:

KAREN A. SCHULZKI
ART MOORE

7. My Trustees under my Trust Agreement are authorized to acquire, sell, convey, encumber, lease, borrow, manage and otherwise deal with interests in real and personal property in my Trust name. My Trustees shall have full banking powers, including the power to open, close, or modify accounts or other banking arrangements, including, but not limited to, safe deposit boxes, savings, checking, and CD accounts. All powers of my Trustees are fully set forth in the Trustee Powers Article of my Trust Agreement.

8. My Trust is revocable and KAREN A. SCHULZKI holds the power to revoke the Trust. My Trust, executed on November 20, 2002, currently exists, has not been revoked, modified, or amended in any manner that would cause the representations contained in this

certification of trust to be incorrect. There have been no amendments limiting the powers of my Trustees over trust property.

- 9. No person or entity paying money to or delivering property to my Trustees shall be required to see to its application. All persons relying on this document regarding my Trustees and their powers over trust property shall be held harmless for any resulting loss or liability from such reliance. A copy of this Certificate of Trust shall be just as valid as the original.
- 10. Attached to this Certificate of Trust and incorporated herein are copies of the first page, Appointment of Trustees page and the execution page of the Trust.

The undersigned certify that the statements in this Certificate of Trust are true and correct and that it was executed in the County of Washington, Oregon, on March 14, 2014.


Trutor and Trustee:



 KAREN A. SCHULZKI

Trustee:


 ART MOORE


Witnesses:

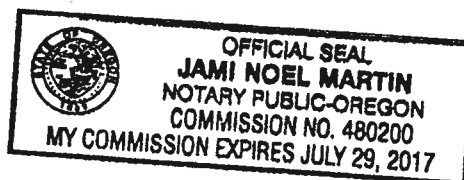

 JUSTIN R. MARTIN
 10300 SW Greenburg Road, Ste. 500
 Portland, OR 97223


 JUDY GIBSON
 10300 SW Greenburg Road, Ste. 500
 Portland, OR 97223

STATE OF OREGON)
 COUNTY OF WASHINGTON) SS

This instrument was acknowledged before me on March 14, 2014 by KAREN A. SCHULZKI.


 Notary Public for Oregon
 My Commission Expires: 7/29/17

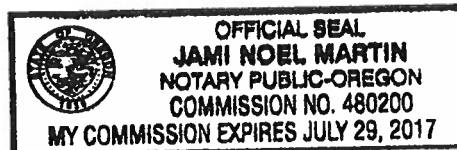


STATE OF OREGON)
COUNTY OF WASHINGTON) SS

This instrument was acknowledged before me on March 14, 2014 by ART MOORE.

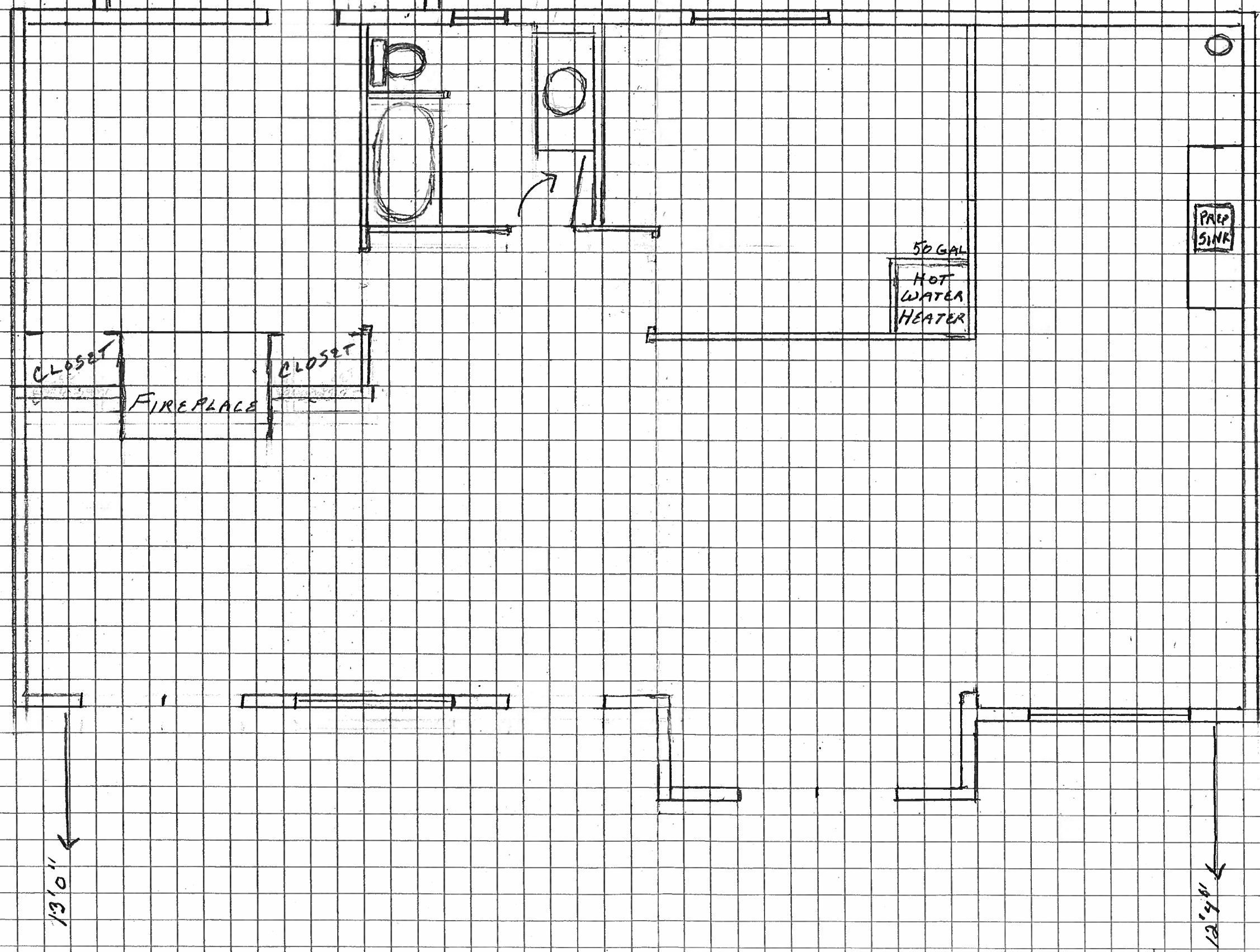
Jami Noel Martin

Notary Public for Oregon
My Commission Expires: 7/29/17



Prepared by:
Justin R. Martin
Myatt & Bell, P.C.
10300 SW Greenburg Road, Ste. 500
Portland, OR 97223
(503) 641-6262 FAX (503) 546-9724
<http://www.myattandbell.com>

Certificate of Trust



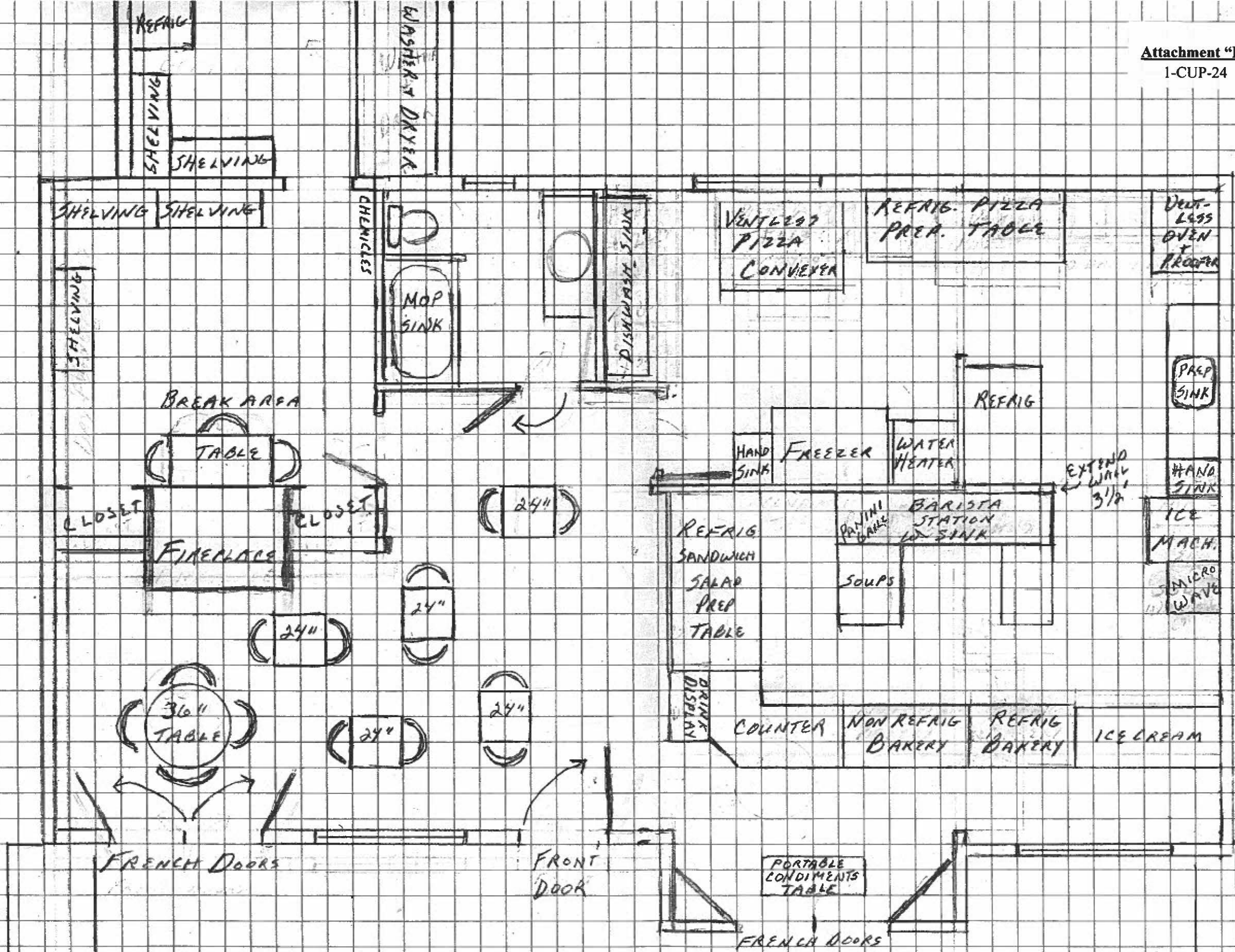
MARINA
VIEW
CAFE

146 S.W. BAY BLVD
NEWPORT 97365

1/4" = 1.0'

1/4" = 1.0'

INSIDE SEATING = 14



MARINA VIEW CAFE

146 S.W. BAY BLVD
NEWPORT 97365

Attachment "F"
1-CUP-24

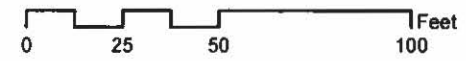


City of Newport
Community Development Department
160 SW Coast Highway
Newport, OR 97365
Phone: 1.541.574.0629
Fax: 1.541.574.0644

The map is for informational use only and has not been prepared for, nor is it suitable for legal, engineering, or surveying purposes. It includes data from multiple sources. The City of Newport assumes no responsibility for its completion or use and users of this information are cautioned to verify all information with the City of Newport Community Development Department.

Zoning & Utilities Map 146 SW Bay Blvd

Image Taken July 2018
4-inch, 4-band Digital Orthophotos
Quantum Spatial, Inc. Corvallis, OR



**CITY OF NEWPORT
USES IN THE WATER DEPENDENT AND RELATED ZONING DISTRICTS**

W-1/"Water Dependent"

Permitted Uses:

Aquaculture
Boat Rentals, Sport Fishing, and Charter Boat Services
Docks, Wharves, and Piers
Dry Docks, Boat Repair, Marine Services, and Marine
Railway Facilities
Fuel Facilities for Boats or Ships
Marinas and Port Facilities
Seafood Processing and Packaging Plants
Terminal Facilities for Loading and Unloading Ships and
Barges
Marine Research and Education Facilities of Observation,
Sampling, Recording, or Experimentation On Or Near the
Water

Conditional Uses:

Ice Production and Sales, Refrigeration Repair, and Cold
Storage To Serve the Seafood Industry
Boat Building and Marine Equipment Manufacture
Parking Lots
Warehouses
Uses Allowed in the Adjacent Estuarine Management Unit
Water-Dependent Uses That Meet the Intent of the W-1
District

W-2/"Water Related"

Permitted Uses:

Aquaculture
Boat Rentals, Sport Fishing, and Charter Boat Services
Docks, Wharves, and Piers
Dry Dock, Boat Repair, Marine Services, and Marine
Railway Facilities
Fuel Facilities for Boats or Ships
Marinas and Port Facilities
Seafood Processing and Packaging Plants
Terminal Facilities For Loading and Unloading Ships and
Barges
Marine Research and Education Facilities of Observation,
Sampling, Recording, or Experimentation On Or Near the
Water
Ice Production and Sales, Refrigeration Repair, and Cold
Storage to Serve the Seafood Industry
Boat Building and Marine Equipment Manufacture
Parking Lots
Warehouses
Uses Allowed in the Adjacent Estuarine Management
Unit
Water-Dependent Uses That Meet the Intent of the W-1
District
Bait, Tackle, and Sporting Goods Stores Specializing in
Water-Related Merchandise
Seafood Markets

Conditional Uses:

Uses Permitted Outright in the C-2 District
Offices Not on the Ground Floor of an Existing Building
Residences (prohibited at street grade; for floors other
than street grade, residences allowed subject to issuance of
a conditional use permit; density limitations same as R-4;
see Section 2-4-1 of the Zoning Ordinance).

**CITY OF NEWPORT
C-2/"TOURIST COMMERCIAL" ZONING DISTRICT USES**

PERMITTED USES**Retail Sales & Service****Sales-oriented, general retail**

(examples: consumer, home, & business goods including art, art supplies, bicycles, books, clothing, dry goods, electronic equipment, fabric, pharmaceuticals, plants, printed material, stationery & video; food; vehicle service (but not repair of vehicles).)

Entertainment

(examples: restaurants (sit-down & drive-thru); cafes; delicatessens; taverns & bars; hotels, motels & other temporary lodging (w/ avg. length of stay < 30 days); athletic, exercise & health clubs or gyms; bowling alleys, skating rinks, game arcades; pool halls; dance halls, studios & schools; theaters; indoor firing ranges; miniature golf facilities, golf courses & driving ranges.)

Parking Facility

(examples: short & long-term fee pkg. facilities; commercial district shared pkg. lots; commercial shuttle pkg.; park-&-ride lots.)

Basic Utilities & Roads

(examples: water & sewer pump stations; sewage disposal & conveyance systems; electrical substations; water towers & reservoirs; water quality & flow control devices; water conveyance systems; stormwater facilities & conveyance systems; telephone exchanges; suspended cable transportation systems; bus stops or turnarounds; local, collector & arterial roadways; highway maintenance.)

CONDITIONAL USES**Retail Sales & Service****Personal Services**

(examples: bank branches; urgent medical care; laundromats; photographic studios; photocopy & blueprint svcs.; printing, publishing & lithography; hair, tanning & personal care svcs.; tax preparers, accountants, engineers, architects, real estate agents, legal, financial svcs.; art studios; art, dance, music, martial arts & other recreational or cultural classes/schools; taxidermists; mortuaries;

(CONDITIONAL USES CONTINUED)

veterinarians; kennels (limited to boarding & training w/no breeding); animal grooming.)

Major Event Entertainment

(examples: fairgrounds; sports complexes; ball fields; exhibition & meeting areas; coliseums or stadiums; equestrian centers & animal arenas; outdoor amphitheater; theme or water parks.)

Waste & Recycling Related

(examples: sanitary landfills; limited-use landfills; waste composting; energy recovery plants; sewer treatment plants; portable sanitary collection equipment storage & pumping; hazardous waste collection sites.)

Utility, Road & Transit Corridors

(examples: highways; rail trunk & feeder lines; regional electrical transmission lines; regional gas & oil pipelines.)

Community Service

(examples: churches; libraries; museums; senior centers; community centers; publicly-owned swimming pools; youth club facilities; hospices; police stations, fire & ambulance stations; drug & alcohol centers; social service facilities; mass shelters or short-term housing (when operated by a public or non-profit agency); soup kitchens; surplus food distribution centers.)

Daycare Facility

(examples: preschools, nursery schools, latch key programs (more than 12 children under age 13 outside their homes); adult daycare programs.)

Educational Institutions**Elementary & Secondary Schools**

(examples: elementary, middle & high schools.)

Hospitals

(examples: hospitals & medical complexes that include hospitals or emergency care facilities.)

➤ **Within the Historic Nye Beach Design Review District, commercial uses in excess of 2,000 square feet of gross floor area are conditional uses.**

PROHIBITED USES

Office

(examples: bank headquarters; data processing; government; public utilities; TV & radio studios; medical & dental clinics and labs; contractors.)

Retail Sales & Service

Sales-oriented, bulk retail

(examples: stores selling large consumer home & business goods including appliances, furniture, hardware, home improvements; sales or leasing of consumer vehicles including passenger vehicles, motorcycles, light & medium trucks & other recreational vehicles.)

Repair-oriented

(examples: repair of TVs, bicycles, clocks, watches, shoes, guns, appliances & office equipment; photo or laundry drop-off; quick printing; recycling drop-off; tailor; locksmith; upholsterer.)

Vehicle Repair

(examples: vehicle repair; transmission or muffler shop; auto body shop; alignment shop; auto upholstery shop; auto detailing; tire sales & mounting.)

Self-Service Storage

(examples: single-story & multi-story facilities that provide individual storage areas for rent (aka mini warehouses).)

Contractors & Industrial Service

(examples: welding shops; machine shops; tool repair; electric motor repair; repair of scientific or professional instruments; sales, repair, storage, salvage, or wrecking heavy machinery, metal, & building materials; towing & vehicle storage; auto & truck salvage & wrecking; heavy truck servicing & repair; tire re-treading or recapping; truck stops; building, heating, plumbing, or electrical contractors; printing, publishing & lithography; exterminators; recycling operations; janitorial & building maintenance svcs.; fuel oil distributors; solid fuel yards; research & development labs; dry-docks & repair or dismantling of ships & barges; laundry, dry-cleaning & carpet cleaning plants; photofinishing labs.)

Manufacturing & Production

Light Manufacturing

(examples: light industrial uses that do not generate excessive noise, dust, vibration, or fumes including processing food & related products (where activities are wholly contained w/in a structure) such as

bakery products, canned & preserved fruits & vegetables, sugar & confectionary products & beverages; catering establishments; breweries, distilleries & wineries; manufacture of apparel or other fabricated products made from textiles, leather, or similar materials; woodworking including furniture & cabinet making; fabrication of metal products & fixtures; manufacture or assembly of machinery equipment or instruments including industrial, commercial & transportation equipment, household items, precision items, photographic, medical & optical goods, artwork, jewelry & toys; manufacture of glass, glassware & pressed or blown glass; pottery & related products; printing publishing & lithography production; sign-making; movie production facilities.)

Heavy Manufacturing

(examples: industrial uses that should not be located near residential areas due to noise, dust, vibration, or fumes including processing food & related products (where some portion of the materials are stored or processed outdoors) such as dairies, slaughter houses, or feed lots; leather tanning & finishing; weaving or production of textiles; lumber mills, pulp & paper mills & other wood products mfg.; production of chemicals, rubber, structural clay, concrete, gypsum, plaster, bone, plastic, or stone products; primary metal industries including blast furnaces, foundries, smelting & rolling & finishing metal products; production & refinement of fossil fuels; concrete batching; asphalt mixing; mfg. of prefabricated structures including mobile homes.)

Warehouse, Freight Movement & Distribution

(examples: separate warehouses used by retail stores such as furniture & appliance stores; household moving & general freight storage; cold storage plants including frozen food lockers; storage of weapons & ammunition; major wholesale distribution centers; truck, marine, or air freight terminals; bus barns; parcel services; major post offices; grain terminals; stockpiling sand, gravel, or other aggregate materials.)

Wholesale Sales

(examples: sale or rental of machinery, equipment, heavy trucks, bldg. materials, special trade tools, welding supplies, machine parts, electrical supplies, janitorial supplies, restaurant equipment & store fixtures; mail-order houses; wholesalers of food, clothing, auto parts, bldg. hardware & office supplies.)

(PROHIBITED USES CONTINUED)

(C-2 Uses)

(PROHIBITED USES CONTINUED)

Educational Institutions**College & Universities****Trade/Vocational Schools/Other**

(examples: universities, liberal arts colleges, community colleges, nursing & medical schools (not accessory to a hospital), seminaries, public & private daytime schools, boarding schools, military academies, trade/vocational schools.)

Courts, Jails & Detention Facilities

(examples: courts, prisons, jails, probation centers, juvenile detention homes.)

Mining**Sand & Gravel****Crushed Rock****Non-Metallic Minerals****All Others**

(examples: sand & gravel extraction; excavation of rock; mining of non-metallic minerals.)

Communication Facilities

(examples: broadcast towers, communication/cell towers, point-to-point microwave towers.)

➤ **Within the Historic Nye Beach Design Review District, Recreational Vehicle Parks are prohibited.**

(C-2 Uses)

**BEFORE THE PLANNING COMMISSION
OF THE CITY OF NEWPORT,
COUNTY OF LINCOLN, STATE OF OREGON**

**IN THE MATTER OF PLANNING COMMISSION)
FILE NO. 2-CUP-15, APPLICATION FOR A)
CONDITIONAL USE PERMIT AS SUBMITTED BY) **FINAL**
NOBLE ESTATE WINERY (MARK JURASEVICH,) **ORDER**
AUTHORIZED REPRESENTATIVE) (PETER &)
HEATHER HEISLER, PROPERTY OWNERS))**

ORDER APPROVING A CONDITIONAL USE PERMIT per Section 14.03.080(18)/
“Water-dependent and Water-related Uses” of the Newport Municipal Code (NMC), in order to
operate a retail use in the W-2 zoning district at 146 SW Bay Blvd.

WHEREAS:

- 1) The Planning Commission has duly accepted the application filed consistent with the Newport Zoning Ordinance (No. 1308, as amended); and
- 2) The Planning Commission has duly held a public hearing on the request, with a public hearing a matter of record of the Planning Commission on May 26, 2015.
- 3) At the public hearing on said application, the Planning Commission received testimony and evidence; and
- 4) At the conclusion of said public hearing, after consideration and discussion, upon a motion duly seconded, the Planning Commission **APPROVED** the request.

THEREFORE, LET IT BE RESOLVED by the City of Newport Planning Commission that the attached findings of fact and conclusions (Exhibit “A”) support the approval of the requested conditional use permit with the following condition(s):

1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to the staff report. No use shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the applicant/property owner to comply with these documents and the limitations of approval described herein.
2. The applicant shall comply with all applicable building codes, fire codes, and other public health and safety regulations to ensure that the use will not be detrimental to the safety

I Final Order #2-CUP-15 – Noble Estate Winery (Heisler, owner).

and health of persons in the neighborhood. The applicant is responsible for obtaining the necessary approvals and permits pertaining to the proposed use. If the applicant must materially modify the size or height of the building in order to comply with these codes, than a conditional use permit shall be submitted to establish that the changes are consistent with the overall development character of the neighborhood.


3. No more than 50% of the retail space may be used for wine tasting, with maximum seating for 20 individuals, and food shall not be cooked for sale or consumption on the premises.

BASED UPON THE ABOVE, The Planning Commission determines that the request for a Conditional Use Permit for the retail use is in conformance with the provisions of the Comprehensive Plan and the Zoning Ordinance of the City of Newport, and the request is therefore granted.

Accepted and approved this 26th day of May, 2015.



James Patrick, Chair
Newport Planning Commission

Attest:


Derrick I. Tokos, AICP
Community Development Director

EXHIBIT "A"

Case File No. 2-CUP-15

FINDINGS OF FACT

1. Noble Estate Winery (Mark Jurasevich, authorized representative) (Peter & Heather Heisler, property owners) submitted an application on April 9, 2015, for approval of a Conditional Use Permit, per Chapter 14.03.080(18) "Water-dependent and Water-related Uses" of the Newport Municipal Code, to convert a 1,400+/- sq. ft. single family residence into a commercial retail space for the sale of specialty retail items including wine, ocean/beach photography, fishing gear, and hand-crafted glass seascapes. Since a retail use is permitted outright in the C-2 district, it is allowed in the W-2 district following issuance of a conditional use permit.

2. The subject property is located at 146 SW Bay Blvd. (Lot 2, Block 7, Plan of Newport (Lincoln County Assessor's Map 11-11-08-AC, Tax Lot 11100)). The parcel is approximately 0.08 acre (3,484.8 sq. ft.) per Lincoln County Tax Assessor records.

3. Staff reports the following facts in connection with the application:

- a. Plan Designation: Yaquina Bay Shoreland.
- b. Zone Designation: W-2/"Water-Related."
- c. Surrounding Land Uses: A mix of commercial, tourist-oriented uses including eating and drinking places and retail shops, seafood processing related businesses, Port facilities, US Coast Guard facilities, and residential uses.
- d. Topography and Vegetation: The property is developed with a residence, the developed portion of the site is relatively flat.
- e. Existing Structures: A 1400-square-foot one-level building constructed in 1960.
- f. Utilities: All are available to the site.
- g. Development Constraints: None known.
- h. Past Land Use Actions: None specific to the subject property.

4. Upon acceptance of the application, the Community Development (Planning) Department mailed notice of the proposed action on April 27, 2015; and the notice of public hearing was published in the Newport News-Times on May 15, 2015. The Bay Front Parking District received notice of the application pursuant to Newport Ordinance No. 2020, and comments received from the Parking District were distributed to the Commission members at the hearing.

5. A public hearing was held on May 26, 2015. At the hearing, the Planning Commission received the staff report and heard testimony from the applicant. The minutes of the May 26, 2015, hearing are hereby incorporated by reference. The Planning Staff Report with Attachments is hereby incorporated by reference into the findings. The Planning Staff Report Attachments included the following:

- Attachment "A" – Applicant's Description of Land Use Application
- Attachment "A-1" – Site Plan

- Attachment "A-2" – Photographs of Building
- Attachment "A-3" – Uses in the W-2 Zoning District
- Attachment "A-4" – Uses in the C-2 Zoning District
- Attachment "B" – Public Hearing Notice
- Attachment "C" – Zoning Map of the Area
- Attachment "D" – Aerial Image of the Property
- Attachment "E" – Copy of Ordinance No. 2020 – Bayfront Parking District

6. Pursuant to Chapter 14.03.080(18)“Water-dependent and Water-related Uses” of the Newport Municipal Code (NMC), a retail use that is permitted outright in a C-2/“Tourist Commercial” zoning district requires a conditional use permit to be located in a W-2/“Water-related zoning district.

7. The applicant is requesting the conditional use permit to convert a single family residence into a specialty retail store that will sell such items as wine, ocean/beach photography from Oregon Gallery, fishing gear, and hand-crafted glass seascapes from Celestial Tides. The applicant has agreements in place with Celestial Tides and Oregon Gallery to be their retail outlets for the Newport area. The space will be shared with J. Scott Cellars, which already uses water themes in their branding and marketing.

8. NMC 14.34.040(A) requires that applications include a site plan showing the dimensions and arrangement of the proposed development on the lot. The applicant provided a site plan showing the building’s existing layout as a residence and the proposed layout for the commercial use. The application also included photographs of the property. This should provide the Commission with enough information to evaluate the application.

9. NMC 14.34.030 indicates that a Type III decision–making procedure, with review and approval by the Planning Commission, is required for any use that generates more than 50 additional vehicle trips per day, as determined in the document entitled “Trip Generation,” an informational report prepared by the Institute of Traffic Engineers (ITE). For specialty retail uses (ITE Code 814), a retail space that is 1,400 sq. ft. in size will generate 62 daily trips. A single family home (ITE 210) generates 10 trips per day, meaning that the proposal will generate 52 additional vehicle trips per day. The number of new daily trips exceeds 50; therefore, this application must be approved by the Planning Commission. A copy of the notice for this hearing (Staff Report Attachment “B”) establishes that notice was provided to property owners within 200-feet of the property and that it was published in a newspaper of general circulation at least five (5) and not more than fourteen (14) days prior to the hearing, as required (NMC 14.52.060).

10. The applicable criteria for the conditional use request are found in NMC Section 14.34.050:

- a. The public facilities can adequately accommodate the proposed use.
- b. The request complies with the requirements of the underlying zone or overlay zone.
- c. The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.

- d. A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.

CONCLUSIONS

Regarding the applicable criteria for the conditional use request, the following conclusions can be made:

A. *Criterion #1. The public facilities can adequately accommodate the proposed use.*

1. Public facilities are defined in the Zoning Ordinance as sanitary sewer, water, streets, and electricity. All public facilities are available and serve the property.
2. As depicted with the photographs of the property (Staff Report Attachment "A-2") and aerial image of the site (Staff Report Attachment "D"), street and sidewalk access to this developed site is available off of SW Bay Boulevard. SW Bay Boulevard is designed as a collector roadway and is fully improved and paved. The Commission accepts this as sufficient evidence to establish that street access to the property is adequate. The City provides water service to the site via 12-inch mains in SW Bay Blvd. Sewer service is provided via a 10-inch line in SW Bay Boulevard. Storm drainage is collected in catch basins and directed under SW Bay Boulevard to the bay. The existing residence utilizes these services. The services have been sized to accommodate regional development in the area, including industrial users such as the fish plants along SW Bay Boulevard and the Commission can rely upon the presence of these utilities to establish that the water, sewer, and storm drainage services are adequate to support a retail use at this location. Electric service is available to the existing building and the demands a retail use will place on electrical service should be comparable to the existing residential use.
3. Given the above, the Planning Commission concludes that the public facilities can adequately accommodate the retail use.

B. *Criterion #2. The request complies with the requirements of the underlying zone or overlay zone.*

1. This criterion addresses special requirements of the underlying or overlay zone beyond the standard zoning ordinance requirements. The Zoning Ordinance requires that in all areas that are considered to be historic, unique, or scenic waterfront communities, proposed conditional uses shall be designed to maintain or enhance the historic, unique, or scenic quality of the area. The Bay Front, in which the proposed use will be located, is considered a historic and unique waterfront community by the adopted Bay Front Plan, thereby, requiring the preservation and enhancement of its characteristics.
2. The applicant has not indicated that there will be any changes to exterior of the premises, and the overall development character of the area will not be changed. Lincoln County Assessment records indicate that the structure was originally built in 1960.
3. The premises is zoned W-2 with retail uses permitted in C-2 being conditional. The applicant's retail business complies with these zoning parameters.

4. Given the above, the Planning Commission concludes that this criterion is satisfied.

C. Criterion #3. The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.

1. This criterion relates to the issue of whether or not the proposed use has potential "adverse impacts" greater than existing uses and whether conditions may be attached to ameliorate those "adverse impacts." Impacts are defined in the Zoning Ordinance as including, but not being limited to, the effect of nuisances such as dust, smoke, noise, glare, vibration, safety, and odors on a neighborhood. Adequate off-street parking, or the lack thereof, may also be considered by the Commission under this criterion.

2. The area around the subject property is zoned for "Tourist Commercial" uses. The businesses around the premises are varied, but include retail sales businesses and restaurants.

3. Wine tasting, and the sale of wine, art and other specialty retail goods is similar to other tourist oriented retail activities in the area and thus should not generate nuisance impacts of the type envisioned by this criterion. Parking is limited on the Bay Front and the existing dwelling on this property does not provide any off-street parking. The Commission; therefore, concludes that this is the one area that warrants a more thorough review.

4. This property is within the Bay Front Commercial Parking District (ref: Ordinance No. 2020, Staff Report Attachment "E"). Chapter 14.14 of the Newport Municipal Code sets out the City of Newport's parking requirements. NMC 14.14.030 notes that off-street parking must be provided in conjunction with new and/or expanded uses in a manner consistent with the provisions of the chapter. Later on, NMC 14.14.100 indicates that the off-street parking requirements of the chapter may be superseded in the Bay Front area if a parking district is formed. That is the case here, as Ordinance No. 2020 contains provisions addressing when new off-street spaces must be constructed. Specifically, Section 8(E) of that ordinance indicates that new development, redevelopment or building expansions that generate a demand for more than five (5) new off-street parking spaces must provide additional off-street spaces in accordance with the Newport Zoning Ordinance (i.e. NMC Chapter 14.14). For retail uses, the Newport Municipal Code requires one off-street parking space for every 300 sq. ft. of gross floor area resulting in a demand for 4.6 or effectively 5 spaces ((NMC 14.14.030(3)). This is equivalent to the five (5) off-street spaces the applicant receives as "gratis" for the annual business license surcharge that they will pay under Ordinance No. 2020; therefore, the Commission concludes that no new off-street parking spaces are needed in conjunction with the retail use.

5. Written testimony was provided at the public hearing from Janet Webster and Chris Torp questioning whether or not the "wine tasting" use should be treated as a drinking establishment or "wine bar" as opposed to a retail use (Email dated May 26, 2015). The Newport Municipal Code requires one off-street parking space for every 150 sq. ft. of gross floor area for eating and drinking establishments ((NMC 14.14.030(7)), meaning that such a use could not be established on the subject property without some off-street parking being provided since the number of spaces would exceed the 5 the site receives gratis for being within the Bay Front parking district.

6. The Commission considered the question of whether or not wine tasting is retail or an eating/drinking establishment and concluded that it is retail in the context of this application because the area dedicated to winetasting is less than 50% of the retail space, with no more than 20 seats, and the business owner will not be cooking food on the premises.

7. Given the above, the Planning Commission concludes that this criterion has been satisfied.

D. Criterion #4. A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.

1. The applicant has not indicated that any change to the exterior of the building.

2. Conversion of the residence to a commercial occupancy will require modifications to the interior of the structure. While it is unlikely that such modifications will materially affect the height or size of the building, it is a possibility. With that in mind, it is prudent for the Commission to impose a condition of approval requiring a new conditional use permit be submitted to address this criterion in the event that exterior modifications of this nature are needed.

3. Given the above, the Planning Commission concludes that the use will be consistent with the overall development character of the neighborhood with the condition noted.

OVERALL CONCLUSION

Based on the application material, the Planning Staff Report, and other evidence and testimony in the record, the Planning Commission concludes that the above findings of fact and conclusions demonstrate compliance with the criteria for a conditional use permit found in Section 14.34.050 of the Newport Municipal Code and, therefore, the requested conditional use permit for the retail use can satisfy the approval criteria for a conditional use and is hereby approved with the imposition of the following conditions of approval:

1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to the staff report. No use shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the applicant/property owner to comply with these documents and the limitations of approval described herein.

2. The applicant shall comply with all applicable building codes, fire codes, and other public health and safety regulations to ensure that the use will not be detrimental to the safety and health of persons in the neighborhood. The applicant is responsible for obtaining the necessary approvals and permits pertaining to the proposed use. If the applicant must materially modify the size or height of the building in order to comply with these codes, than a conditional use permit shall be submitted to establish that the changes are consistent with the overall development character of the neighborhood.

3. No more than 50% of the retail space may be used for wine tasting, with maximum seating for 20 individuals, and food shall not be cooked for sale or consumption on the premises.

**CITY OF NEWPORT
PUBLIC NOTICE¹**

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of Newport, Oregon, will hold a public hearing to consider the following Conditional Use Permit request:

File No. 1-CUP-24:

Applicant & Owners: Art Moore, Trustee, & Karen Schulzki, Trustee.

Request: Approval of a request pursuant to Newport Municipal Code (NMC) Section 14.03.080/"Water-Dependent and Water-Related Uses" of the Newport Zoning Ordinance, for a conditional use permit to allow the operation of a coffee shop at the subject property that is located in a W-2/"Water-Related" zone. Any service use that is permitted outright in the Tourist Commercial C-2 district is allowed in the W-2 district following issuance of a conditional use permit.

Location/Subject Property: 146 SW Bay Blvd, Newport, OR 97365 (Tax Map 11-11-08-CA, Tax Lot 11100).

Applicable Criteria: NMC Chapter 14.34.050: (1) The public facilities can adequately accommodate the proposed use; 2) the request complies with the requirements of the underlying zone or overlay zone; 3) the proposed use does not have an adverse impact greater than existing uses on nearby properties, or impacts can be ameliorated through imposition of conditions of approval; and 4) a proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright. NMC Chapter 14.03.040: All conditional uses in a W-2 district shall also comply with the following standard: In areas considered to be historic, unique, or scenic, the proposed use shall be designed to maintain or enhance the historic, unique, or scenic quality.

Testimony: Testimony and evidence must be directed toward the criteria described above or other criteria in the Comprehensive Plan and its implementing ordinances which the person believes to apply to the decision. Failure to raise an issue with sufficient specificity to afford the city and the parties an opportunity to respond to that issue precludes an appeal (including to the Land Use Board of Appeals) based on that issue. Submit testimony in written or oral form. Oral testimony and written testimony will be taken during the course of the public hearing. Letters sent to the Community Development (Planning) Department (address below under "Reports/Application Material") must be received by 3:00 p.m. the day of the hearing to be included as part of the hearing or must be personally presented during testimony at the public hearing. The hearing will include a report by staff, testimony (both oral and written) from the applicant and those in favor or opposed to the application, rebuttal by the applicant, and questions and deliberation by the Planning Commission. Pursuant to ORS 197.797 (6), any person prior to the conclusion of the initial public hearing may request a continuance of the public hearing or that the record be left open for at least seven days to present additional evidence, arguments, or testimony regarding the application.

Reports/Application Material: The staff report may be reviewed or a copy purchased for reasonable cost at the Newport Community Development (Planning) Department, City Hall, 169 SW Coast Hwy, Newport, Oregon, 97365, seven days prior to the hearing. The application materials (including the application and all documents and evidence submitted in support of the application), the applicable criteria, and other file material are available for inspection at no cost; or copies may be purchased for reasonable cost at this address.

Contact: Derrick Tokos, Community Development Director, (541) 574-0626, d.tokos@newportoregon.gov (address above in "Reports/Application Material").

Time/Place of Hearing: Monday, February 12, 2024; 7:00 p.m.; City Hall Council Chambers (address above in "Reports/Application Material").

MAILED: January 22, 2024.

PUBLISHED: January 31, 2024 /News-Times.

¹ Notice of this action is being sent to the following: (1) Affected property owners within 200 feet of the subject property according to Lincoln County tax records; (2) affected public utilities within Lincoln County; and (3) affected city departments.

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSE ONLY



S.W.1/4 N.E.1/4 SEC. 8 T.11S. R.11W. W.M.
LINCOLN COUNTY
1" = 100'

Cancelled:
204
1800
1800
2500
4700
8000
6200
8600
6700
8100
8200
8400
8500
8700
8800
9100
9200
9300
9600
9700
10400
10500
10500
10700
10801
11501
11800
11800
11700
12500
12500
12700
12800
13001
13002
13004



Subject Property
File No. 1-CUP-24

PARTITION PLAT
1990-14

YAQUINA BAY

Revised: 02/24/00
NEWPC 11 11 08

**BAKER JON PAUL & BAKER LYNN D J
38695 RIVER DR
LEBANON, OR 97355**

**BROWN BONNIE
1306 S PINE ST
UNIT 7
NEWPORT, OR 97365**

**CARTUSCIELLO MARTHA L &
CARTUSCIELLO SALVATORE A
1306 S PINE ST UNIT 4
NEWPORT, OR 97365**

**CITY OF NEWPORT
CITY MANAGER
169 SW COAST HWY
NEWPORT, OR 97365**

**CITY OF NEWPORT
NEWPORT SHRIMP CO, LEASE
PO BOX 1230
NEWPORT, OR 97365**

**DANIEL ROMERO MONTANO LLC
PO BOX 2093
NEWPORT, OR 97365**

**DULCICH REALTY LLC
16797 SE 130TH AVE
CLACKAMAS, OR 97015**

**GILSON CHARLES W TSTEE & GILSON
MARCIA TSTEE
1731 PHEASANT CT
PHILOMATH, OR 97370**

**HASTING THOMAS D & HASTING
SHARON M
1306 S PINE ST
#8
NEWPORT, OR 97365**

**HICKEY KHAKHANANG
1377 MOONSHINE PARK RD
LOGSDEN, OR 97357**

**KEHOE DELORES F TRUSTEE
3400 SARATOGA ST
UNIT A
WELLINGTON, CO 80549**

**MARINER ENTERPRISES INC
DBA MARINERS SQUARE
250 SW BAY BLVD
NEWPORT, OR 97365**

**MOORE KAREN A SCHULZKI TSTEE &
MOORE ART TSTEE
PO BOX 98
DEPOE BAY, OR 97341**

**MOSHER BRIAN KELLY & ROGEL ROSIE
MARIA
8307 SW 2ND AVE
PORTLAND, OR 97219**

**OLSON TWYLAH F
1306 S PINE ST
UNIT 2
NEWPORT, OR 97365**

**PORT DOCK FOUR CONDOMINIUM
ASSOCIATION OF UNIT OWNERS
313 SW 2ND ST
NEWPORT, OR 97365**

**QUEENIN BROTHERS LLC
1242 S PINE ST
NEWPORT, OR 97365**

**ROBINSON TRACY R
PO BOX 1390
VENETA, OR 97487**

**SARGERT BARRY (TOD), ETAL/PORT OF
NEWPORT, LEASE
1306 S PINE ST
UNIT 9
NEWPORT, OR 97365**

**STEELE MICHAEL S & STEELE CYNTHIA
M
123 SW 12TH ST
NEWPORT, OR 97365**

**THREE BEARS HOLDING
COMPANY LLC, THE
PO BOX 1094
MOSES LAKE, WA 98837**

**VERVILLE HEATHER K & BRAZEAU
RICHARD B
951 15TH ST
ARCATA, CA 95521**

File 1-CUP-24

Adjacent Property Owners Within 200 Ft

NW Natural
ATTN: Dave Sanders
2815 NE 36th Dr
Lincoln City, OR 97367

Email: Bret Estes
DLCD Coastal Services Center
brett.estes@dlcd.oregon.gov

CenturyLink
ATTN: Corky Fallin
740 State St
Salem OR 97301

Central Lincoln PUD
ATTN: Ty Hillebrand
PO Box 1126
Newport OR 97365

Charter Communications
ATTN: Keith Kaminski
355 NE 1st St
Newport OR 97365

****EMAIL****
odotr2planmgr@odot.state.or.us

Joseph Lease
Building Official

Rob Murphy
Fire Chief

Justin Scharbrough
Public Works

Beth Young
Associate Planner

Jason Malloy
Police Chief

Steve Baugher
Finance Director

Laura Kimberly
Library

Michael Cavanaugh
Parks & Rec

Spencer Nebel
City Manager

Chris Beatty
Public Works

Derrick Tokos
Community Development

Lance Vanderbeck
Airport

EXHIBIT 'A'
(Affected Agencies)

(1-CUP-24)

CITY OF NEWPORT
NOTICE OF A PUBLIC HEARING

The City of Newport Planning Commission will hold a public hearing on Monday, February 12, 2024, at 7:00 p.m. in the City Hall Council Chambers to consider File No. 1-CUP-24, a request submitted by applicant and owners, Art Moore, Trustee, & Karen Schulzki, Trustee, for a conditional use permit filed pursuant to Newport Municipal Code (NMC) Section 14.03.080/"Water-Dependent and Water-Related Uses" of the Newport Zoning Ordinance, to allow the operation of a coffee shop at the subject property that is located in a W-2/"Water-Related" zone. Any service use that is permitted outright in the Tourist Commercial C-2 district is allowed in the W-2 district following issuance of a conditional use permit. The property is located at 146 SW Bay Blvd, Newport, OR 97365 (Tax Map 11-11-08-CA, Tax Lot 11100). The applicable criteria per NMC Chapter 14.34.050 are that: 1) The public facilities can adequately accommodate the proposed use; 2) the request complies with the requirements of the underlying zone or overlay zone; 3) the proposed use does not have an adverse impact greater than existing uses on nearby properties, or impacts can be ameliorated through imposition of conditions of approval; and 4) a proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright. Per NMC Chapter 14.03.040: All conditional uses in a W-2 district shall also comply with the following standard: In areas considered to be historic, unique, or scenic, the proposed use shall be designed to maintain or enhance the historic, unique, or scenic quality. Testimony and evidence must be directed toward the criteria described above or other criteria in the Comprehensive Plan and its implementing ordinances which the person believes to apply to the decision. Failure to raise an issue with sufficient specificity to afford the city and the parties an opportunity to respond to that issue precludes an appeal (including to the Land Use Board of Appeals) based on that issue. Submit testimony in written or oral form. Oral testimony and written testimony will be taken during the course of the public hearing. Letters sent to the Community Development (Planning) Department, City Hall, 169 SW Coast Hwy, Newport, OR 97365, must be received by 3:00 p.m. the day of the hearing to be included as part of the hearing or must be personally presented during testimony at the public hearing. The hearing will include a report by staff, testimony (both oral and written) from the applicant and those in favor or opposed to the application, rebuttal by the applicant, and questions and deliberation by the Planning Commission. Pursuant to ORS 197.797 (6), any person prior to the conclusion of the initial public hearing may request a continuance of the public hearing or that the record be left open for at least seven days to present additional evidence, arguments, or testimony regarding the application. The staff report may be reviewed or a copy purchased for reasonable cost at the Newport Community Development (Planning) Department (address above) seven days prior to the hearing. The application materials (including the application and all documents and evidence submitted in support of the application), the applicable criteria, and other file material are available for inspection at no cost; or copies may be purchased for reasonable cost at the above address. Contact Derrick Tokos, Community Development Director, (541) 574-0626, d.tokos@newportoregon.gov (address above).

FOR PUBLICATION ONCE ON Wednesday, January 31, 2024.

Dated and first published on January 31, 2024 /s/ Traci P. McDowall, OSB #184063, Attorney for Personal representative. PERSONAL REPRESENTATIVE: Jerry Wisniewski Jr, 650 N Highway 101, Depoe Bay, OR 97341, (541) 992-9830 LAWYER FOR PERSONAL REPRESENTATIVE: Traci P. McDowall, OSB #184063, PO Box 1987, Newport, OR 97365, (541) 272-5500, traci@yaquinalaw.com J31, F7, F14

LCL 62-31 CITY OF NEWPORT NOTICE OF A PUBLIC HEARING

The City of Newport Planning Commission will hold a public hearing on Monday, February 12, 2024, at 7:00 p.m. in the City Hall Council Chambers to consider File No. 1- CUP-24, a request submitted by applicant and owners, Art Moore, Trustee, & Karen Schulzki, Trustee, for a conditional use permit filed pursuant to Newport Municipal Code (NMC) Section 14.03.080/"Water-Dependent and Water-Related Uses" of the Newport Zoning Ordinance, to allow the operation of a coffee shop at the subject property that is located in a W-2/"Water-Related" zone. Any service use that is permitted outright in the Tourist Commercial C-2 district is allowed in the W-2 district following issuance of a conditional use permit. The property is located at 146 SW Bay Blvd, Newport, OR 97365 (Tax Map 11-11-08-CA, Tax Lot 11100). The applicable criteria per NMC Chapter 14.34.050 are that: 1) The public facilities can adequately accommodate the proposed use; 2) the request complies with the requirements of the underlying zone or overlay zone; 3) the proposed use does not have an adverse impact greater than existing uses on nearby properties, or impacts can be ameliorated through imposition of conditions of approval; and 4) a proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright. Per NMC Chapter 14.03.040: All conditional uses in a W-2 district shall also comply with the following standard: In areas considered to be historic, unique, or scenic, the proposed use shall be designed to maintain or enhance the historic, unique, or scenic quality. Testimony and evidence must be directed toward the criteria described above or other criteria in the Comprehensive Plan and its implementing ordinances which the person believes to apply to the decision. Failure to raise an issue with sufficient specificity to afford the city and the

PERSONAL REPRESENTATIVE. ADDRESS FOR PERSONAL REPRESENTATIVE: C/O ATTORNEY JOSHUA D. ZANTELLO, OSB #121562, ZANTELLO LAW GROUP, 2941 NW HIGHWAY 101, LINCOLN CITY, OR 97387. DATED AND FIRST PUBLISHED: JANUARY 31, 2024. /S/ JOSHUA D. ZANTELLO, JOSHUA D. ZANTELLO, ATTORNEY FOR PERSONAL REPRESENTATIVE. J31, F7, F14

LCL 60-07 NOTICE TO INTERESTED PERSONS IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN IN THE MATTER OF THE ESTATE OF: JOHN BYRON SMITH, DECEASED. CASE NO. 23PB10709

NOTICE TO INTERESTED PERSONS NOTICE IS HEREBY GIVEN THAT DORIS SMITH HAS BEEN APPOINTED PERSONAL REPRESENTATIVE. ALL PERSONS HAVING CLAIMS AGAINST THE ESTATE ARE REQUIRED TO PRESENT THEM, WITH VOUCHERS ATTACHED, TO PERSONAL REPRESENTATIVE, DORIS SMITH, AT THE ADDRESS BELOW, WITHIN FOUR MONTHS AFTER THE DATE OF FIRST PUBLICATION OF THIS NOTICE, OR THE CLAIMS MAY BE BARRED. ALL PERSONS WHOSE RIGHTS MAY BE AFFECTED BY THE PROCEEDINGS MAY OBTAIN ADDITIONAL INFORMATION FROM THE RECORDS OF THE COURT, THE PERSONAL REPRESENTATIVE, OR THE ATTORNEYS FOR THE PERSONAL REPRESENTATIVE. ADDRESS FOR PERSONAL REPRESENTATIVE: C/O ATTORNEY JOSHUA D. ZANTELLO, OSB #121562, ZANTELLO LAW GROUP, 2941 NW HIGHWAY 101, LINCOLN CITY, OR 97387. DATED AND FIRST PUBLISHED: JANUARY 24, 2024. /S/ JOSHUA D. ZANTELLO, JOSHUA D. ZANTELLO, ATTORNEY FOR PERSONAL REPRESENTATIVE. J24, J31, F7

LCL 57-07 NOTICE TO INTERESTED PERSONS

Notice is hereby given pursuant to ORS 113.155 that the undersigned has been appointed and has qualified as the personal representative of the ESTATE OF JAMES F. KOEHLER, DECEASED, Lincoln County Circuit Court Case Number 23PB10486. All persons having claims against the estate are hereby required to present their claims, with proper vouchers, within four months after the date of first publication of this notice, as stated below, to the personal representative at PO Box 1768, Newport OR 97365 or they may be barred. All persons whose rights may be affected by the proceedings in this estate may obtain addi-

2024. Jeffrey C. Hollen, OSB #761757, Attorney for the Personal Representative, 541-574-1630 P. O. Box 1167, 615 SW Hubbert Street, Suite A, Newport, OR 97365. Personal Representative, Scott C. Spinak, P.O. Box 2691, Santa Cruz, CA 95063, 808-228-2254. J24, J31, F7 54-07

LCL 52-31 NOTICE TO INTERESTED PERSONS NOTICE TO INTERESTED PERSONS IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN IN THE MATTER OF THE ESTATE OF SHIRLEY ANNE BALLOCH, DECEASED. CASE NO. 23PB11134

NOTICE TO INTERESTED PERSONS NOTICE IS HEREBY GIVEN THAT the undersigned has been appointed persona representative. All persons having claims against the estate are required to present them, with vouchers attached, to the undersigned personal representative by and through their attorney at P Box 1987, Newport, OR 97365, within four months after the date of first publication of this notice or the claims may be barred. All persons whose rights may be affected by the proceedings may obtain additional information from the records of the Court, the personal representative, or the lawyers for the personal representative, Traci P. McDowall. Dated and first published on January 17, 2024. Traci P. McDowall, OSB #184063, Attorney for Personal Representative. PERSONAL REPRESENTATIVE: Josh Balloch, 331 Ne Fetzner St, Grants Pass, OR 97526, (503) 508-5888. LAWYER FOR PERSONAL REPRESENTATIVE: Traci P. McDowall, OSB #184063, PO Box 1987, Newport, OR 97365, (541) 272-5500 traci@yaquinalaw.com. J17, J24, J31

LCL 51-31 NOTICE TO INTERESTED PERSONS NOTICE IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN PROBATE DEPARTMENT IN THE MATTER OF THE ESTATE OF: FREDERICK THOMAS FORD, DECEASED. NO. 24PB00169

NOTICE TO INTERESTED PERSONS NOTICE IS HEREBY GIVEN THAT the undersigned has been appointed Personal Representative of the estate. All persons having claims against the estate are hereby required to present their claims, with proper vouchers, within four (4) months after the date of the first publication of this notice, to the Personal Representative at the address below, or the claims may be barred. All persons whose rights

DUCK & TOWNSHIP "13" ADDITION NO. 2, in the City of Waldport, County of Lincoln, State of Oregon. COMMONLY KNOWN AS: 720 SE Bird Avenue, Waldport, OR 97394. Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by said trust deed and a notice of default has been recorded pursuant to Oregon Revised Statutes 86.752(3); the default for which the foreclosure is made is grantor's failure to pay when due the following sums: Monthly payments in the sum of \$841.10, from January 1, 2023 plus prior accrued late charges in the amount of \$89.93, plus the sum of \$0.00 for advances, together with all costs, disbursements, and/or fees incurred or paid by the beneficiary and/or trustee, their employees, agents or assigns. By reason of said default the beneficiary has declared all sums owing on the obligation that the trust deed secures immediately due and payable, said sum being the following, to-wit: \$37,983.61, together with accrued interest in the sum of \$2,335.39, through November 27, 2023; further interest thereon at the rate of 6.47% per annum from November 28, 2023, plus a Deferred Balance of \$6,206.88, plus prior accrued late charges in the amount of \$69.93, plus the sum of \$5,893.09 for advances, together with all costs, disbursements, and/or fees incurred or paid by the beneficiary and/or trustee, their employees, agents or assigns. WHEREFORE, notice hereby is given that the undersigned trustee will on April 16, 2024, at the hour of 1:00 PM PT, in accord with the standard time established by ORS 187.110, at the main entrance to the Lincoln County Courthouse, located at 225 West Olive, in the City of Newport, OR, County of Lincoln, State of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real property which the grantor has or had power to convey at the time of the execution of said trust deed, together with any interest which the grantor or his successors in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. Notice is further given to any person named in ORS 86.778 that the right exists, at any time that is not later than five



OLIVE



Just Like Cats & Dogs

by Dave T. Hippie



E	G	G	A
M	A	R	A
B	L	A	C
L	I	V	E
E	L	I	E
M	E	T	E
S	O	V	E
S	K	E	E
N	E	T	S
O	P	T	
O	T	O	C
P	U	R	F
S	P	E	E
F			
O	C	T	A
W	H	I	T
L	A	T	I
E	C	H	C
T	H	E	A
S	A	I	S

SCRAMBLI
Unscramble the letters within, rearrange the boxed letters to

Dear
ZIPERD
Kind
WESET
Easy
PIMSEL
Seize
INKPAD

Now, where were we before!

SCRAMBLERS
Today's Word
SNEEZED
1. Prized 2. Sweet
3. Simple 4. Kidnap
solution

1/31/2024

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Public Notices

2024 at 9:00am Ending 2/27/2024 at 9:00am for non-payment of rent and other fees. Auction to be pursuant to Auction Rules and Procedures for Truax Holdings. Rules are available at the facility office. All bidding will take place ONLINE at bid13.com Unit#LB07 Patrick Syron, J31, F7

LCL 66-31 PUBLIC NOTICE

The Pacific Communities Health District Board of Directors will hold a Virtual and special meeting on Tuesday, February 6, at 4:00 p.m. by Microsoft Teams or in person at the Samaritan Pacific Community Hospital located at 930 SW Abbey Street, Newport, OR, in Conference Room 1 & 2 on the second floor. Persons interested in joining the Virtual meeting must have the Microsoft Teams Meeting Application downloaded on personal computer or cell phone. To request a Teams Meeting invite please email glisher@samhealth.org or call 541-574-4940. To join by phone (audio only) option, directly call 1-971-254-1254, followed by Conference ID: 680 498 12#. Agenda: Call to Order, Invitation for Citizen Comments, Water Resiliency Project, Board Items, Adjourn. Georgia Fisher, Recorder, PACIFIC COMMUNITIES HEALTH DISTRICT. For additional information contact 541-574-4940 or www.pchdistrict.org J31

LCL 65-07 PUBLIC SALE

The following storage units will be sold at public auction on Saturday, February 17, 2024 at 11:00 AM for non-payment of rent and other fees. Auction is pursuant to Auction Rules and Procedures of Lincoln Storage 4809 S Coast Hwy South Beach, OR 97366 541- 867-6550. Rules are available upon inquiry. Unit 555 Michael Stone, Unit 203 Gabriel Burrows, Unit 527 Benjamin Hartman, Unit 116 Patricia Tagg, Unit 436 Patricia Tagg, Unit 527 Troyanna Gamez, Unit 399 Sung Cha, Unit 513 Jamey Macho. J31, F7

LCL 63-14 NOTICE TO INTERESTED PERSONS IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN

In the Matter of the Estate of Jerry Michael Wisniewski Sr. Deceased. Case No. 24PB00304 NOTICE TO INTERESTED PERSONS NOTICE IS HEREBY GIVEN that the undersigned has been appointed persona representative. All persons having claims against the estate are required to present them, with vouchers attached, to the undersigned personal representative by and through their attorney at P. Box 1987, Newport, OR 97365, within four

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Public Notices

parties an opportunity to respond to that issue precludes an appeal (including to the Land Use Board of Appeals) based on that issue. Submit testimony in written or oral form. Oral testimony and written testimony will be taken during the course of the public hearing. Letters sent to the Community Development (Planning) Department, City Hall, 169 SW Coast Hwy, Newport, OR 97365, must be received by 3:00 p.m. the day of the hearing to be included as part of the hearing or must be personally presented during testimony at the public hearing. The hearing will include a report by staff, testimony (both oral and written) from the applicant and those in favor or opposed to the application, rebuttal by the applicant, and questions and deliberation by the Planning Commission. Pursuant to ORS 197.797 (6), any person prior to the conclusion of the initial public hearing may request a continuance of the public hearing or that the record be left open for at least seven days to present additional evidence, arguments, or testimony regarding the application. The staff report may be reviewed or a copy purchased for reasonable cost at the Newport Community Development (Planning) Department (address above) seven days prior to the hearing. The application materials (including the application and all documents and evidence submitted in support of the application), the applicable criteria, and other file material are available for inspection at no cost; or copies may be purchased for reasonable cost at the above address. Contact Derrick Tokos, Community Development Director, (541) 574-0626, d.tokos@newportoregon.gov (address above).

LCL 61-14 NOTICE TO INTERESTED PERSONS IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN IN THE MATTER OF THE ESTATE OF: WILLIAM GEORGE SPADY, JR., DECEASED. CASE NO. 23PB11284

NOTICE TO INTERESTED PERSONS. NOTICE IS HEREBY GIVEN THAT WILLIAM GEORGE SPADY, III HAS BEEN APPOINTED PERSONAL REPRESENTATIVE. ALL PERSONS HAVING CLAIMS AGAINST THE ESTATE ARE REQUIRED TO PRESENT THEM, WITH VOUCHERS ATTACHED, TO PERSONAL REPRESENTATIVE, WILLIAM GEORGE SPADY, III, AT THE ADDRESS BELOW, WITHIN FOUR MONTHS AFTER THE DATE OF FIRST PUBLICATION OF THIS NOTICE OR

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Public Notices

tional information from the records of the court, the personal representative or the attorney for the personal representative. Date first published: January 24, 2024. Zane F. Koehler Personal Representatives of the Estate of James F. Koehler, Gari Lynn Lovejoy, Attorney at Law, Attorney for Personal Representative, PO Box 1768, Newport OR 97365, J24, J31, F7

LCL 57-14 NOTICE OF SHERIFF'S SALE

#24- 0037 On February 29, 2024, at the hour of 10:00 a.m., at the Lincoln County Courthouse, 225 W Olive St, Room 203, in the City of Newport, Oregon, the defendant's interest will be sold, subject to redemption, in the real property commonly known as: 637 NE 10th Pl, Toledo, OR 97391. The court case number is 23CV22866, BMO BANK N.A., plaintiff(s) vs. KELLY M. RUDISILL; UNKNOWN HEIRS AND DEVISEES OF FREDRICK L. RUDISILL; UNKNOWN HEIRS AND DEVISEES OF KELLY M. RUDISILL; STATE OF OREGON DEPARTMENT OF HUMAN SERVICES; OCCUPANTS OF THE PROPERTY, defendant(s). This is a public auction to the highest bidder for cash or cashier's check, in hand. For more details go to <http://www.oregonsheriffssales.org/county/lincoln/> J24, J31, F7, F14

LCL 56-07 PUBLIC NOTICE N53.

The Lincoln County Sheriff's Office has in its possession the unclaimed personal property described below. If you have ownership interest in any of this unclaimed property you must file a claim with the Lincoln County Sheriff's Office (225 W Olive, Room 203, Newport, OR) within 30 days from the date of the publication of this notice or you will lose interest in this property: personal property to estates of: Angela Biggs. J24, J31, F7

LCL 54-07 NOTICE TO INTERESTED PERSONS IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR THE COUNTY OF LINCOLN PROBATE DEPARTMENT ESTATE OF STEVEN MITCHELL SPINAK, DECEASED CASE NO. 24PB00014 NOTICE TO INTERESTED PERSONS

Notice is given pursuant to ORS 113.155 that Scott C. Spinak has been appointed personal representative of the above estate. All persons having claims against the estate are required to present them within four (4) months after the date of the first publication of this Notice, or their claims may be barred. Claims are to be presented at the address of the attorney for the

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Public Notices

may be affected by the proceedings in this estate may obtain additional information from the records of the Court, the Personal Representative, or the attorney for the Personal Representative. DATED and first published: January 17, 2024. KRISTIN Kay FORD, Personal Representative c/o KULLA, RONNAU, SCHAUB & CHAMBERS, P.C. SCOTT J. SCHAUB, OSB #893572, 2210 NE 22nd St, Lincoln City, OR 97367. ATTORNEY FOR PERSONAL REPRESENTATIVE: KULLA, RONNAU, SCHAUB & CHAMBERS, P.C. SCOTT J. SCHAUB, OSB #893572, 2210 NE 22nd St., Lincoln City, OR 97367 Phone: (541) 996-2195 Fax: (541) 996-2770 E-mail: krscc@embarqmail.com J17, J24, J31 51-31

NOTICE TO INTERESTED PERSONS CIRCUIT COURT OF OREGON LINCOLN COUNTY PROBATE DEPARTMENT IN THE MATTER OF HELEN ELIZABETH GEORGE, DECEASED. CASE NO. 23PB10668

NOTICE TO INTERESTED PERSONS. Notice is hereby given that Patricia George has been appointed and has qualified as the personal representative of the estate. All persons having claims against the estate are hereby required to present their claims, with proper vouchers, within four months after the date of first publication of this notice, as stated below, to the personal representative at: Martin, Elliott & Snell, P.O. Box 575, Tualatin, Oregon 97062, or the claims may be barred. All persons whose rights may be affected by the proceedings in this estate may obtain additional information from the records of the court, the personal representative, or the attorney for the personal representative. Dated and first published this 17 day of January, 2024. Personal Representative: Patricia George, 81945 Avenida Dulce, Indio, CA 92203. Attorney for Personal Representative: Susan E. Snell, OSB #853356, Martin, Elliott & Snell, P.C., P.O. Box 575, Tualatin, Oregon 97062. J17, J24, J31 47-31

TRUSTEE'S NOTICE OF SALE JLF 23-128868 TRUSTEE'S NOTICE OF SALE

A default has occurred under the terms of a trust deed made by Jill S. Baur, a married person and Ronald J. Baur, a married person, whose address is 720 SE Bird Avenue, Waldport, OR 97394 as grantor to First American Title, as Trustee, in favor of Coldwell Banker Mortgage, as named Beneficiary, dated September 26, 2002, recorded October

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Public Notices

days before the date last set for the sale, to have this foreclosure proceeding dismissed and the trust deed reinstated by paying to the beneficiary of the entire amount due (other than such portion of the principal as would not then be due had no default occurred) and by curing any other default complained of herein that is capable of being cured by tendering the performance required under the obligations or trust deed, and in addition to paying said sums or tendering the performance necessary to cure the default, by paying all costs and expenses actually incurred in enforcing the obligation and trust deed, together with trustee's fees and attorney's fees not exceeding the amounts provided by said ORS 86.778. Notice is further given that reinstatement or payoff quotes requested pursuant to ORS 86.786 and ORS 86.789 must be timely communicated in a written request that complies with that statute, addressed to the trustee's "Reinstatement/Payoffs - ORS 86.786" either by personal delivery or by first class, certified mail, return receipt requested, to the trustee's address shown below. Due to potential conflicts with federal law, persons having no record legal or equitable interest in the subject property will only receive information

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Public Notices

concerning the lender's estimated or actual bid. Lender bid information is also available at the trustee's website, www.logs.com/janeway_law_firm. In construing this notice, the masculine gender includes the feminine and the neuter, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by said trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any. Also, please be advised that pursuant to the Deed of Trust and Note, the beneficiary is allowed to conduct property inspections while property is in default. This shall serve as notice that the beneficiary shall be conducting property inspections on the said referenced property. Without limiting the trustee's disclaimer of representations or warranties, Oregon law requires the trustee to state in this notice that some residential property sold at a trustee's sale may have been used in manufacturing methamphetamines, the chemical components of which are known to be toxic. Prospective purchasers of residential property should be aware of this potential danger before deciding to place a bid

Amber Waves



Out on a Limb



The Spats



CITY OF NEWPORT

ORDINANCE NO. 2215

AN ORDINANCE AMENDING CHAPTER 14.14 OF THE
NEWPORT MUNICIPAL CODE RELATED TO OFF-STREET PARKING
REQUIREMENTS FOR NEW DEVELOPMENT AND REDEVELOPMENT
IN SPECIAL PARKING AREAS

(Newport File No. 3-Z-22)

Findings:

1. On August 14, 2023, the Newport Planning Commission initiated amendments to the Newport Zoning Ordinance, codified as Title XIV of the Newport Municipal Code, to reduce minimum off-street parking requirements for new development or redevelopment in special parking areas where public parking is managed with meters or a combination of parking meters and permits.

2. The amendments carry out implementation measures listed in the parking study the City Council adopted in 2020 with Ordinance No. 2163, which reads as follows:

"Implementation Measure 1.3.1: Pursue metered zones, hybrid paid/permit, and hybrid permit/timed zones for high demand areas along the Bayfront; and"

"Implementation Measure 3.2.3: Reduce or eliminate minimum off-street parking requirements for new development or redevelopment in metered and meter/permit zones."

3. The City is rolling out a meter and a combination meter and paid parking permit program for the Bayfront, with full implementation anticipated by the end of the year. At that time, the City will shift to demand management, using pricing to influence parking behavior in order to realize better vehicle turnover, reducing congestion and improving safety. In exchange, the City has agreed to reduce or eliminate off-street parking requirements for new development and redevelopment in these high demand areas. Existing off-street parking requirements have been an impediment to economic growth because it is not practical (or in some cases even possible) to construct off-street parking because of terrain constraints.

4. The draft amendments were developed in consultation with the Parking Advisory Committee at its May 17, 2023 and August 16, 2023 meetings, the Planning Commission at work sessions on May 22, 2023 and August 14, 2023, and the City Council at a work session on June 20, 2023. Proposed substantive changes are more specifically described below:

a. Newport Municipal Code (NMC) Section 14.14.100, Special Parking Areas, applies to Nye Beach, City Center, and the Bayfront. It is being amended to include a new subsection 14.14.100(B), which provides that uses within a special area where meters are utilized, in all or part of the special area, may pay a one-time fee in lieu of providing the off-street parking that would otherwise be required, provided the parking demand does not exceed 20 spaces. Such fee shall be in an amount established by Council resolution. Uses with a parking demand in excess of 20 spaces must provide off-street parking sufficient to accommodate the excess demand. Parking ratios in subsection 14.14.030 or a parking demand analysis authorized under subsection 14.14.040 are to be used to determine a use(s) parking demand.

b. A new subsection 14.14.100(C) is created, establishing that existing uses that provide off-street parking in order to comply with the provisions of this section, or prior parking ordinances, shall not be required to retain such parking if they are located within a special area where public parking meters are utilized, in all or part of the special area. This amendment addresses an equity concern where, over the years, some Bayfront users were required to provide off-street parking on valuable real estate whereas others were not. Large users, that generate a demand for more than 20 parking spaces, will not be able to take full advantage of this provision because NMC 14.14.100(B) requires they provide off-street parking.

c. A new subsection 14.14.100(D) provides that uses within a special area shall be subject to a "Parking District Business License Annual Fee" in an amount set by Council resolution, unless the City requires payment for the use of public parking in all or part of the special area. This codifies the fee authorized with Council Resolution No. 3864. Once this language is in place, and metering is operational, then the Bayfront will no longer be subject to a Parking District Business License Annual Fee. Similarly, if Nye Beach implements a paid parking permit program at some point in the future, then it would also no longer be subject to a parking district business license fee.

d. Lastly, NMC Section 14.14.030, which states "for reconstruction or change of type of use, credit be given to the old use so that the required parking shall be based on the increase of the new use," is being amended to clarify that "old use" is any use or structure on a property within the last 10 years. This aligns with the period of time an individual can claim System Development Charge credits for a prior use (NMC 12.15.065).

5. The Newport Planning Commission held a public hearing on September 25, 2023 to consider public testimony and comment on the draft amendments and, at the conclusion of the hearing, passed a motion recommending the City Council adopt the amendments.

6. The City Council held a public hearing on October 16, 2023 regarding the question of the proposed amendments, and, after considering the recommendation of the Planning

Commission and evidence and argument in the record, adopted the ordinance, concluding that it is necessary and furthers the general welfare of the community.

7. Information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both the Planning Commission and City Council public hearings.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. Findings. The findings set forth above are hereby adopted in support of the amendments to Title XIV of the Newport Municipal Code adopted by Section 2 of this Ordinance.

Section 2. Municipal Code Amendment. Chapter 14.14 of Title XIV of the Newport Municipal Code is hereby amended as set forth in Exhibit "A".

Section 3. Effective Date. This ordinance shall take effect 30 days after adoption.

Adopted by the Newport City Council on: October 16, 2023

Signed by the Mayor on 10 - 17 -, 2023.



Jan Kaplan, Mayor

ATTEST:



Erik Glover, Asst. City Manager/City Recorder

(Unless otherwise specified, new language is shown in double underline, and text to be removed is depicted with ~~strikethrough~~. Staff comments, in *italics*, are for context and are not a part of the revisions.)

CHAPTER 14.14 PARKING AND LOADING REQUIREMENTS

14.14.010 Purpose

The purpose of this section is to establish off-street parking and loading requirements, access standards, development standards for off-street parking lots, and to formulate special parking areas for specific areas of the City of Newport. It is also the purpose of this section to implement the Comprehensive Plan, enhance property values, and preserve the health, safety, and welfare of citizens of the City of Newport.

14.14.020 Definitions

For purposes of this section, the following definitions shall apply:

Access. The point of ingress and egress from a public street to an off-street parking lot or loading and unloading area.

Aisle. Lanes providing access to a parking space.

Gross Floor Area. The total area of a building measured by taking the outside dimensions of the building at each floor level intended for occupancy or storage.

Loading Space. A parking space for the loading and unloading of vehicles over 30 feet in length.

Parking Space. An area for the parking of a vehicle.

Site Plan. A map showing the layout of the building, parking, landscaping, setbacks, and any other pertinent information concerning the development of a site.

Use. Any new building, change of occupancy, or addition to an existing building.

14.14.030 Number of Parking Spaces Required

- A. Off-street parking shall be provided and maintained as set forth in this section. Such off-street parking spaces shall be provided prior to issuance of a final building inspection, certificate of occupancy for a building, or occupancy, whichever occurs first.

- B. For any expansion, reconstruction, or change of use, the entire development shall satisfy the requirements of [Section 14.14.050](#), Accessible Parking. Otherwise, for building expansions the additional required parking and access improvements shall be based on the expansion only and for reconstruction or change of type of use, credit shall be given to the old use so that the required parking shall be based on the increase of the new use. For the purpose of this section "old use" is any use or structure on a property within the last 10 years.

- C. Any use requiring any fraction of a space shall provide the entire space. In the case of mixed uses such as a restaurant or gift shop in a hotel, the total requirement shall be the sum of the requirements for the uses computed separately.

- D. Required parking shall be available for the parking of operable automobiles of residents, customers, or employees, and shall not be used for the storage of vehicles or materials or for the sale of merchandise.

- E. A site plan, drawn to scale, shall accompany a request for a land use or building permit. Such plan shall demonstrate how the parking requirements required by this section are met.

- F. Parking shall be required at the following rate. All calculations shall be based on gross floor area unless otherwise stated.

1.	General Office	1 space/600 sf
2.	Post Office	1 space/250 sf
3.	General Retail (e.g. shopping centers, apparel stores, discount stores, grocery stores, video arcade, etc.)	1 space/300 sf

4.	Bulk Retail (e.g. hardware, garden center, car sales, tire stores, wholesale market, furniture stores, etc.)	1 space/600 sf
5.	Building Materials and Lumber Store	1 space/1,000 sf
6.	Nursery – Wholesale Building	1 space/2,000 sf 1 space/1,000 sf
7.	Eating and Drinking Establishments	1 space/150 sf
8.	Service Station	1 space/pump
9.	Service Station with Convenience Store	1 space/pump + 1 space/ 200 sf of store space
10.	Car Wash	1 space/washing module + 2 spaces
11.	Bank	1 space/300 sf
12.	Waterport/Marine Terminal	20 spaces/berth
13.	General Aviation Airport	1 space/hangar + 1 space/300 sf of terminal
14.	Truck Terminal	1 space/berth
15.	Industrial	1.5 spaces/1,000 sf
16.	Industrial Park	1.5 spaces/5,000 sf
17.	Warehouse	1 space/2,000 sf
18.	Mini-Warehouse	1 space/10 storage units
19.	Single-Family Detached Residence	2 spaces/dwelling
20.	Duplex	1 space/dwelling
21.	Apartment	1 space/unit for first four units + 1.5 spaces/unit for each Additional unit
22.	Condominium (Residential)	1.5 spaces/unit
23.	Townhouse	1.5 spaces/unit
24.	Cottage Cluster	1 space/unit
25.	Elderly Housing Project	0.8 space/unit if over 16 dwelling units
26.	Congregate Care/Nursing Home	1 space/1,000 sq. ft.
27.	Hotel/Motel	1 space/room + 1 space for the manager (if the hotel/motel contains other uses, the other uses shall be calculated separately)
28.	Park	2 spaces/acre
29.	Athletic Field	20 spaces/acre
30.	Recreational Vehicle Park	1 space/RV space +

		1 space/10 RV spaces
31.	Marina	1 space/5 slips or berths
32.	Golf Course	4 spaces/hole
33.	Theater	1 space/4 seats
34.	Bowling alley	4 spaces/alley
35.	Elementary/Middle School	1.6 spaces/classroom
36.	High School	4.5 spaces/classroom
37.	Community College	10 spaces/classroom
38.	Religious/Fraternal Organization	1 space/4 seats in the main auditorium
39.	Day Care Facility	1 space/4 persons of license occupancy
40.	Hospital	1 space/bed
41.	Assembly Occupancy	1 space/8 occupants (based on 1 occupant/15 sf of exposition/meeting/assembly room conference use not elsewhere specified)

Staff: Section 14.14.030 has been broken up into distinct regulatory concepts. The language requiring that “for reconstruction or change of type of use, credit be given to the old use so that the required parking shall be based on the increase of the new use” is silent about whether or not a use that has ceased operation counts as an “old use.” Clarifying language is being added indicating that, for the purpose of this section, “old use” is any use or structure on a property within the last 10 years. That aligns with the period of time an individual can claim System Development Charge Credits for a prior use (NMC 12.15.065). A typo is being corrected for the industrial use parking ratio.

14.14.040 Parking Requirements for Uses Not Specified

The parking space requirements of buildings and uses not set forth above shall be determined by the Planning Director or designate. Such determination shall be based upon requirements for the most comparable building or use specified in [Section 14.14.030](#) or a separate parking demand analysis prepared by the applicant and subject to a Type I decision making procedure as provided in [Section 14.52](#), Procedural Requirements.

14.14.050 Accessible and Electric Vehicle Parking

Parking areas shall meet all applicable accessible parking and electric vehicle charging infrastructure requirements of the Oregon Structural Specialty Code to ensure adequate access for disabled persons, and sufficient electric vehicle parking infrastructure for future users.

14.14.060 Compact Spaces

For parking lots of five vehicles or more, 40% of the spaces may be compact spaces measuring 7.5 feet wide by 15 feet long. Each compact space must be marked with the word "Compact" in letters that are at least six inches high.

14.14.070 Bicycle Parking

Bicycle parking facilities shall be provided as part of new multi-family residential developments of five units or more; new retail, office, and institutional developments; and park-and-ride lots and transit transfer stations.

- A. The required minimum number of bicycle parking spaces is as follows, rounding up to the nearest whole number:

Parking Spaces Required	Bike Spaces Required
1 to 4 ^a	1
5 to 25	1
26 to 50	2
51 to 100	3
Over 100	1/25

^a. Residential developments less than 5 units are exempt from bicycle parking requirements.

- B. Bicycle parking for multiple uses (such as commercial shopping centers) may be clustered in one or several locations but must meet all other requirements for bicycle parking.
- C. Each required bicycle parking space shall be at least two and a half by six feet. An access aisle at least five feet wide shall be provided and maintained beside or between each row of bicycle parking.

- D. Bicycle parking facilities shall offer security in the form of either a lockable enclosure in which the bicycle can be stored or a stationary object (e.g., a "rack") upon which a bicycle can be locked.
- E. Areas set aside for required bicycle parking must be clearly marked and reserved for bicycle parking only.

14.14.080 Shared Parking

The off-street parking requirements of two or more uses, structures, or parcels may be satisfied by the same parking lot or loading spaces used jointly to the extent that it can be shown by the owners or operators of the uses, structures, or parcels that their parking needs do not overlap. If the uses, structures, or parcels are under separate ownership, the right to joint use of the parking space must be evidenced by a deed, lease, contract, or other appropriate written document to establish the joint use.

14.14.090 Parking Lot Standards

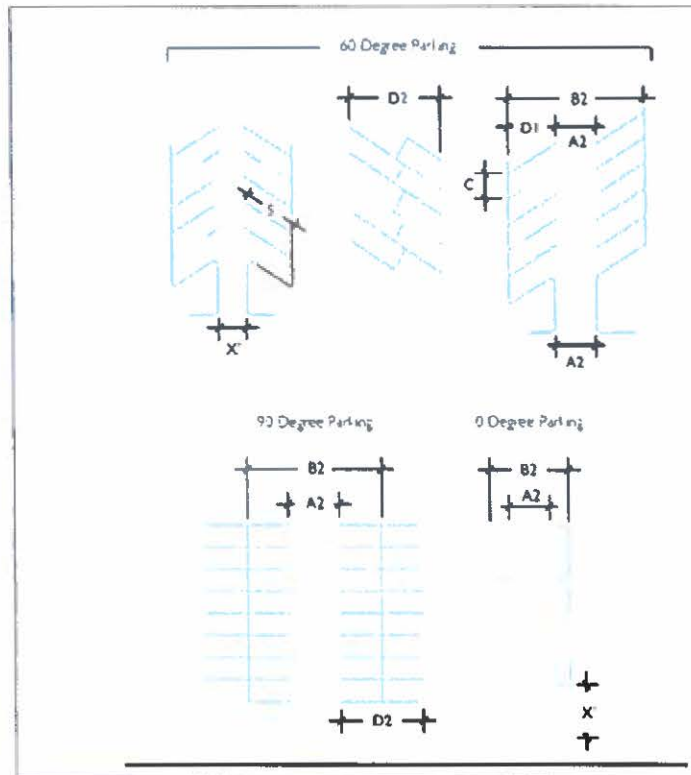
Parking lots shall comply with the following:

- A. Parking Lot Minimum Standards. Parking lots shall be designed pursuant to the minimum dimensions provided in Table 14.14.090-A and Figure 14.14.090-A.

Table 14.14.090-A. Parking Lot Minimum Dimensions for Standard Space

PARKING ANGLE ≤°	CURB LENGTH	STALL DEPTH		AISLE WIDTH		BAY WIDTH		STRIPE LENGTH
		SINGLE	DOUBLE	ONE	TWO	ONE	TWO	
		D1	D2	WAY A1	WAY A2	WAY B1	WAY B2	
90°	8'-6"	18'	36'	23'	23'	59'	59'	18'
60°	10'	20'	40'	17'	18'	57'	58'	23'
45°	12'	18'-6"	37'	13'	18'	50'	55'	26'-6"
30°	17'	16'-6"	33'	12'	18'	45'	51'	32'-8"
0°	22'	8'-6"	17'	12'	18'	29'	35'	8'-6"

Figure 14.14.090-A. Parking Lot Minimum Dimensions



B. Surfacing.

1. All parking lots that are required to have more than five parking spaces shall be graded and surfaced with asphalt or concrete. Other material that will provide equivalent protection against potholes, erosion, and dust may be approved by the City Engineer if an equivalent level of stability is achieved.
2. Parking lots having less than five parking spaces are not required to have the type of surface material specified in subsection (1), above. However, such parking lot shall be graded and surfaced with crushed rock, gravel, or other suitable material as approved by the City Engineer. The perimeter of such parking lot shall be defined by brick, stones, railroad ties, or other such similar devices. Whenever such a parking lot abuts a paved street, the driveway leading from such

street to the parking lot shall be paved with concrete from the street to the property line of the parking lot.

3. Parking spaces in areas surfaced in accordance with subsection (1) shall be appropriately demarcated with painted lines or other markings.

C. Joint Use of Required Parking Spaces. One parking lot may contain required spaces for several different uses, but the required spaces assigned to one use may not be credited to any other use.

D. Satellite Parking.

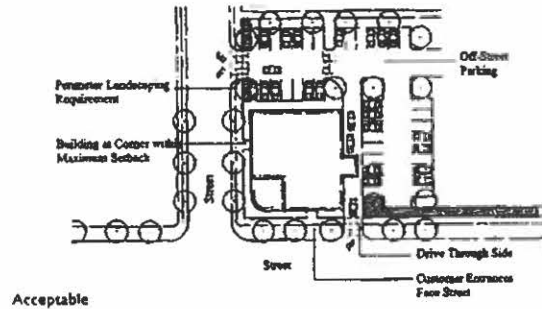
1. If the number of off-street parking spaces required by this chapter cannot be provided on the same lot where the principal use is located, then spaces may be provided on adjacent or nearby lots in accordance with the provisions of this section. These off-site spaces are referred to as satellite parking spaces.
2. All such satellite parking spaces shall be located within 200 feet of the principal building or lot associated with such parking.
3. The applicant wishing to take advantage of the provisions of this section must present satisfactory written evidence that the permission of the owner or other person in charge of the satellite parking spaces to use such spaces has been obtained. The applicant must also sign an acknowledgement that the continuing validity of the use depends upon the continued ability to provide the requisite number of parking spaces.
4. Satellite parking spaces allowed in accordance with this subsection shall meet all the requirements contained in this section.

E. Lighting. Lighting from parking lots shall be so designed and located as to not glare onto neighboring residential properties. Such lighting shall be screened, shaded, or designed in such a way as to comply with the requirement contained in this section. This section is not intended to

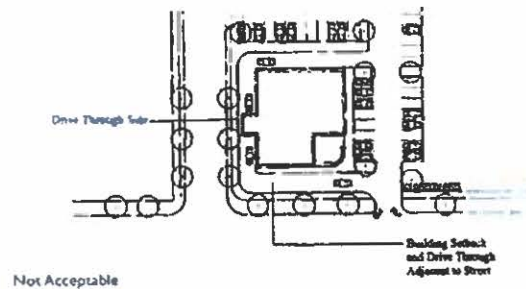
apply to public street lighting or to outdoor recreational uses such as ball fields, playing fields, and tennis courts.

F. Drive-Up/Drive-In/Drive-Through Uses and Facilities. Drive-up or drive-through uses and facilities shall conform to the following standards, which are intended to calm traffic, and protect pedestrian comfort and safety (Figures 1 and 2).

Figure 1 – Drive-Up and Drive-Through Facilities



1. The drive-up/drive through facility shall orient to an alley, driveway, or interior parking area, and not a street; and
2. None of the drive-up, drive-in or drive-through facilities (e.g., driveway queuing areas, windows, teller machines, service windows, kiosks, drop-boxes, or similar facilities) are located within 20 feet of a street and shall not be oriented to a street corner. (Walk-up only teller machines and kiosks may be oriented to a street or placed adjacent to a street corner); and
3. Drive-up/in queuing areas shall be designed so that vehicles do not obstruct a driveway, fire access lane, walkway, or public right-of-way.



G. Driveway Standards. Driveways shall conform to the requirements of Chapter 14.46.

H. Landscaping and Screening. Parking lot landscaping and screening standards must comply with Section 14.19.050.

- I. Preferential Carpool/Vanpool Parking. Parking areas that have designated employee parking and more than 20 vehicle parking spaces shall provide at least 10% of the employee parking spaces, as preferential carpool and vanpool parking spaces. Preferential carpool and vanpool parking spaces shall be closer to the employee entrance of the building than other parking spaces, with the exception of ADA accessible parking spaces.

14.14.100 Special Area Parking Requirements

A. The boundary of the These special areas are defined as follows:

- A1. Nye Beach. That area bounded by SW 2nd Street, NW 12th Street, NW and SW Hurbert Street, and the Pacific Ocean.
- B2. Bayfront. That area bounded by Yaquina Bay and the following streets: SE Moore Drive, SE 5th and SE 13th, SW 13th Street, SW Canyon Way, SW 10th, SW Alder, SW 12th, SW Fall, SW 13th, and SW Bay.
- C3. City Center. That area bounded by SW Fall Street, SW 7th Street, SW Neff Street, SW Alder Street, SW 2nd Street, SW Nye Street, Olive Street, SE Benton Street, SW 10th Street, SW Angle Street, SW 11th Street, SW Hurbert Street, and SW 10th Street.

B. Uses within a special area where public parking meters are utilized, in all or part of the special area, may pay a fee in lieu of providing the off-street parking required in this section provided the parking demand does not exceed 20 spaces. Such fee shall be in the amount established by Council resolution. Uses with a parking demand in excess of 20 spaces must provide off-street parking sufficient to accommodate the excess demand. Parking ratios in subsection 14.14.030 or a parking demand analysis authorized under subsection 14.14.040 shall be used to determine a use(s) parking demand.

Staff: The proposed language responds to Parking Study Comprehensive Plan Implementation Measure 3.2.3, which calls for the City to reduce or eliminate minimum off-street parking requirements for new development or redevelopment

in metered and meter/permit zones. It is a combination of Options B.2 and B.3, presented to the Parking Advisory Committee on May 17, 2023, the Planning Commission on May 22, 2023, and the City Council on June 20, 2023. Blending the two options was the clear preference coming out of the meetings, with Option B.2 requiring a one-time fee in lieu of a developer constructing off-street parking to serve their project and Option B.3 capping the amount of parking a new development or redevelopment can place on the public parking system before the requirement for new off-street parking is triggered.

The draft code provisions outlined above would allow smaller scale development (i.e. that which generates a demand for less than 20 parking spaces) to occur without requiring they construct new off-street parking. Larger projects that generate a demand for more than 20 parking spaces would have to construct off-street parking to accommodate the additional demand. A one-time fee will be charged for new development or redevelopment that generate a demand for up to 20 parking spaces. This would create a modest amount of funding to help pay for new public parking, transit, etc. in concert with metering revenues. It is justifiable because new development or redevelopment places additional strain on the finite amount of parking available in these areas. The fee would be scaled to disincentivize development that places significant new demand on the public parking spaces. Here is an example of what that could look like:

Additional Demand:

<i>Spaces 1 to 5</i>	<i>\$0 ea.</i>
<i>Spaces 6 to 10</i>	<i>\$5,000 ea.</i>
<i>Spaces 11 to 15</i>	<i>\$7,500 ea.</i>
<i>Spaces 16 to 20</i>	<i>\$10,000 ea.</i>

At the Planning Commission meeting it was suggested that there be no fee for the first 5 required off-street spaces. That is consistent with the existing fee resolution that allows the first 5 spaces to be exempted where a parking business license surcharge is in place. That surcharge will go away though once a meter/permit program is in place.

Here are examples of how the one-time fee would play out:

Example 1: Convert 1,400 sf of retail to restaurant (About the size of the retail building where Noble Estates offered wine tasting (146 SW Bay Blvd)

9.33 spaces (new restaurant) - 4.67 spaces (existing retail) = 4.66 (5 spaces). \$0 fee.

Example 2: 12,000 sq. ft. of waterfront industrial with 4,000 sq. ft. of warehouse space (at old California Shellfish site 411 SW Bay Blvd).

20 spaces (new industrial/warehouse). No existing use credits. \$112,500 fee. While significant, this cost is less than what it would take to construct a lot of this size and could potentially be absorbed as part of the development costs.

Example 3: Construct 47 room hotel, 2,626 sf retail (Abbey Hotel project) on site previously occupied by a nightclub, restaurants, and retail. (836 - 856 SW Bay Blvd).

65 spaces (new hotel/retail use) - 49 spaces (credit for old use) = 16 spaces. Old use provided 20 off-street spaces, so impact of new project is 36 spaces. 43 parking spaces provided off-street. No fee.

Example 4: Construct 47 room hotel, 2,626 sf retail on a site where there was no prior use. 49 space impact. \$112,500 fee for first 20 spaces and developer would be required to construct 29 off-street parking spaces.

This language would only apply in special parking areas where meters are deployed, which is the plan for the Bayfront. It would not apply to Nye Beach or City Center.

C. Existing uses that provide off-street parking in order to comply with the provisions of this section, or prior parking ordinances, shall not be required to retain such parking if they are located within a special area where public parking meters are utilized, in all or part of the special area.

Staff: This language is needed to make it clear that the few businesses currently providing off-street parking in a meter or meter/permit area will no longer be bound to do so, meaning they can develop these properties. Accessible parking

standards, electric vehicle parking requirements, and bicycle parking provisions key off of the number of off-street spaces provided. The City will need to consider accommodating those needs in public rights-of-way. The draft language has been revised to limit its applicability to metered areas, which for the time being is the Bayfront. Such change aligns with Parking Study Comprehensive Plan Implementation Measure 3.2.3, which calls for the City to reduce or eliminate minimum off-street parking requirements for new development or redevelopment in metered and meter/permit zones. Metered parking and meter/permit zones are not currently planned for Nye Beach and City Center.

D. Uses within a special area shall be subject to a "Parking District Business License Annual Fee" in an amount set by Council resolution, unless the City requires payment for the use of public parking in all or part of the special area. The annual business license fee established under this subsection shall exempt new development or redevelopment from having to provide up to five (5) off-street parking spaces. Uses that generate a demand for more than five (5) off-street parking spaces shall provide the additional spaces in accordance with the provisions of this section.

Staff: This subsection is needed for the Nye Beach and City Center special areas, where metered and meter/permit zones are not being implemented. It codifies language that is currently in Council Resolution No. 3864, a resolution that would be repealed if this language is adopted. Once this language is in place, and metering is operational, then the Bayfront will no longer be subject to a Parking District Business License Annual Fee. If Nye Beach implements a paid parking permit program at some point in the future, then it would also no longer be subject to a parking district business license fee.

14.14.110 Loading and Unloading Areas

Off-street loading and unloading areas shall be provided per this section.

A. Whenever the normal operation of any use requires that goods, merchandise, or equipment be routinely delivered

to or shipped from that use, a sufficient off-street loading and unloading area must be provided in accordance with this subsection to accommodate the delivery or shipment operations in a safe and convenient manner.

- B. The loading and unloading area must accommodate the numbers as set forth in Table A. At a minimum, a loading and unloading space must be 35 feet in length, 10 feet in width, and 14 feet in height. The following table indicates the number of spaces that, presumptively, satisfy the standard set forth in this subsection.

Table 14.14.110-A, Required Loading Spaces

Square footage of Building	Number of Loading Spaces
0-19,999	0
20,000 – 79,999	1
80,000 – 119,999	2
120,000+	3


- C. Loading and unloading areas shall be located and designed so that vehicles intending to use them can maneuver safely and conveniently to and from a public right-of-way or any parking space or parking lot aisle. No space for loading shall be so located that a vehicle using such loading space projects into any public right-of-way.
- D. No area allocated to loading and unloading facilities may be used to satisfy the area requirements for off-street parking, nor shall any portion of any off-street parking area be used to satisfy the area requirements for loading and unloading facilities.
- E. Whenever a change of use occurs after January 1, 1995, that does not involve any enlargement of a structure, and the loading area requirements of this section cannot be satisfied because there is insufficient area available on the lot that can practicably be used for loading and unloading, then the Planning Commission may waive the requirements of this section.
- F. Whenever a loading and unloading facility is located adjacent to a residential zone, the loading and unloading

facility shall be screened per unloading facility shall be screened per [Section 14.18](#).

14.14.120 Variances

Variances to this section may be approved in accordance with provisions of [Section 14.33](#), Adjustments and Variances, and a Type III Land Use Action decision process consistent with [Section 14.52](#), Procedural Requirements.*

Memorandum

To: Planning Commission
From: Derrick Tokos, Community Development Director 
Date: February 8, 2024
Re: SB 1537 Governor's Housing Bill

Attached is a copy of SB 1537, and a -4 set of amendments that was released today when the bill received a hearing. This is an updated version of HB 3414, which narrowly failed during the 2023 session. Also enclosed is a bill summary from the League of Oregon Cities and a copy of the City's testimony from last session.

The adjustment language in Sections 37 - 47 of SB 1537 is just as problematic as that which was contained in HB 3414. I am working with the Mayor on a letter to convey the City's concerns and will share a copy of the document with you when it is finalized.

On Monday, I'll be prepared to walk through the various components of the bill and can touch upon other housing related legislation that has received hearings in the 2024 short session. If the SB 1537 adjustment language becomes law, then we will need to consider whether or not it would be worthwhile to seek an exemption. Exemptions are available to jurisdictions that have comparable adjustment processes on the books and the package of changes we are putting together to remove development barriers (implementing the HPS) might be enough to qualify.

I look forward to our discussion.

Attachments

SB 1537 (with -4 amendments)
LOC SB 1537 Bill Summary
City of Newport's HB 3414 Testimony

Senate Bill 1537

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Tina Kotek for Office of the Governor)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act establishes HAPO to support and enforce housing laws; lets home builders use updated local rules; awards additional lawyer fees for housing appeals; gives grants and loans to encourage home building; creates a fund for grants to developers of affordable housing; makes cities approve changes to housing rules; makes cities expedite applications to build housing; lets cities change their growth boundaries; and gives money to DLCD, BO and OHCS for this Act. (Flesch Readability Score: 63.0).

Requires the Department of Land Conservation and Development and the Department of Consumer and Business Services to jointly establish and administer the Housing Accountability and Production Office. Requires the office to assist local governments and housing developers with housing laws. Authorizes the office to take certain actions to enforce housing laws. Becomes operative on July 1, 2025.

Allows a housing developer with a pending application to opt in to amended local land use regulations.

Expands eligibility for attorney fees for the appeal of a residential development proposal to include local governments and all needed housing.

Establishes grant and loan programs within the Oregon Infrastructure Finance Authority, Oregon Business Development Department and Housing and Community Services Department to support housing development.

Authorizes cities and counties to adopt a program for awarding grants to developers of affordable housing and moderate income housing projects to finance certain costs associated with such housing projects. Directs the Housing and Community Services Department to develop a revolving loan program to make interest-free loans to participating cities and counties to fund the grants. Imposes an annual fee on each grantee developer in repayment of the loans. Provides for the distribution of the fee moneys first to fire districts for ad valorem property taxes and then to the department in repayment of the loan that funded the grant awarded to the developer.

Requires local governments to approve certain adjustments to land use regulations for housing development within an urban growth boundary. Establishes alternate appellate procedures for the adjustments. Establishes an exemption process. Requires reporting to the Department of Land Conservation and Development on the use of adjustments. Requires the department to report biennially to an interim committee of the Legislative Assembly. Sunsets on January 2, 2032.

Requires local governments to process certain applications relating to housing development as limited land use decisions. Sunsets on January 2, 2032.

Develops alternative processes to amend urban growth boundaries to include up to 150 net residential acres per city. Provides for limitations and review by counties, Metro and the Department of Land Conservation and Development and the courts. Sunsets on January 2, 2033.

Appropriates moneys to the Oregon Business Development Department, Housing and Community Services Department and Department of Land Conservation and Development for purposes of the Act.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to housing; creating new provisions; amending ORS 183.471, 197.335, 197.843, 215.427, 227.178 and 455.770; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

HOUSING ACCOUNTABILITY AND PRODUCTION OFFICE

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **SECTION 1. Housing Accountability and Production Office.** (1) The Department of Land
 2 Conservation and Development and the Department of Consumer and Business Services shall
 3 enter into an interagency agreement to establish and administer the Housing Accountability
 4 and Production Office.

5 (2) The Housing Accountability and Production Office shall:

6 (a) Provide technical assistance, including assistance through grants, to local govern-
 7 ments to:

8 (A) Comply with housing laws;

9 (B) Reduce permitting and land use barriers to housing production; and

10 (C) Support reliable and effective implementation of local procedures and standards re-
 11 lating to the approval of residential development projects.

12 (b) Serve as a resource, which includes providing responses to requests for technical as-
 13 sistance with complying with housing laws, to:

14 (A) Local governments, as defined in ORS 174.116; and

15 (B) Applicants for land use and building permits for residential development who are ex-
 16 periencing permitting and land use barriers related to housing production.

17 (c) Investigate and respond to complaints of violations of housing laws under section 2
 18 of this 2024 Act.

19 (d) Establish best practices related to model codes, development plans, procedures and
 20 practices by which local governments may comply with housing laws.

21 (e) Provide mediation of active disputes relating to housing laws between a local gov-
 22 ernment and applicants for land use and building permits for residential development, in-
 23 cluding mediation under ORS 197.860.

24 (f) Coordinate agencies that are involved in the housing development process, including
 25 the Department of Land Conservation and Development, Department of Consumer and
 26 Business Services, Oregon Housing and Community Services and Oregon Business Develop-
 27 ment Department, to enable the agencies to support local governments and applicants for
 28 land use and building permits for residential development by identifying state agency tech-
 29 nical and financial resources that can address identified housing development and feasibility
 30 barriers.

31 (g) Establish policy and funding priorities for state agency resources and programs for
 32 the purpose of addressing barriers to housing production, including making recommendations
 33 for moneys needed for the purposes of sections 17, 20, 22, 23 and 35 of this 2024 Act.

34 (3) The Land Conservation and Development Commission and the Department of Con-
 35 sumer and Business Services shall coordinate in adopting, amending or repealing rules for:

36 (a) Carrying out the respective responsibilities of the departments and the office under
 37 sections 1 to 5 of this 2024 Act.

38 (b) Model codes, development plans, procedures and practices by which local governments
 39 may comply with housing laws.

40 (c) Establishing standards by which complaints are investigated and pursued.

41 (4) The office shall prioritize assisting local governments in voluntarily undertaking
 42 changes to come into compliance with housing laws.

43 (5) As used in sections 1 to 5 of this 2024 Act:

44 (a) "Housing law" means ORS chapter 197A and ORS 92.010 to 92.192, 92.830 to 92.845,
 45 197.360 to 197.380, 197.475 to 197.493, 197.505 to 197.540, 197.660 to 197.670, 197.748, 215.402 to

1 215.438, 227.160 to 227.186, 455.148, 455.150, 455.152, 455.153, 455.156, 455.157, 455.165, 455.170,
 2 455.175, 455.180, 455.185 to 455.198, 455.200, 455.202 to 455.208, 455.210, 455.220, 455.465 and
 3 455.467 and administrative rules implementing those laws, to the extent that the law or rule
 4 imposes a mandatory duty on a local government or its officers, employees or agents and the
 5 application of the law or rule applies to residential development or pertains to a permit for
 6 a residential use or a division of land for residential purposes.

7 (b) "Residential" includes mixed-use residential development.

8 **SECTION 2. Office responses to violations of housing laws.** (1) The Housing Account-
 9 ability and Production Office shall establish a form or format through which the office re-
 10 ceives allegations of local governments' violations of housing laws that impact housing
 11 production. For complaints that relate to a specific development project, the office may re-
 12 ceive complaints only from the project applicant. For complaints not related to a specific
 13 development project, the office may receive complaints from any person within the local
 14 government's jurisdiction or the Department of Land Conservation and Development or the
 15 Department of Consumer and Business Services.

16 (2)(a) Except as provided in paragraph (b) of this subsection, the office shall investigate
 17 suspected violations of housing laws or violations credibly alleged under subsection (1) of this
 18 section.

19 (b) The office may develop consistent procedures to evaluate and determine the credibil-
 20 ity of alleged violations of housing laws.

21 (c) If a complainant has filed a notice of appeal with the Land Use Board of Appeals or
 22 has initiated private litigation regarding any aspect of the application decision that was al-
 23 leged to have been the subject of the housing law violation, the office may not further par-
 24 ticipate in the specific complaint or its appeal, except for:

25 (A) Providing agency briefs, including briefs under ORS 197.830 (8), to the board or the
 26 court; or

27 (B) Mediation at the request of the local government and complainant, including medi-
 28 ation under ORS 197.860.

29 (3)(a) If the office has a reasonable basis to conclude that a violation was or is being
 30 committed, the office shall deliver written warning notice to the local government specifying
 31 the violation and any authority under this section that the office intends to invoke if the
 32 violation continues or is not remedied. The notice must include an invitation to address the
 33 suspected violation through mediation, the execution of a voluntary compliance agreement
 34 or the adoption of suitable model codes developed by the office under section 1 (3)(b) of this
 35 2024 Act.

36 (b) The office shall prioritize technical assistance funding to local governments that
 37 agree to comply with housing laws under this subsection.

38 (c) A determination by the office is not a legislative or judicial decision.

39 (4) No earlier than 60 days after a warning notice is delivered under subsection (3) of this
 40 section, the office may:

41 (a) Initiate a request for an enforcement order of the Land Conservation and Develop-
 42 ment Commission by delivering a notice of request under section 3 (3) of this 2024 Act.

43 (b) Seek a court order against a local government as described under ORS 455.160 (3)
 44 without being adversely affected or serving the demand as described in ORS 455.160 (2).

45 (c) Notwithstanding ORS 197.090 (2)(b) to (e), participate in and seek review of a matter

1 under ORS 197.090 (2)(a) that pertains to housing laws without the notice or consent of the
2 commission. No less than once every two years, the office shall report to the commission
3 on the matters in which the office participated under this paragraph.

4 (d) Except regarding matters under the exclusive jurisdiction of the Land Use Board of
5 Appeals, apply to a circuit court for an order compelling compliance with any housing law.
6 If the court finds that the defendant is not complying with a housing law, the court may
7 grant an injunction requiring compliance.

8 (5) The office may not, in the name of the office, exercise the authority of the Depart-
9 ment of Land Conservation and Development under ORS 197A.130.

10 (6) The office shall send notice to each complainant under subsection (1) of this section
11 at the time that the office:

12 (a) Takes any action under subsection (3) or (4) of this section; or

13 (b) Has determined that it will not take further actions or make further investigations.

14 (7) The actions authorized of the office under this section are in addition to and may be
15 exercised in conjunction with any other investigative or enforcement authority that may be
16 exercised by the Department of Land Conservation and Development, the Land Conservation
17 and Development Commission or the Department of Consumer and Business Services.

18 (8) Nothing in this section:

19 (a) Amends the jurisdiction of the Land Use Board of Appeals or of a circuit court;

20 (b) Creates a new cause of action; or

21 (c) Tolls or extends:

22 (A) The statute of limitations for any claim; or

23 (B) The deadline for any appeal or other action.

24 **SECTION 3. Office enforcement orders.** (1) The Housing Accountability and Production
25 Office may request an enforcement order under section 2 (4)(a) of this 2024 Act requiring
26 that a local government take action necessary to bring its comprehensive plan, land use
27 regulation, limited land use decisions or other land use decisions or actions into compliance
28 with a housing law, except for a housing law that pertains to the state building code or the
29 administration of the code.

30 (2) Except as otherwise provided in this section, a request for an enforcement order by
31 the office is subject to the applicable provisions of ORS 197.335 and ORS chapter 183 and is
32 not subject to ORS 197.319, 197.324 or 197.328.

33 (3) The office shall make a request for an enforcement order under this section by de-
34 livering a notice to the local government that states the grounds for initiation and summa-
35 rizes the procedures for the enforcement order proceeding along with a copy of the notice
36 to the Land Conservation and Development Commission. A decision of the office to initiate
37 an enforcement order is final and is not subject to appeal.

38 (4) After receiving notice of an enforcement order request under subsection (3) of this
39 section, before making any subsequent land use decision that could be affected by the
40 enforcement order, the local government shall deliver a notice to that applicant in substan-
41 tially the following form:

42 _____

43 _____

44 NOTICE: The Housing Accountability and Production Office has found good cause for an
45 enforcement proceeding against _____ (name of local government). An

1 enforcement order may be adopted that could limit, prohibit or require the application of
 2 specified criteria to any action authorized by this decision but not applied for until after the
 3 adoption of the enforcement order. Future applications for building permits or time exten-
 4 sions may be affected.

5 _____
 6
 7 (5) Within 14 days after receipt by the commission of the notice under subsection (3) of
 8 this section, the Director of the Department of Land Conservation and Development shall
 9 assign the enforcement order proceedings to a hearings officer who is:

10 (a) An administrative law judge assigned under ORS 183.635; or

11 (b) A hearings officer randomly selected from a pool of officers appointed by the com-
 12 mission to review proceedings initiated under this section.

13 (6) The hearings officer shall schedule a contested case hearing within 60 days of the
 14 delivery of the notice to the commission under subsection (3) of this section.

15 (7)(a) The hearings officer shall prepare a proposed enforcement order, including recom-
 16 mended findings and conclusions of law.

17 (b) A proposed enforcement order may require the local government to adopt models that
 18 have been developed by the office under section 1 (3)(b) of this 2024 Act that are suitable to
 19 address the basis for the proposed enforcement order.

20 (c) The hearings officer must issue and serve the proposed enforcement order on the
 21 office and all parties to the hearing within 30 days of the date the record closed.

22 (8)(a) The proposed enforcement order becomes a final order of the commission 14 days
 23 after service on the office and all parties to the hearing, unless the office or a party to the
 24 hearing appeals the proposed enforcement order to the commission prior to the proposed
 25 enforcement order becoming final.

26 (b) If the proposed enforcement order is appealed, the commission shall consider the
 27 matter at:

28 (A) Its next regularly scheduled meeting; or

29 (B) If the appeal is made 45 or fewer days prior to the next regularly scheduled meeting,
 30 at the following regularly scheduled meeting or a special meeting held earlier.

31 (9) The commission shall affirm, affirm with modifications or reverse the proposed
 32 enforcement order. The commission shall issue a final order no later than 30 days after the
 33 meeting at which it considered the matter.

34 (10) The commission may adopt rules administering this section, including rules related
 35 to standing, preserving issues for commission review or other provisions concerning the
 36 commission's scope and standard for review of proposed enforcement orders under this sec-
 37 tion.

38 **SECTION 4. Housing Accountability and Production Office Fund.** (1) The Housing Ac-
 39 countability and Production Office Fund is established in the State Treasury, separate and
 40 distinct from the General Fund.

41 (2) The Housing Accountability and Production Office Fund consists of moneys appropri-
 42 ated, allocated, deposited or transferred to the fund by the Legislative Assembly or other-
 43 wise.

44 (3) Interest earned by the fund shall be credited to the fund.

45 (4) Moneys in the fund are continuously appropriated to the Department of Land Con-

1 servation and Development and the Department of Consumer and Business Services to ad-
 2 minister the fund, to operate the Housing Accountability and Production Office and to
 3 implement sections 1 to 5 of this 2024 Act.

4 **SECTION 5. Reporting.** On or before September 15, 2026, the Housing Accountability and
 5 Production Office shall:

6 (1) Contract with an organization possessing relevant expertise to produce a report
 7 identifying improvements in the local building plan review approval, design review approval,
 8 land use, zoning and permitting processes, including but not limited to plan review approval
 9 timelines, process efficiency, local best practices and other ways to accelerate and improve
 10 the efficiency of the development process for construction, with a focus on increasing hous-
 11 ing production.

12 (2) Produce a report based on a study by the office of state and local timelines and
 13 standards related to public works and building permit application review and develop rec-
 14 ommendations for changes to reduce complexity, delay or costs that inhibit housing pro-
 15 duction, including an evaluation of their effect on the feasibility of varying housing types and
 16 affordability levels.

17 (3) Produce a report summarizing state agency plans, policies and programs related to
 18 reducing or eliminating regulatory barriers to the production of housing. The report must
 19 also include recommendations on how state agencies may prioritize resources and programs
 20 to increase housing production.

21 (4) Provide the reports under subsections (1) to (3) of this section to one or more ap-
 22 propriate interim committees of the Legislative Assembly in the manner provided in ORS
 23 192.245.

24 **SECTION 6. Sunset.** Section 5 of this 2024 Act is repealed on January 2, 2027.

25 **SECTION 7. Operative and applicable dates.** (1) Sections 2 and 3 of this 2024 Act become
 26 operative on July 1, 2025.

27 (2) Sections 2 and 3 of this 2024 Act apply only to violations of housing laws occurring
 28 on or after July 1, 2025.

29 (3) The Department of Land Conservation and Development and Department of Consumer
 30 and Business Services may take any action before the operative date specified in subsection
 31 (1) of this section that is necessary for the departments or the Housing Accountability and
 32 Production Office to exercise, on and after the operative date, all of the duties, functions and
 33 powers conferred by sections 1 to 5 of this 2024 Act.

34
 35 **OPTING IN TO AMENDED HOUSING REGULATIONS**

36
 37 **SECTION 8.** ORS 215.427 is amended to read:

38 215.427. (1) Except as provided in subsections (3), (5) and (10) of this section, for land within an
 39 urban growth boundary and applications for mineral aggregate extraction, the governing body of a
 40 county or its designee shall take final action on an application for a permit, limited land use deci-
 41 sion or zone change, including resolution of all appeals under ORS 215.422, within 120 days after the
 42 application is deemed complete. The governing body of a county or its designee shall take final
 43 action on all other applications for a permit, limited land use decision or zone change, including
 44 resolution of all appeals under ORS 215.422, within 150 days after the application is deemed com-
 45 plete, except as provided in subsections (3), (5) and (10) of this section.

1 (2) If an application for a permit, limited land use decision or zone change is incomplete, the
 2 governing body or its designee shall notify the applicant in writing of exactly what information is
 3 missing within 30 days of receipt of the application and allow the applicant to submit the missing
 4 information. The application shall be deemed complete for the purpose of subsection (1) of this sec-
 5 tion and ORS 197A.470 upon receipt by the governing body or its designee of:

6 (a) All of the missing information;

7 (b) Some of the missing information and written notice from the applicant that no other infor-
 8 mation will be provided; or

9 (c) Written notice from the applicant that none of the missing information will be provided.

10 (3)(a) If the application was complete when first submitted or the applicant submits additional
 11 information[, *as described in subsection (2) of this section,*] within 180 days of the date the application
 12 was first submitted [*and the county has a comprehensive plan and land use regulations acknowledged*
 13 *under ORS 197.251*], approval or denial of the application [*shall be based*] **must be based:**

14 (A) Upon the standards and criteria that were applicable at the time the application was first
 15 submitted[.]; or

16 (B) **For an application to establish a residential use, upon the request of the applicant,**
 17 **those standards and criteria that became operative during the pendency of the application.**

18 (b) **If an applicant requests review under different standards as provided in paragraph**
 19 **(a)(B) of this subsection:**

20 (A) **For the purposes of this section, the date of the application's submission or receipt**
 21 **is the date of the request;**

22 (B) **For the purposes of this section and ORS 197A.470 the application is not deemed**
 23 **complete until:**

24 (i) **The county determines that additional information is not required under subsection**
 25 **(2) of this section; or**

26 (ii) **The applicant makes a submission under subsection (2) of this section in response to**
 27 **a county's request; and**

28 (C) **The county may not require that the applicant:**

29 (i) **Pay a duplicative fee based on completed review;**

30 (ii) **Resubmit a new application or duplicative information; or**

31 (iii) **Repeat redundant processes or hearings that are inapplicable to the change in stan-**
 32 **dards or criteria.**

33 [*(b) If the application is for industrial or traded sector development of a site identified under sec-*
 34 *tion 12, chapter 800, Oregon Laws 2003, and proposes an amendment to the comprehensive plan, ap-*
 35 *proval or denial of the application must be based upon the standards and criteria that were applicable*
 36 *at the time the application was first submitted, provided the application complies with paragraph (a)*
 37 *of this subsection.]*

38 (4) On the 181st day after first being submitted, the application is void if the applicant has been
 39 notified of the missing information as required under subsection (2) of this section and has not sub-
 40 mitted:

41 (a) All of the missing information;

42 (b) Some of the missing information and written notice that no other information will be pro-
 43 vided; or

44 (c) Written notice that none of the missing information will be provided.

45 (5) The period set in subsection (1) of this section or the 100-day period set in ORS 197A.470

1 may be extended for a specified period of time at the written request of the applicant. The total of
 2 all extensions, except as provided in subsection (10) of this section for mediation, may not exceed
 3 215 days.

4 (6) The period set in subsection (1) of this section applies:

5 (a) Only to decisions wholly within the authority and control of the governing body of the
 6 county; and

7 (b) Unless the parties have agreed to mediation as described in subsection (10) of this section
 8 or ORS 197.319 (2)(b).

9 (7) Notwithstanding subsection (6) of this section, the period set in subsection (1) of this section
 10 and the 100-day period set in ORS 197A.470 do not apply to:

11 (a) A decision of the county making a change to an acknowledged comprehensive plan or a land
 12 use regulation that is submitted to the Director of the Department of Land Conservation and De-
 13 velopment under ORS 197.610; or

14 (b) A decision of a county involving an application for the development of residential structures
 15 within an urban growth boundary, where the county has tentatively approved the application and
 16 extends these periods by no more than seven days in order to assure the sufficiency of its final or-
 17 der.

18 (8) Except when an applicant requests an extension under subsection (5) of this section, if the
 19 governing body of the county or its designee does not take final action on an application for a
 20 permit, limited land use decision or zone change within 120 days or 150 days, as applicable, after
 21 the application is deemed complete, the county shall refund to the applicant either the unexpended
 22 portion of any application fees or deposits previously paid or 50 percent of the total amount of such
 23 fees or deposits, whichever is greater. The applicant is not liable for additional governmental fees
 24 incurred subsequent to the payment of such fees or deposits. However, the applicant is responsible
 25 for the costs of providing sufficient additional information to address relevant issues identified in
 26 the consideration of the application.

27 (9) A county may not compel an applicant to waive the period set in subsection (1) of this sec-
 28 tion or to waive the provisions of subsection (8) of this section or ORS 197A.470 or 215.429 as a
 29 condition for taking any action on an application for a permit, limited land use decision or zone
 30 change except when such applications are filed concurrently and considered jointly with a plan
 31 amendment.

32 (10) The periods set forth in subsections (1) and (5) of this section and ORS 197A.470 may be
 33 extended by up to 90 additional days, if the applicant and the county agree that a dispute concerning
 34 the application will be mediated.

35 **SECTION 9.** ORS 227.178 is amended to read:

36 227.178. (1) Except as provided in subsections (3), (5) and (11) of this section, the governing body
 37 of a city or its designee shall take final action on an application for a permit, limited land use de-
 38 cision or zone change, including resolution of all appeals under ORS 227.180, within 120 days after
 39 the application is deemed complete.

40 (2) If an application for a permit, limited land use decision or zone change is incomplete, the
 41 governing body or its designee shall notify the applicant in writing of exactly what information is
 42 missing within 30 days of receipt of the application and allow the applicant to submit the missing
 43 information. The application shall be deemed complete for the purpose of subsection (1) of this sec-
 44 tion or ORS 197A.470 upon receipt by the governing body or its designee of:

45 (a) All of the missing information;

1 (b) Some of the missing information and written notice from the applicant that no other infor-
2 mation will be provided; or

3 (c) Written notice from the applicant that none of the missing information will be provided.

4 (3)(a) If the application was complete when first submitted or the applicant submits the re-
5 quested additional information within 180 days of the date the application was first submitted [*and*
6 *the city has a comprehensive plan and land use regulations acknowledged under ORS 197.251*], ap-
7 proval or denial of the application [*shall*] **must** be based:

8 (A) Upon the standards and criteria that were applicable at the time the application was first
9 submitted[.]; **or**

10 (B) **For an application to establish a residential use, upon the request of the applicant,**
11 **those standards and criteria that became operative during the pendency of the application.**

12 (b) **If an applicant requests review under different standards as provided in paragraph**
13 **(a)(B) of this subsection:**

14 (A) **For the purposes of this section, the date of the application's submission or receipt**
15 **is the date of the request;**

16 (B) **For the purposes of this section and ORS 197A.470 the application is not deemed**
17 **complete until:**

18 (i) **The city determines that additional information is not required under subsection (2)**
19 **of this section; or**

20 (ii) **The applicant makes a submission under subsection (2) of this section in response to**
21 **a city's request; and**

22 (C) **The city may not require that the applicant:**

23 (i) **Pay a duplicative fee based on completed review;**

24 (ii) **Resubmit a new application or duplicative information; or**

25 (iii) **Repeat redundant processes or hearings that are inapplicable to the change in stan-**
26 **dards or criteria.**

27 [*(b) If the application is for industrial or traded sector development of a site identified under sec-*
28 *tion 12, chapter 800, Oregon Laws 2003, and proposes an amendment to the comprehensive plan, ap-*
29 *proval or denial of the application must be based upon the standards and criteria that were applicable*
30 *at the time the application was first submitted, provided the application complies with paragraph (a)*
31 *of this subsection.]*

32 (4) On the 181st day after first being submitted, the application is void if the applicant has been
33 notified of the missing information as required under subsection (2) of this section and has not sub-
34 mitted:

35 (a) All of the missing information;

36 (b) Some of the missing information and written notice that no other information will be pro-
37 vided; or

38 (c) Written notice that none of the missing information will be provided.

39 (5) The 120-day period set in subsection (1) of this section or the 100-day period set in ORS
40 197A.470 may be extended for a specified period of time at the written request of the applicant. The
41 total of all extensions, except as provided in subsection (11) of this section for mediation, may not
42 exceed 245 days.

43 (6) The 120-day period set in subsection (1) of this section applies:

44 (a) Only to decisions wholly within the authority and control of the governing body of the city;
45 and

1 (b) Unless the parties have agreed to mediation as described in subsection (11) of this section
 2 or ORS 197.319 (2)(b).

3 (7) Notwithstanding subsection (6) of this section, the 120-day period set in subsection (1) of this
 4 section and the 100-day period set in ORS 197A.470 do not apply to:

5 (a) A decision of the city making a change to an acknowledged comprehensive plan or a land
 6 use regulation that is submitted to the Director of the Department of Land Conservation and De-
 7 velopment under ORS 197.610; or

8 (b) A decision of a city involving an application for the development of residential structures
 9 within an urban growth boundary, where the city has tentatively approved the application and ex-
 10 tends these periods by no more than seven days in order to assure the sufficiency of its final order.

11 (8) Except when an applicant requests an extension under subsection (5) of this section, if the
 12 governing body of the city or its designee does not take final action on an application for a permit,
 13 limited land use decision or zone change within 120 days after the application is deemed complete,
 14 the city shall refund to the applicant, subject to the provisions of subsection (9) of this section, ei-
 15 ther the unexpended portion of any application fees or deposits previously paid or 50 percent of the
 16 total amount of such fees or deposits, whichever is greater. The applicant is not liable for additional
 17 governmental fees incurred subsequent to the payment of such fees or deposits. However, the ap-
 18 plicant is responsible for the costs of providing sufficient additional information to address relevant
 19 issues identified in the consideration of the application.

20 (9)(a) To obtain a refund under subsection (8) of this section, the applicant may either:

21 (A) Submit a written request for payment, either by mail or in person, to the city or its designee;
 22 or

23 (B) Include the amount claimed in a mandamus petition filed under ORS 227.179. The court shall
 24 award an amount owed under this section in its final order on the petition.

25 (b) Within seven calendar days of receiving a request for a refund, the city or its designee shall
 26 determine the amount of any refund owed. Payment, or notice that no payment is due, shall be made
 27 to the applicant within 30 calendar days of receiving the request. Any amount due and not paid
 28 within 30 calendar days of receipt of the request shall be subject to interest charges at the rate of
 29 one percent per month, or a portion thereof.

30 (c) If payment due under paragraph (b) of this subsection is not paid within 120 days after the
 31 city or its designee receives the refund request, the applicant may file an action for recovery of the
 32 unpaid refund. In an action brought by a person under this paragraph, the court shall award to a
 33 prevailing applicant, in addition to the relief provided in this section, reasonable attorney fees and
 34 costs at trial and on appeal. If the city or its designee prevails, the court shall award reasonable
 35 attorney fees and costs at trial and on appeal if the court finds the petition to be frivolous.

36 (10) A city may not compel an applicant to waive the 120-day period set in subsection (1) of this
 37 section or to waive the provisions of subsection (8) of this section or ORS 197A.470 or 227.179 as a
 38 condition for taking any action on an application for a permit, limited land use decision or zone
 39 change except when such applications are filed concurrently and considered jointly with a plan
 40 amendment.

41 (11) The periods set forth in subsections (1) and (5) of this section and ORS 197A.470 may be
 42 extended by up to 90 additional days, if the applicant and the city agree that a dispute concerning
 43 the application will be mediated.

44
 45 **ATTORNEY FEES FOR NEEDED HOUSING CHALLENGES**

SECTION 10. ORS 197.843 is amended to read:

197.843. (1) The Land Use Board of Appeals shall award attorney fees to *[an applicant whose application is only for the development of affordable housing, as defined in ORS 197A.445, or publicly supported housing, as defined in ORS 456.250]* **a person whose application includes the development of needed housing, as defined in ORS 197A.018, and any local government that approved the quasi-judicial land use decision**, if the board affirms a quasi-judicial land use decision approving the application or reverses a quasi-judicial land use decision denying the application.

(2) A *[party who was]* **person** awarded attorney fees under this section or ORS 197.850 shall repay the fees plus any interest from the time of the judgment if the property upon which the fees are based is developed for a use other than *[affordable]* **the proposed needed housing**.

(3) As used in this section[.],

[(a) "Applicant" includes:]

[(A) An applicant with a funding reservation agreement with a public funder for the purpose of developing publicly supported housing;]

[(B) A housing authority, as defined in ORS 456.005;]

[(C) A qualified housing sponsor, as defined in ORS 456.548;]

[(D) A religious nonprofit corporation;]

[(E) A public benefit nonprofit corporation whose primary purpose is the development of affordable housing; and]

[(F) A local government that approved the application of an applicant described in this paragraph.]

[(b)] "attorney fees" includes prelitigation legal expenses, including preparing the application and supporting the application in local land use hearings or proceedings.

SECTION 11. Operative and applicable dates. (1) The amendments to ORS 197.843 by section 10 of this 2024 Act become operative on January 1, 2025.

(2) The amendments to ORS 197.843 by section 10 of this 2024 Act apply to decisions for which a notice of intent to appeal under ORS 197.830 is filed on or after January 1, 2025.

FINANCIAL ASSISTANCE SUPPORTING HOUSING PRODUCTION

SECTION 12. Sections 13 and 14 of this 2024 Act are added to and made a part of ORS chapter 285A.

SECTION 13. Capacity and support for infrastructure planning. The Oregon Business Development Department shall provide capacity and support for infrastructure planning to municipalities to enable them to plan and finance infrastructure for water, sewers and sanitation, stormwater and transportation consistent with opportunities to produce housing units at densities defined in section 17 (2) of this 2024 Act. "Capacity and support" includes assistance with local financing opportunities, state and federal grant navigation, writing and review, resource sharing, regional collaboration support and technical support, including engineering and design assistance and other capacity or support as the department may designate by rule.

SECTION 14. Housing Infrastructure Support Fund. (1) The Housing Infrastructure Support Fund is established in the State Treasury, separate and distinct from the General Fund.

(2) The Housing Infrastructure Support Fund consists of moneys appropriated, allocated,

1 deposited or transferred to the fund by the Legislative Assembly or otherwise.

2 (3) Moneys in the fund are continuously appropriated to the Oregon Business Develop-
 3 ment Department to administer the fund and to implement section 13 of this 2024 Act.

4 **SECTION 15. Sunset.** (1) Sections 13 and 14 of this 2024 Act are repealed on January 2,
 5 2027.

6 (2) Any unobligated moneys in the Housing Infrastructure Support Fund on January 2,
 7 2027, must be transferred to the General Fund for general governmental purposes.

8 **SECTION 16.** Sections 17 and 18 of this 2024 Act are added to and made a part of ORS
 9 285B.410 to 285B.482.

10 **SECTION 17. Utility infrastructure financing.** (1) The Oregon Infrastructure Finance
 11 Authority may provide financial assistance, in the form of grants or loans, to a city or a
 12 tribal council of a federally recognized Indian tribe in this state for a project that will pri-
 13 marily support the development of planned housing as described in subsection (2) of this 2024
 14 Act. A project under this section may include:

15 (a) The development or improvement of transportation, water, wastewater and
 16 stormwater infrastructure; or

17 (b) Site development, including the development of privately owned sites, necessary for
 18 improvement of transportation, water, wastewater and stormwater infrastructure.

19 (2) To be eligible for financial assistance under this section the proposed housing devel-
 20 opment must have a minimum density of:

21 (a) Seventeen dwelling units per acre if sited within the Metro urban growth boundary;

22 (b) Ten units per acre if sited in a city with a population of 25,000 or greater;

23 (c) Six units per acre if sited in a city with a population of 2,500 and greater and less than
 24 25,000; or

25 (d) Five units per acre if sited in a city with population less than 2,500.

26 (3) To be eligible for a grant under this section the housing to be developed must be
 27 subject to an affordable housing covenant, as defined in ORS 456.270, under which:

28 (a) The grantee shall serve as or designate the covenant holder; and

29 (b) The housing will be made affordable to households with low or moderate income as
 30 defined in ORS 458.610 for a period of no less than 30 years from the date the housing is first
 31 available for occupancy as rental housing or first sold as owner-occupied housing.

32 (4) An applicant may partner with a housing authority as defined in ORS 456.005, a dis-
 33 trict as defined in ORS 198.010, or a housing developer to apply for and receive funding under
 34 this section.

35 (5) In administering this program, the authority shall prioritize funding the applications
 36 of cities and Indian tribes with the greatest need for housing affordability or production.

37 (6) In administering this program, the authority shall use approximately:

38 (a) Twenty-five percent of the funds to support cities or Indian tribes with populations
 39 of less than 25,000; and

40 (b) Twenty-five percent of the funds to support cities or Indian tribes with populations
 41 of 25,000 or greater and less than 100,000.

42 (7) The Housing Accountability and Production Office shall provide assistance in devel-
 43 oping requirements and prioritizing funding for applications under this section. In adminis-
 44 tering this program, the authority shall coordinate with:

45 (a) The office;

1 (b) The Oregon Business Development Department with respect to its administration of
 2 the housing site cleanup and mitigation program under section 20 of this 2024 Act; and

3 (c) The Housing and Community Services Department with respect to its administration
 4 of the programs under sections 22 and 23 of this 2024 Act and the Housing Project Revolving
 5 Loan Fund under section 35 of this 2024 Act.

6 (8) The Oregon Business Development Department may adopt rules to implement this
 7 section.

8 **SECTION 18. Housing Infrastructure Project Account.** (1) The Housing Infrastructure
 9 Project Account is established in the Special Public Works Fund established under ORS
 10 285B.455.

11 (2) The department may accept grants, donations, contributions or gifts from any source
 12 for deposit in the account. Interest earned by account shall be credited to the account.

13 (3) Moneys in the account are continuously appropriated to the Oregon Business Devel-
 14 opment Department for the purpose of providing financial assistance for housing projects as
 15 described in section 17 of this 2024 Act.

16 **SECTION 19.** Section 20 of this 2024 Act is added to and made a part of ORS chapter
 17 285A.

18 **SECTION 20. Site mitigation and readiness.** (1)(a) The Oregon Business Development
 19 Department may provide financial assistance, in the form of grants or loans, to a city or a
 20 tribal council of a federally recognized Indian tribe, to provide site cleanup and mitigation
 21 of publicly or privately owned properties zoned for residential or mixed-use development in
 22 order to allow for a specific housing development project for households with low or moder-
 23 ate income.

24 (b) As used in this subsection, “cleanup and mitigation” includes remediation of
 25 brownfields, as defined in ORS 285A.185, abatement of public nuisances, including abatement
 26 as described in ORS 105.550 to 105.600 or grading of land.

27 (2) To be eligible for financial assistance under this section:

28 (a) The land to be purchased must be zoned to require a minimum density not less than
 29 that described in section 17 (2) of this 2024 Act; and

30 (b) The housing to be developed on that land must be subject to an affordable housing
 31 covenant as described in section 17 (3) of this 2024 Act.

32 (3) An applicant may partner with a housing authority as defined in ORS 456.005 or a
 33 housing developer to apply for and receive funding under this section.

34 (4) In administering this program, the department shall prioritize funding the applica-
 35 tions of cities and Indian tribes with the greatest need for housing affordability or pro-
 36 duction.

37 (5) In administering this program, the department shall use approximately:

38 (a) Twenty-five percent of the funds to support cities or Indian tribes with populations
 39 of less than 25,000; and

40 (b) Twenty-five percent of the funds to support cities or Indian tribes with populations
 41 of 25,000 or greater and less than 100,000.

42 (6) The Housing Accountability and Production Office shall provide assistance in devel-
 43 oping requirements and prioritizing funding for applications under this section. In adminis-
 44 tering this program, the department shall coordinate with:

45 (a) The office;

1 (b) The Oregon Infrastructure Finance Authority with respect to its administration of
 2 the housing infrastructure financing program under section 17 of this 2024 Act; and

3 (c) The Housing and Community Services Department with respect to its administration
 4 of the programs under sections 22 and 23 of this 2024 Act and the Housing Project Revolving
 5 Loan Fund under section 35 of this 2024 Act.

6 (7) The Oregon Business Development Department may adopt rules to implement this
 7 section.

8 **SECTION 21.** Sections 22 and 23 of this 2024 Act and ORS 456.502 are added to and made
 9 a part of ORS chapter 458.

10 **SECTION 22. Site acquisition.** (1) The Housing and Community Services Department may
 11 provide financial assistance, in the form of grants or loans, to cities or federally recognized
 12 Indian tribes to purchase land to allow for a specific development project of housing for
 13 households with low or moderate income.

14 (2) To be eligible for funding under this section:

15 (a) The land to be purchased must be zoned to require a minimum density not less than
 16 that described in section 17 (2) of this 2024 Act; and

17 (b) The housing to be developed on that land must be subject to an affordable housing
 18 covenant as described in section 17 (3) of this 2024 Act.

19 (3) An applicant may partner with a housing authority or developer to apply for and re-
 20 ceive funding under this section.

21 (4) In administering this program, the department shall prioritize funding the applica-
 22 tions of cities and Indian tribes with the greatest need for housing affordability or pro-
 23 duction.

24 (5) In administering this program, the department shall use approximately:

25 (a) Twenty-five percent of the moneys to support cities or Indian tribes with populations
 26 of less than 25,000; and

27 (b) Twenty-five percent of the moneys to support cities or Indian tribes with populations
 28 of 25,000 or greater and less than 100,000.

29 (6) The Housing Accountability and Production Office shall provide assistance in devel-
 30 oping requirements and prioritizing funding for applications under this section. In adminis-
 31 tering these programs, the department shall coordinate with:

32 (a) The office;

33 (b) The Oregon Infrastructure Finance Authority with respect to its administration of
 34 the housing infrastructure financing program under section 17 of this 2024 Act; and

35 (c) The Oregon Business Development Department with respect to its administration of
 36 the housing site cleanup and mitigation program under section 20 of this 2024 Act.

37 **SECTION 23. Electrification incentives.** (1) The Housing and Community Services De-
 38 partment may provide grants for specific housing development projects to develop dwelling
 39 units for low or moderate income that will use only electricity for cooking, heating the
 40 dwelling units and heating the water used by the dwelling units.

41 (2) To be eligible for funding under this section:

42 (a) The development must have a minimum density as described in section 17 (2) of this
 43 2024 Act; and

44 (b) The housing to be developed on that land must be subject to an affordable housing
 45 covenant as described in section 17 (3) of this 2024 Act.

1 (3) The Housing Accountability and Production Office shall provide assistance in devel-
2 oping requirements and prioritizing funding for applications under this section and section
3 23 of this 2024 Act. In administering these programs, the department shall coordinate with:

4 (a) The office;

5 (b) The Oregon Infrastructure Finance Authority with respect to its administration of
6 the housing infrastructure financing program under section 17 of this 2024 Act; and

7 (c) The Oregon Business Development Department with respect to its administration of
8 the housing site cleanup and mitigation program under section 20 of this 2024 Act.

9
10 HOUSING PROJECT REVOLVING LOANS
11

12 SECTION 24. As used in sections 24 to 35 of this 2024 Act:

13 (1) "Assessor," "tax collector" and "treasurer" mean the individual filling that county
14 office so named or any county officer performing the functions of the office under another
15 name.

16 (2) "County tax officers" and "tax officers" mean the assessor, tax collector and treas-
17 urer of a county.

18 (3) "Eligible costs" means the following costs associated with an eligible housing project:

19 (a) System development charges;

20 (b) Predevelopment costs;

21 (c) Construction costs; and

22 (d) Land write-downs.

23 (4) "Eligible housing project" means a project to construct housing, or to convert a
24 building from a nonresidential use to housing, that is:

25 (a) If for-sale property, a single-family dwelling, middle housing as defined in ORS
26 197A.420 or a multifamily dwelling affordable at initial sale to households with an annual in-
27 come not greater than 120 percent of the area median income; or

28 (b) If rental property:

29 (A)(i) Middle housing as defined in ORS 197A.420;

30 (ii) A multifamily dwelling;

31 (iii) An accessory dwelling unit as defined in ORS 215.501; or

32 (iv) Any other form of affordable housing or moderate income housing; and

33 (B) Rented at a monthly rate that is affordable to households with an annual income not
34 greater than 120 percent of the area median income.

35 (5) "Eligible housing project property" means the taxable real and personal property
36 constituting the improvements of an eligible housing project.

37 (6) "Fee payer" means, for any property tax year, the person responsible for paying ad
38 valorem property taxes on eligible housing project property to which a grant awarded under
39 section 29 of this 2024 Act relates.

40 (7) "Fire district taxes" means property taxes levied by fire districts within whose terri-
41 tory all or a portion of eligible housing project property is located.

42 (8) "Nonexempt property" means property other than eligible housing project property
43 in the tax account that includes eligible housing project property.

44 (9) "Nonexempt taxes" means the ad valorem property taxes assessed on nonexempt
45 property.

1 (10) "Sponsoring jurisdiction" means:

2 (a)(A) A city with respect to eligible housing projects located within the city boundaries;

3 or

4 (B) A county with respect to eligible housing projects located in urban unincorporated
5 areas of the county; or

6 (b) The governing body of a city or county described in paragraph (a) of this subsection.

7 **SECTION 25.** (1) A sponsoring jurisdiction may adopt by ordinance or resolution a pro-
8 gram under which the sponsoring jurisdiction awards grants to developers for eligible costs.

9 (2) The ordinance or resolution shall set forth:

10 (a) The kinds of eligible housing projects for which a developer may seek a grant under
11 the program; and

12 (b) Any eligibility requirements to be imposed on projects and developers in addition to
13 those required under sections 24 to 35 of this 2024 Act.

14 (3) A grant award:

15 (a) Shall be in the amount determined under section 26 (3) of this 2024 Act; and

16 (b) May include reimbursement for eligible costs incurred for up to 12 months preceding
17 the date on which the eligible housing project received local site approval.

18 (4) Eligible housing project property for which a developer receives a grant for eligible
19 costs may not be granted any exemption, partial exemption or special assessment of ad
20 valorem property taxes other than the exemption granted under section 30 of this 2024 Act.

21 (5) A sponsoring jurisdiction may amend an ordinance or resolution adopted pursuant to
22 this section at any time. The amendments shall apply only to applications submitted under
23 section 26 of this 2024 Act on or after the effective date of the ordinance or resolution.

24 **SECTION 26.** (1)(a) A sponsoring jurisdiction that adopts a grant program pursuant to
25 section 25 of this 2024 Act shall prescribe an application process, including forms and dead-
26 lines, by which a developer may apply for a grant with respect to an eligible housing project.

27 (b) An application for a grant must include, at a minimum:

28 (A) A description of the eligible housing project;

29 (B) An itemized description of the eligible costs for which the grant is sought;

30 (C) The proposed schedule for completion of the eligible housing project;

31 (D) A project pro forma demonstrating that the project is economically feasible only with
32 the grant moneys; and

33 (E) Any other information, documentation or attestation that the sponsoring jurisdiction
34 considers necessary or convenient for the application review process.

35 (c)(A) The project pro forma under paragraph (b)(D) of this subsection shall be on a form
36 provided to the sponsoring jurisdiction by the Housing and Community Services Department
37 and made available to grant applicants.

38 (B) The department may enter into an agreement with a third party to develop the
39 project pro forma template.

40 (2)(a) The review of an application under this section shall be completed within 90 days
41 following the receipt of the application by the sponsoring jurisdiction.

42 (b) Notwithstanding paragraph (a) of this subsection:

43 (A) The sponsoring jurisdiction may in its sole discretion extend the review process be-
44 yond 90 days if the volume of applications would make timely completion of the review pro-
45 cess unlikely.

1 (B) The sponsoring jurisdiction may consult with a developer about the developer’s ap-
 2 plication, and the developer, after the consultation, may amend the application on or before
 3 a deadline set by the sponsoring jurisdiction.

4 (3) The sponsoring jurisdiction shall:

5 (a) Review each application;

6 (b) Request that the county tax officers provide to the sponsoring jurisdiction the de-
 7 terminations made under section 27 of this 2024 Act;

8 (c) Set the term of the loan that will fund the grant award, for a period not to exceed
 9 10 years;

10 (d) Set the amount of the grant that may be awarded to the developer under section 29
 11 (2) of this 2024 Act by multiplying the increment determined under section 27 (1)(c) of this
 12 2024 Act by the term of the loan; and

13 (e)(A) Provisionally approve the application as submitted;

14 (B) Provisionally approve the application on terms other than those requested in the
 15 application; or

16 (C) Reject the application.

17 (4)(a) The sponsoring jurisdiction shall forward provisionally approved applications to the
 18 Housing and Community Services Department.

19 (b) The department shall review the provisionally approved applications for completeness,
 20 including, but not limited to, the completeness of the project pro forma submitted with the
 21 application under subsection (1)(b)(D) of this section and the amounts computed under sec-
 22 tion 27 (1) of this 2024 Act and notify the sponsoring jurisdiction of its determination.

23 (5)(a) If the department has determined that a provisionally approved application is in-
 24 complete, the sponsoring jurisdiction may:

25 (A) Consult with the applicant developer and reconsider the provisionally approved ap-
 26 plication after the applicant revises it; or

27 (B) Reject the provisionally approved application.

28 (b) If the department has determined that a provisionally approved application is com-
 29 plete, the approval shall be final.

30 (c) The sponsoring jurisdiction shall notify each applicant and the department of the final
 31 approval or rejection of an application and the amount of the grant award.

32 (d) The rejection of an application and the amount of a grant award may not be appealed,
 33 but a developer may reapply for a grant at any time within the applicable deadlines of the
 34 grant program for the same or another eligible housing project.

35 (6) Upon request by a sponsoring jurisdiction, the department may assist the sponsoring
 36 jurisdiction with, or perform on behalf of the sponsoring jurisdiction, any duty required un-
 37 der this section.

38 **SECTION 27.** (1) Upon request of the sponsoring jurisdiction under section 26 (3)(b) of
 39 this 2024 Act, the assessor of the county in which is located the eligible housing project to
 40 which an application being reviewed under section 26 of this 2024 Act relates shall:

41 (a) Using the last certified assessment roll for the property tax year in which the appli-
 42 cation is received under section 26 of this 2024 Act:

43 (A) Determine the amount of property taxes assessed against all tax accounts that in-
 44 clude the eligible housing project property; and

45 (B) Subtract the amount of fire district taxes from the amount determined under sub-

1 paragraph (A) of this paragraph.

2 (b) For the first property tax year for which the completed eligible housing project
3 property is estimated to be taken into account:

4 (A) Determine the estimated amount of property taxes that will be assessed against all
5 tax accounts that include the eligible housing project property; and

6 (B) Subtract the estimated amount of fire district taxes from the amount determined
7 under subparagraph (A) of this paragraph.

8 (c) Determine the amount of the increment that results from subtracting the amount
9 determined under subsection (1)(a) of this section from the amount determined under sub-
10 section (1)(b) of this section.

11 (2) As soon as practicable after determining amounts under this subsection, the county
12 tax officers shall provide written notice to the sponsoring jurisdiction and the Housing and
13 Community Services Department certifying the amounts.

14 **SECTION 28.** (1)(a) The Housing and Community Services Department shall develop a
15 program to make loans to sponsoring jurisdictions to fund grants awarded under the spon-
16 soring jurisdiction's grant program adopted pursuant to section 25 of this 2024 Act.

17 (b) The loans shall be interest free for the term set by the sponsoring jurisdiction under
18 section 26 (3)(c) of this 2024 Act.

19 (2) For each application approved under section 26 (5)(b) of this 2024 Act, the Housing and
20 Community Services Department shall:

21 (a) Enter into a loan agreement with the sponsoring jurisdiction in the amount of the
22 grant award for the application set under section 26 (3)(d) of this 2024 Act; and

23 (b) Pay to the sponsoring jurisdiction the loan proceeds out of the Housing Project Re-
24 volving Loan Fund established under section 35 of this 2024 Act.

25 (3) In addition to the payment made under subsection (2)(b) of this section, the depart-
26 ment shall pay out of the fund, with respect to each loan:

27 (a) An amount equal to one percent of the loan proceeds to the sponsoring jurisdiction
28 to reimburse the sponsoring jurisdiction for the costs of administering the grant program,
29 other than the costs of tax administration;

30 (b) An amount equal to one percent of the loan proceeds to the sponsoring jurisdiction
31 to pay the county in which the sponsoring jurisdiction is situated to reimburse the county
32 for the costs of the tax administration of the grant program by the county tax officers; and

33 (c) A reimbursement to the department for its actual costs incurred in administering
34 sections 24 to 35 of this 2024 Act.

35 (4) The Housing and Community Services Department may assign any and all loan
36 amounts made under this section to the Department of Revenue for collection as provided
37 in ORS 293.250.

38 (5) The Housing and Community Services Department may:

39 (a) Consult with the Oregon Business Development Department about any of the powers
40 and duties conferred on the Housing and Community Services Department by sections 24 to
41 35 of this 2024 Act; and

42 (b) Adopt any rule it considers necessary or convenient for the administration of sections
43 24 to 35 of this 2024 Act by the Housing and Community Services Department.

44 **SECTION 29.** (1) Upon entering into a loan agreement with the Housing and Community
45 Services Department under section 28 of this 2024 Act, a sponsoring jurisdiction shall offer

1 a grant agreement to each developer whose application was approved under section 26 (5)(b)
 2 of this 2024 Act.

3 (2) The grant agreement shall:

4 (a) Include a grant award in the amount set under section 26 (3)(d) of this 2024 Act; and

5 (b) Contain terms that:

6 (A) Are required under sections 24 to 35 of this 2024 Act or the ordinance or resolution
 7 adopted by the sponsoring jurisdiction pursuant to section 25 of this 2024 Act.

8 (B) Do not conflict with sections 24 to 35 of this 2024 Act or the ordinance or resolution
 9 adopted by the sponsoring jurisdiction pursuant to section 25 of this 2024 Act.

10 (3) Upon entering into a grant agreement with a developer, a sponsoring jurisdiction shall
 11 adopt an ordinance or resolution setting forth the details of the eligible housing project that
 12 is the subject of the agreement, including but not limited to:

13 (a) A description of the eligible housing project;

14 (b) An itemized description of the eligible costs;

15 (c) The amount and terms of the grant award;

16 (d) Written notice that the eligible housing project property is exempt from property
 17 taxation in accordance with section 30 of this 2024 Act; and

18 (e) A statement declaring that the grant has been awarded in response to the housing
 19 needs of communities within the sponsoring jurisdiction.

20 (4) As soon as practicable after the ordinance or resolution required under subsection (3)
 21 of this section becomes effective, the sponsoring jurisdiction shall distribute the loan pro-
 22 ceeds received from the department under section 28 (2) of this 2024 Act to the developer as
 23 the grant moneys awarded under this section.

24 (5) The sponsoring jurisdiction shall forward to the tax officers of the county in which
 25 the eligible housing project is located a copy of the grant agreement, the ordinance or re-
 26 solution and any other material the sponsoring jurisdiction considers necessary for the tax
 27 officers to perform their duties under sections 24 to 35 of this 2024 Act or the ordinance or
 28 resolution.

29 (6) Upon request, the department may assist the sponsoring jurisdiction with, or perform
 30 on behalf of the sponsoring jurisdiction, any duty required under this section.

31 **SECTION 30.** (1) Upon receipt of the copy of a grant agreement and ordinance or resol-
 32 ution from the sponsoring jurisdiction under section 29 (5) of this 2024 Act, the assessor of
 33 the county in which eligible housing project property is located shall:

34 (a) Exempt the eligible housing project property in accordance with this section;

35 (b) Assess and tax the nonexempt property in the tax account as other similar property
 36 is assessed and taxed; and

37 (c) Submit a written report to the sponsoring jurisdiction setting forth the assessor's
 38 estimate of the amount of:

39 (A) The real market value of the exempt eligible housing project property; and

40 (B) The property taxes on the exempt eligible housing project property that would have
 41 been collected if the property were not exempt.

42 (2)(a) The exemption shall first apply to the property tax year that immediately succeeds
 43 the effective date of the ordinance or resolution adopted by the sponsoring jurisdiction under
 44 section 29 (3) of this 2024 Act.

45 (b) The eligible housing project property shall be disqualified from the exemption on the

1 earliest of:

2 (A) July 1 of the property tax year immediately succeeding the date on which the fee
3 payment obligation under section 32 of this 2024 Act that relates to the eligible housing
4 project is repaid in full;

5 (B) The date on which the annual fee imposed on the fee payer under section 32 of this
6 2024 Act becomes delinquent;

7 (C) The date on which foreclosure proceedings are commenced as provided by law for
8 delinquent nonexempt taxes assessed with respect to the tax account that includes the eli-
9 gible housing project; or

10 (D) The date on which a condition specified in section 33 (1) of this 2024 Act occurs.

11 (c) After the eligible housing project property has been disqualified from the exemption
12 under this subsection, the property shall be assessed and taxed as other similar property is
13 assessed and taxed.

14 (3) For each tax year that the eligible housing project property is exempt from taxation,
15 the assessor shall enter a notation on the assessment roll stating:

16 (a) That the property is exempt under this section; and

17 (b) The presumptive number of property tax years for which the exemption is granted,
18 which shall be the term of the loan agreement relating to the eligible housing project set
19 under section 26 (3)(c) of this 2024 Act.

20 **SECTION 31.** (1) Repayment of loans made under section 28 of this 2024 Act shall begin,
21 in accordance with section 32 of this 2024 Act, after completion of the eligible housing project
22 funded by the grant to which the loan relates.

23 (2)(a) The sponsoring jurisdiction shall determine the date of completion of an eligible
24 housing project.

25 (b)(A) If an eligible housing project is completed before July 1 of the assessment year,
26 repayment shall begin with the property tax year that begins on July 1 of the assessment
27 year.

28 (B) If an eligible housing project is completed on or after July 1 of the assessment year,
29 repayment shall begin with the property tax year that begins on July 1 of the succeeding
30 assessment year.

31 (c) After determining the date of completion under paragraph (a) of this subsection, the
32 sponsoring jurisdiction shall notify the Housing and Community Services Department and the
33 county tax officers of the determination.

34 (3) A loan shall remain outstanding until repaid in full.

35 **SECTION 32.** (1) The fee payer for eligible housing project property that has been granted
36 exemption under section 30 of this 2024 Act shall pay an annual fee for the term that shall
37 be the presumptive number of years for which the property is granted exemption under
38 section 30 (3)(b) of this 2024 Act.

39 (2)(a) The amount of the fee for the first property tax year that the loan is outstanding
40 shall be the portion of the increment determined under section 27 (1)(c) of this 2024 Act that
41 is attributable to the eligible housing project property to which the fee relates.

42 (b) For each subsequent property tax year, the amount of the fee shall be 103 percent
43 of the amount of the fee for the preceding property tax year.

44 (3)(a) Not later than July 15 of each property tax year during the term of the fee obli-
45 gation, the sponsoring jurisdiction shall certify to the assessor each fee amount that became

1 due under this section on or after July 16 of the previous property tax year from fee payers
2 with respect to eligible housing projects located in the sponsoring jurisdiction.

3 (b) The assessor shall place each fee amount on the assessment and tax rolls of the
4 county and notify:

5 (A) The sponsoring jurisdiction of each fee amount and the aggregate of all fee amounts
6 imposed with respect to eligible housing project property located in the sponsoring jurisdic-
7 tion.

8 (B) The Housing and Community Services Department of each fee amount and the ag-
9 gregate of all fee amounts with respect to all eligible housing project property located in the
10 county.

11 (4)(a) The assessor shall include on the tax statement of each tax account that includes
12 exempt eligible housing project property the amount of the fee imposed on the fee payer with
13 respect to the eligible housing project property.

14 (b) The fee shall be collected and enforced in the same manner as ad valorem property
15 taxes, including nonexempt taxes, are collected and enforced.

16 (5)(a) For each property tax year in which a fee is payable under this section, the treas-
17 urer shall:

18 (A) Estimate the amount of fire district taxes that would have been collected on eligible
19 housing project property if the property were not exempt;

20 (B) Distribute out of the fee moneys the amounts determined under paragraph (a) of this
21 subsection to the respective fire districts when other ad valorem property taxes are distrib-
22 uted under ORS 311.395; and

23 (C) Transfer the net fee moneys to the Housing and Community Services Department for
24 deposit in the Housing Project Revolving Loan Fund established under section 35 of this 2024
25 Act in repayment of the loans to which the fees relate.

26 (b) Nonexempt taxes shall be distributed in the same manner as other ad valorem prop-
27 erty taxes are distributed.

28 (6) Any person with an interest in the eligible housing project property on the date on
29 which any fee amount becomes due shall be jointly and severally liable for payment of the
30 fee amount.

31 (7) Any loan amounts that have not been repaid when the fee payer has discharged its
32 obligations in full under this section remain the obligation of the sponsoring jurisdiction that
33 obtained the loan from the department under section 28 of this 2024 Act.

34 **SECTION 33.** (1)(a) A developer that received a grant award under section 29 of this 2024
35 Act shall become liable for immediate payment of any outstanding annual fee payments im-
36 posed under section 32 of this 2024 Act for the entire term of the fee if:

37 (A) The developer has not completed the eligible housing project within three years fol-
38 lowing the date on which the grant moneys were distributed to the developer;

39 (B) The eligible housing project changes substantially from the project for which the
40 developer's application was approved such that the project would not have been eligible for
41 the grant; or

42 (C) The developer has not complied with a requirement specified in the grant agreement.

43 (b) The sponsoring jurisdiction may, in its sole discretion, extend the date on which the
44 eligible housing project must be completed.

45 (2) If the sponsoring jurisdiction discovers that a developer willfully made a false state-

1 ment or misrepresentation or willfully failed to report a material fact to obtain a grant with
 2 respect to an eligible housing project, the sponsoring jurisdiction may impose on the devel-
 3 oper a penalty not to exceed 20 percent of the amount of the grant so obtained, plus any
 4 applicable interest and fees associated with the costs of collection.

5 (3) Any amounts imposed under subsection (1) or (2) of this section shall be a lien on the
 6 eligible housing project property and the nonexempt property in the tax account.

7 (4) The sponsoring jurisdiction shall provide written notice of any amounts that become
 8 due under subsections (1) and (2) of this section to the county tax officers and the Housing
 9 and Community Services Department.

10 (5)(a) Any and all amounts required to be paid under this section shall be considered to
 11 be liquidated and delinquent, and the Housing and Community Services Department shall
 12 assign such amounts to the Department of Revenue for collection as provided in ORS 293.250.

13 (b) Amounts collected under this subsection shall be deposited, net of any collection
 14 charges, in the Housing Project Revolving Loan Fund established under section 35 of this
 15 2024 Act.

16 **SECTION 34.** (1) Not later than June 30 of each year in which a grant agreement entered
 17 into under section 29 of this 2024 Act is in effect, a developer that is party to the agreement
 18 shall submit a report to the sponsoring jurisdiction in which the eligible housing project is
 19 located that contains:

20 (a) The status of the construction or conversion of the eligible housing project property,
 21 including an estimate of the date of completion;

22 (b) An itemized description of the uses of the grant moneys; and

23 (c) Any information the sponsoring jurisdiction considers important for evaluating the
 24 eligible housing project and the developer's performance under the terms of the grant
 25 agreement.

26 (2) Not later than August 15 of each year, each sponsoring jurisdiction shall submit to
 27 the Housing and Community Services Department a report containing such information re-
 28 lating to eligible housing projects within the sponsoring jurisdiction as the department re-
 29 quires.

30 (3)(a) Not later than November 15 of each year, the department shall submit, in the
 31 manner required under ORS 192.245, a report to the interim committees of the Legislative
 32 Assembly related to housing.

33 (b) The report shall set forth in detail:

34 (A) The information received from sponsoring jurisdictions under subsection (2) of this
 35 section;

36 (B) The status of the repayment of all outstanding loans made under section 28 of this
 37 2024 Act and of the payment of all fees imposed under section 32 of this 2024 Act and all
 38 amounts imposed under section 33 of this 2024 Act; and

39 (C) The cumulative experience of the program developed and implemented under sections
 40 24 to 35 of this 2024 Act.

41 (c) The report may include recommendations for legislation.

42 **SECTION 35.** (1) The Housing Project Revolving Loan Fund is established in the State
 43 Treasury, separate and distinct from the General Fund. Interest earned by the Housing
 44 Project Revolving Loan Fund shall be credited to the fund.

45 (2) Moneys in the fund may be invested as provided by ORS 293.701 to 293.857, and the

1 earnings from the investments shall be credited to the fund.

2 (3) Moneys in the Housing Project Revolving Loan Fund shall consist of:

3 (a) Amounts appropriated or otherwise transferred or credited to the fund by the Legis-
4 lative Assembly;

5 (b) Net fee moneys transferred under section 32 of this 2024 Act;

6 (c) Amounts deposited in the fund under section 33 of this 2024 Act;

7 (d) Interest and other earnings received on moneys in the fund; and

8 (e) Other moneys or proceeds of property from any public or private source that are
9 transferred, donated or otherwise credited to the fund.

10 (4) Moneys in the Housing Project Revolving Loan Fund are continuously appropriated
11 to the Housing and Community Services Department for the following purposes:

12 (a) Making loans to sponsoring jurisdictions under section 28 of this 2024 Act; and

13 (b) Reimbursing the actual costs incurred by the department under sections 24 to 35 of
14 this 2024 Act.

15 (5) Moneys in the Housing Project Revolving Loan Fund at the end of a biennium shall
16 be retained in the fund and used for the purposes set forth in subsection (4) of this section.

17 SECTION 36. The Housing and Community Services Department shall have developed and
18 begun operating the loan program that the department is required to develop under section
19 28 of this 2024 Act, including regional trainings and outreach for jurisdictional partners, no
20 later than June 30, 2025.

21
22 **HOUSING LAND USE ADJUSTMENTS**

23
24 SECTION 37. Sections 38 to 41 of this 2024 Act are added to and made a part of ORS
25 chapter 197A.

26 SECTION 38. Mandatory adjustment to housing development standards. (1) As used in
27 sections 38 to 41 of this 2024 Act:

28 (a) “Adjustment” means a deviation from an existing land use regulation.

29 (b) “Adjustment” does not include:

30 (A) A request to allow a use of property not otherwise permissible under applicable zon-
31 ing requirements;

32 (B) Deviations from land use regulations or requirements related to accessibility,
33 affordability, fire ingress or egress, local tree codes, hazardous or contaminated site clean-up
34 or statewide land use planning goals relating to natural resources, natural hazards, the
35 Willamette River Greenway, estuarine resources, coastal shorelands, beaches and dunes or
36 ocean resources;

37 (C) A complete waiver of land use regulations; or

38 (D) Deviations to requirements of building codes, federal or state water quality require-
39 ments or requirements of any federal, state or local law other than a land use regulation.

40 (2) Except as provided in section 40 of this 2024 Act, a local government shall grant a
41 request for an adjustment in an application to develop housing as provided in this section
42 and section 39 of this 2024 Act. An application qualifies for an adjustment under this section
43 only if the following conditions are met:

44 (a) The application is for a building permit or a quasi-judicial, limited or ministerial land
45 use decision;

1 (b) The development is on lands zoned to allow for residential uses, including mixed-use
 2 residential, at densities not less than those required under section 17 (2) of this 2024 Act;

3 (c) The development is within an urban growth boundary, not including lands that have
 4 not been annexed by a city;

5 (d) The development is of net new housing units in new construction projects, including
 6 single-family or multifamily, mixed-use residential where at least 75 percent of the developed
 7 floor area will be used for residential uses, manufactured dwelling parks, accessory dwelling
 8 units or middle housing as defined in ORS 197A.420;

9 (e) The application requests not more than 10 distinct adjustments to development stan-
 10 dards as provided in this section. A “distinct adjustment” means:

11 (A) An adjustment to one of the development standards listed in subsection (4) of this
 12 section; or

13 (B) An adjustment to one of the development standards listed in subsection (5) of this
 14 section; and

15 (f) The application states that at least one of the following criteria apply:

16 (A) The adjustments will enable development of housing that is not otherwise feasible due
 17 to cost or delay resulting from the unadjusted land use regulations;

18 (B) The adjustments will enable development of housing that reduces the sale or rental
 19 prices per residential unit;

20 (C) The adjustments will increase the number of housing units within the application;

21 (D) All of the units in the application are subject to an affordable housing covenant as
 22 described in ORS 456.270 to 456.295, making them affordable to moderate income households
 23 as defined in ORS 456.270 for a minimum of 30 years;

24 (E) At least 20 percent of the units in the application are subject to an affordable housing
 25 covenant as described in ORS 456.270 to 456.295, making them affordable to low income
 26 households as defined in ORS 456.270 for a minimum of 60 years;

27 (F) The adjustments will enable the provision of accessibility or visitability features in
 28 housing units that are not otherwise feasible due to cost or delay resulting from the unad-
 29 justed land use regulations; or

30 (G) All of the units in the application are subject to a zero equity, limited equity, or
 31 shared equity ownership model including resident-owned cooperatives and community land
 32 trusts making them affordable to moderate income households as described in ORS 456.270
 33 to 456.295 for a period of 90 years.

34 (3) In reviewing an adjustment application under this section, a local government may:

35 (a) Use an existing process, or develop a new process, that complies with the require-
 36 ments of section 39 of this 2024 Act; or

37 (b) Directly apply the process set forth in section 39 of this 2024 Act.

38 (4) A local government shall grant an adjustment to the following development standards:

39 (a) Side and rear setbacks, for an adjustment of not more than 10 percent.

40 (b) The common area, open space or area that must be landscaped, for a reduction of not
 41 more than 25 percent.

42 (c) Parking minimums.

43 (d) Minimum lot sizes, not more than a 10 percent adjustment, and including not more
 44 than a 10 percent adjustment to lot widths or depths.

45 (e) Maximum lot sizes, not more than a 10 percent adjustment, including not more than

1 a 10 percent adjustment to lot width or depths and only if the adjustment results in an in-
 2 crease in the number of dwelling units.

3 (f) Building lot coverage requirements for up to a 10 percent adjustment.

4 (g) For manufactured dwelling parks, middle housing as defined in ORS 197A.420, multi-
 5 family housing and mixed-use residential housing:

6 (A) Requirements for bicycle parking that establish:

7 (i) The minimum number of spaces, for a reduction not greater than an adjustment that
 8 will allow for one-half space per residential unit; or

9 (ii) The location of the spaces, provided that lockable, covered bicycle parking spaces are
 10 within or adjacent to the residential development;

11 (B) Building height maximums that:

12 (i) Are in addition to existing applicable height bonuses, if any; and

13 (ii) Are not more than an increase of the greater of:

14 (I) One story; or

15 (II) A 20 percent increase to base zone height with rounding consistent with methodology
 16 outlined in city code, if any;

17 (C) Unit density maximums, not more than an amount necessary to account for other
 18 adjustments under this section; and

19 (D) Prohibitions, for the ground floor of a mixed-use building, against:

20 (i) Residential uses except for one face of the building that faces the street and is within
 21 20 feet of the street; and

22 (ii) Nonresidential active uses that support the residential uses of the building, including
 23 lobbies, day care, passenger loading, community rooms, exercise facilities, offices, activity
 24 spaces or live-work spaces, except for active uses in specifically and clearly defined mixed
 25 use areas or commercial corridors designated by local governments.

26 (5) A local government shall grant an adjustment to design standards that regulate:

27 (a) Facade materials, color or pattern.

28 (b) Facade articulation.

29 (c) Roof forms and materials.

30 (d) Entry and garage door materials.

31 (e) Garage door orientation, unless the building is adjacent to or across from a school
 32 or public park.

33 (f) Window materials, except for bird-safe glazing requirements.

34 (g) Total window area, for up to a 30 percent adjustment.

35 (h) For manufactured dwelling parks, middle housing as defined in ORS 197A.420, multi-
 36 family housing and mixed-use residential:

37 (A) Building orientation requirements, not including transit street orientation require-
 38 ments.

39 (B) Building height transition requirements, not more than a 50 percent adjustment from
 40 the base zone.

41 (C) Requirements for balconies and porches.

42 (D) Requirements for recesses and offsets.

43 **SECTION 39. Approval of allowed housing adjustments.** (1)(a) Within 30 days after re-
 44 ceiving a complete application under section 38 of this 2024 Act, the local government shall
 45 notify the applicant whether the local government believes that the application is deemed

1 complete to make a review under section 38 of this 2024 Act. A local government may provide
 2 this notification concurrently with the application completeness determination described in
 3 ORS 215.427 (3) or 227.178 (3).

4 (b) If a local government notifies the applicant that any proposed adjustment is not ready
 5 for review, the applicant may submit additional evidence for evaluation under this subsection
 6 within 30 days following the notice.

7 (c) The completeness determination under this subsection is not a land use decision.

8 (2) A local government shall make a final decision on an application for an adjustment
 9 under section 38 of this 2024 Act on or before the development application decision and within
 10 any timelines imposed by ORS 197A.470, 215.416 or 227.175.

11 (3)(a) A denial of an application for an adjustment under section 38 of this 2024 Act must
 12 be in a brief written statement that explains the criteria and standards considered relevant
 13 to the decision, states the facts relied on in rendering the decision and explains the justi-
 14 fication for the decision based on the stated criteria, standards and facts.

15 (b) If the denial of an application for an adjustment is made separately from any other
 16 related application, the decision does not require notice under ORS 197.195 or 197.797. “Other
 17 related application” means a land use decision, if any exists, for which the developer has
 18 requested an approval of an adjustment under section 38 of this 2024 Act.

19 (4) A final decision on an application for an adjustment made under this section and
 20 section 38 of this 2024 Act is a limited land use decision. Only the applicant may appeal the
 21 decision.

22 **SECTION 40. Mandatory adjustments exception process.** (1) A local government may ap-
 23 ply to the Housing Accountability and Production Office for an exemption to sections 38 and
 24 39 of this 2024 Act only as provided in this section. After the application is made, sections
 25 38 and 39 of this 2024 Act do not apply to the applicant until the office denies the application
 26 or revokes the exemption.

27 (2) To qualify for an exemption under this section, the local government must demon-
 28 strate that:

29 (a) The local government reviews design and development adjustments for all applications
 30 for the development of housing;

31 (b) All listed development and design adjustments under section 38 (4) and (5) of this 2024
 32 Act are eligible under the local government’s adjustment process; and

33 (c)(A) Within the previous 5 years the city has approved 90 percent of received adjust-
 34 ment requests; or

35 (B) The adjustment process is flexible and accommodates project needs as demonstrated
 36 by testimonials of housing developers who have utilized the adjustment process within the
 37 previous five years.

38 (3) Upon receipt of an application under this section, the office shall allow for public
 39 comment on the application for a period of no less than 45 days. The office shall enter a final
 40 order on the adjustment exemption within 120 days of receiving the application. The approval
 41 of an application may not be appealed.

42 (4) Local governments with an approved or pending exemption under this section shall
 43 clearly and consistently notify applicants, including potential applicants, that are engaged in
 44 housing development:

45 (a) That the local government is employing a local process in lieu of sections 38 and 39

1 of this 2024 Act;

2 (b) Of the development and design standards for which an applicant may request an ad-
 3 justment in a housing development application; and

4 (c) Of the applicable criteria for the adjustment application.

5 (5) In response to a complaint and following an investigation, the office may issue an
 6 order revoking an exemption issued under this section if the office determines that the local
 7 government is:

8 (a) Not approving adjustments as required by the local process or the terms of the ex-
 9 emption; or

10 (b) Engaging in a pattern or practice of violating housing-related statutes or imple-
 11 menting policies that create unreasonable cost or delays to housing production under ORS
 12 197.320 (13)(a).

13 **SECTION 41. Reporting.** (1) A city required to provide a report under ORS 197A.110 shall
 14 include as part of that report information reasonably requested from the Department of
 15 Land Conservation and Development on residential development produced through approvals
 16 of adjustments granted under section 38 of this 2024 Act. The department may not develop
 17 a separate process for collecting this data or otherwise place an undue burden on local gov-
 18 ernments.

19 (2) On or before September 15 of each even-numbered year, the department shall provide
 20 a report to an interim committee of the Legislative Assembly related to housing in the
 21 manner provided in ORS 192.245 on the data collected under subsection (1) of this section.
 22 The committee shall invite the League of Oregon Cities to provide feedback on the report
 23 and the efficacy of section 38 of this 2024 Act.

24 **SECTION 42. Operative date.** Sections 38 to 41 of this 2024 Act become operative on
 25 January 1, 2025.

26 **SECTION 43. Sunset.** Sections 38 to 41 of this 2024 Act are repealed on January 2, 2032.

27
 28 **LIMITED LAND USE DECISIONS**
 29

30 **SECTION 44.** Section 45 of this 2024 Act is added to and made a part of ORS chapter
 31 197A.

32 **SECTION 45. Applicability of limited land use decision to housing development.** (1) Except
 33 as provided in subsection (3) of this section, each local government shall process as a limited
 34 land use decision any application for the development of housing within an urban growth
 35 boundary that requests:

36 (a) Partitions, subdivisions, replats or property line adjustments under ORS 92.010 to
 37 92.192;

38 (b) Site plan review;

39 (c) Extensions, alterations or expansions of nonconforming uses; or

40 (d) Adjustments to land use regulations, as defined in section 38 (1) of this 2024 Act, in-
 41 cluding those with an exemption under section 40 of this 2024 Act and including but not
 42 limited to those listed in section 38 (4) or (5) of this 2024 Act.

43 (2) Notwithstanding ORS 197.195 (1), a local government that has not incorporated limited
 44 land use decisions into its comprehensive plan may directly apply the procedures described
 45 in ORS 197.195 (2) to (5).

(3) This section does not apply to:

(a) An application already processed as a ministerial use decision under the local government’s acknowledged development standards.

(b) Decisions by a local government for which the Housing Accountability and Production Office has approved a hardship exemption or time extension. The office may grant an exemption or time extension only if the local government demonstrates that a substantial hardship would result from the increased costs or staff capacity needed to implement procedures as required under this section.

SECTION 46. Operative date. Section 45 of this 2024 Act becomes operative on January 1, 2025.

SECTION 47. Sunset. Section 45 of this 2024 Act is repealed on January 2, 2032.

ONE-TIME SITE ADDITIONS TO URBAN GROWTH BOUNDARIES

SECTION 48. Sections 49 to 59 of this 2024 Act are added to and made a part of ORS chapter 197A.

SECTION 49. Definitions. As used in sections 49 to 59 of this 2024 Act:

(1) “Net residential acre” means an acre of residentially designated buildable land, not including rights of way for streets, roads or utilities or areas not designated for development due to natural resource protections or environmental constraints.

(2) “Site” means a lot or parcel or contiguous lots or parcels, or both, with or without common ownership.

SECTION 50. City addition of sites outside of Metro. (1) Notwithstanding any other provision of ORS chapter 197A, a city outside of Metro may add a site to the city’s urban growth boundary under sections 49 to 59 of this 2024 Act, if:

(a) The site is adjacent to the existing urban growth boundary of the city or is separated from the existing urban growth boundary by only a street or road;

(b) The site is:

(A) Designated as an urban reserve under ORS 197A.230 to 197A.250, including a site whose designation is adopted under ORS 197.652 to 197.658;

(B) Designated as nonresource land; or

(C) Subject to an acknowledged exception to a statewide land use planning goal relating to farmland or forestland;

(c) The city has not previously adopted an urban growth boundary amendment or exchange under sections 49 to 59 of this 2024 Act;

(d) The city has demonstrated a need for the addition under section 52 of this 2024 Act;

(e) The city has requested and received an application as required under sections 53 and 54 of this 2024 Act;

(f) The total acreage of the site:

(A) For a city with a population of 25,000 or greater, does not exceed 150 net residential acres; or

(B) For a city with a population of less than 25,000, does not exceed 75 net residential acres; and

(g)(A) The city has adopted a binding conceptual plan for the site that satisfies the requirements of section 55 of this 2024 Act; or

1 (B) The added site does not exceed 15 net residential acres and satisfies the requirements
2 of section 56 of this 2024 Act.

3 (2) A county shall approve an amendment to an urban growth boundary made under this
4 section that complies with sections 49 to 59 of this 2024 Act and shall cooperate with a city
5 to facilitate the coordination of functions under ORS 195.020 to facilitate the city's
6 annexation and the development of the site. The county's decision is not a land use decision.

7 (3) Notwithstanding ORS 197.626, an action by a local government under sections 49 to
8 59 of this 2024 Act is not a land use decision as defined in ORS 197.015.

9 **SECTION 51. Petition for additions of sites to Metro urban growth boundary.** (1) A city
10 within Metro may petition Metro to add a site within the Metro urban growth boundary if
11 the site:

12 (a) Satisfies the requirements of section 50 (1) of this 2024 Act; and

13 (b) Is designated as an urban reserve.

14 (2)(a) Within 120 days of receiving a petition under this section, Metro shall determine
15 whether the site would substantially comply with the applicable provisions of sections 49 to
16 59 of this 2024 Act.

17 (b) If Metro determines that a petition does not substantially comply, Metro shall:

18 (A) Notify the city of deficiencies in the petition, specifying sufficient detail to allow the
19 city to remedy any deficiency in a subsequent resubmittal; and

20 (B) Allow the city to amend its conceptual plan and resubmit it as a petition to Metro
21 under this section.

22 (c) If Metro determines that a petition does comply, notwithstanding any other provision
23 of ORS chapter 197A, Metro shall adopt amendments to its urban growth boundary to include
24 the site in the petition, unless the amendment would result in more than 600 total net resi-
25 dential acres added under this subsection.

26 (3) If the net residential acres included in approved petitions received on or before July
27 1, 2025, total less than 600 net residential acres, Metro shall adopt amendments to its urban
28 growth boundary under subsection (2)(c) of this section:

29 (a) On or before November 1, 2025, for petitions received on or before July 1, 2024; or

30 (b) Within 120 days after the receipt of a petition received after July 1, 2025, in the order
31 in which the petitions are received.

32 (4) If the net residential acres included in approved petitions received on or before July
33 1, 2025, total 600 or more net residential acres, on or before January 1, 2027, Metro shall
34 adopt amendments to its urban growth boundary under subsection (2)(c) of this section to
35 include the sites in those petitions that Metro determines will:

36 (a) Best comply with the provisions of section 55 of this 2024 Act; and

37 (b) Maximize the development of needed housing.

38 (5) Metro may not conduct a hearing to review or select petitions or adopt amendments
39 to its urban growth boundary under this section.

40 **SECTION 52. City demonstration of need.** A city may not add, or petition to add, a site
41 under sections 49 to 59 of this 2024 Act, unless:

42 (1) The city has demonstrated a need for additional land based on the following factors:

43 (a)(A) The city has had no urban growth boundary expansions in the prior 20 years; and

44 (B) The city does not have within its existing urban growth boundary an undeveloped,
45 contiguous tract that is zoned for residential use that is larger than 20 acres; or

1 (b) Within urban growth boundary expansion areas adopted by the city over the previous
 2 20 years, 75 percent of the lands are developed or development-ready lands; and

3 (2) The city has demonstrated a need for affordable housing, based on having a greater
 4 percentage of extremely cost-burdened households than the average for this state based on
 5 data from the United States Department of Housing and Urban Development.

6 **SECTION 53. City solicitation of site applications.** (1) Before a city may select a site for
 7 inclusion within the city’s or Metro’s urban growth boundary under sections 49 to 59 of this
 8 2024 Act, a city must provide public notice that includes:

9 (a) The city’s intention to select a site for inclusion within the city’s urban growth
 10 boundary.

11 (b) Each basis under which the city has determined that it qualifies to include a site
 12 under section 52 of this section.

13 (c) A deadline for submission of applications under this section that is at least 45 days
 14 following the date of the notice;

15 (d) A description of the information, form and format required of an application, includ-
 16 ing the requirements of section 55 (2) of this 2024 Act.

17 (2) A copy of the notice of intent under this section must be provided to:

18 (a) Each county in which the city resides;

19 (b) Each special district providing urban services within the city’s urban growth bound-
 20 ary;

21 (c) The Department of Land Conservation and Development; and

22 (d) Metro, if the city is within Metro.

23 **SECTION 54. City review of site applications.** (1) After the deadline for submission of
 24 applications established under section 55 of this 2024 Act, the city shall:

25 (a) Review applications filed for compliance with sections 49 to 59 of this 2024 Act.

26 (b) For each completed application that complies with sections 49 to 59 of this 2024 Act,
 27 provide notice to the residents of the proposed site area who were not signatories to the
 28 application.

29 (c) Provide opportunities for public participation in selecting a site, including, at least:

30 (A) One public comment period;

31 (B)(i) One meeting of the city’s planning commission at which public testimony is con-
 32 sidered;

33 (ii) One meeting of the city’s council at which public testimony is considered; or

34 (iii) One public open house; and

35 (C) Notice on the city’s website or published in a paper of record at least 14 days before:

36 (i) A meeting under subparagraph (B) of this paragraph; and

37 (ii) The beginning of a comment period under subparagraph (A) of this paragraph.

38 (d) Consult with, request necessary information from and provide the opportunity for
 39 written comment from:

40 (A) The owners of each lot or parcel within the site;

41 (B) If the city does not currently exercise land use jurisdiction over the entire site, the
 42 governing body of each county with land use jurisdiction over the site;

43 (C) Any special district that provides urban services to the site; and

44 (D) Any public or private utility that provides utilities to the site.

45 (2) An application filed under this section must:

1 (a) Be completed for each property owner or group of property owners that are proposing
 2 an urban growth boundary amendment under sections 49 to 59 of this 2024 Act;

3 (b) Be in writing in a form and format as required by the city;

4 (c) Specify the lots or parcels that are the subject of the application;

5 (d) Be signed by all owners of lots or parcels included within the application; and

6 (e) Include each owner’s signed consent to annexation of the properties if the site is
 7 added to the urban growth boundary.

8 (3) If the city has received approval from all property owners of such lands, in writing
 9 in a form and format specified by the city, the governing body of the city may select an ap-
 10 plication and the city shall adopt a conceptual plan as described in section 55 of this 2024
 11 Act for all or a portion of the lands contained within the application.

12 (4) A conceptual plan adopted under subsection (3) of this section must include findings
 13 identifying reasons for inclusion of lands within the conceptual plan and reasons why lands,
 14 if any, submitted as part of an application that was partially approved were not included
 15 within the conceptual plan.

16 **SECTION 55. Conceptual plan for added sites.** (1) As used in this section:

17 (a) “Affordable units” means residential units described in subsection (3)(f)(A) or (4) of
 18 this section.

19 (b) “Market rate units” means residential units other than affordable units.

20 (2) Before adopting an urban growth boundary amendment under section 50 of this 2024
 21 Act or petitioning Metro under section 51 of this 2024 Act, for a site larger than 15 net res-
 22 idential acres, a city shall adopt a binding conceptual plan as an amendment to its compre-
 23 hensive plan.

24 (3) The conceptual plan must:

25 (a) Establish the total net residential acres within the site and must require for those
 26 residential areas:

27 (A) A diversity of housing types and sizes, including middle housing, accessible housing
 28 and other needed housing; and

29 (B) That the development will be on lands zoned for residential or mixed-use residential
 30 uses at densities not less than those required under section 17 (2) of this 2024 Act;

31 (b) Designate within the site:

32 (A) Recreation and open space lands; and

33 (B) Lands for commercial uses, either separate or as a mixed use, that:

34 (i) Primarily serve the immediate surrounding housing;

35 (ii) Provide goods and services at a smaller scale than provided on typical lands zoned for
 36 commercial use; and

37 (iii) Are provided at the minimum amount necessary to support and integrate viable
 38 commercial and residential uses;

39 (c) If the city has a population of 5,000 or greater, include a transportation network for
 40 the site that provides diverse transportation options, including walking, bicycling and transit
 41 use if public transit services are available, as well as sufficient connectivity to existing and
 42 planned transportation network facilities as shown in the local government’s transportation
 43 system plan as defined in Land Conservation and Development Commission rules;

44 (d) Demonstrate that protective measures will be applied to the site consistent with the
 45 statewide land use planning goals for:

- 1 (A) Open spaces, scenic and historic areas or natural resources;
- 2 (B) Areas subject to natural hazards;
- 3 (C) The Willamette River Greenway;
- 4 (D) Estuarine resources;
- 5 (E) Coast shorelands; or
- 6 (F) Beaches and dunes;
- 7 (e) Include a binding agreement among the city, each owner within the site and any other
- 8 necessary public or private utility provider, local government or district, as defined in ORS
- 9 195.060, or combination of local governments and districts that the site will be served with
- 10 all necessary urban services as defined in ORS 195.065, or an equivalent assurance; and
- 11 (f) Include requirements that ensure that:
- 12 (A) At least 30 percent of the residential units are subject to affordability restrictions,
- 13 including but not limited to affordable housing covenants, as described in ORS 456.270 to
- 14 456.295, that require for a period of not less than 60 years that the units be:
- 15 (i) Available for rent, with or without government assistance, by households with an in-
- 16 come of 80 percent or less of the area median income as defined in ORS 456.270; or
- 17 (ii) Available for purchase, with or without government assistance, by households with
- 18 an income of 130 percent or less of the area median income;
- 19 (B) The construction of all affordable units has commenced before the city issues certif-
- 20 icates of occupancy to the last 15 percent of market rate units;
- 21 (C) All common areas and amenities are equally available to residents of affordable units
- 22 and of market rate units; and
- 23 (D) The requirement for affordable housing units is recorded before the building permits
- 24 are issued for any property within the site, and the requirements contain financial penalties
- 25 for noncompliance.
- 26 (4) A city may require greater affordability requirements for residential units than are
- 27 required under subsection (3)(f)(A) of this section, provided that the city significantly and
- 28 proportionally offsets development costs related to:
- 29 (a) Permits or fees;
- 30 (b) System development charges;
- 31 (c) Property taxes; or
- 32 (d) Land acquisition and predevelopment costs.
- 33 **SECTION 56. Alternative for small additions.** (1) A city that intends to add 15 net resi-
- 34 dential acres or less is not required to adopt a conceptual plan under section 55 of this 2024
- 35 Act if the city has entered into enforceable and recordable agreements with each landowner
- 36 of a property within the site to ensure that the site will comply with the affordability re-
- 37 quirements described in section 55 (3)(f) of this 2024 Act.
- 38 (2) This section does not apply to a city within Metro.
- 39 **SECTION 57. Department approval of site additions.** (1) Within 21 days after the adoption
- 40 of an amendment to an urban growth boundary or the adoption or amendment of a concep-
- 41 tual plan under sections 49 to 59 of this 2024 Act, and the approval by a county if required
- 42 under section 50 (2) of this 2024 Act, the conceptual plan or amendment must be submitted
- 43 to the Department of Land Conservation and Development for review. The submission must
- 44 be made by:
- 45 (a) The city, for an amendment under section 50 or 58 of this 2024 Act; or

1 (b) Metro, for an amendment under section 51 of this 2024 Act.

2 (2) Within 60 days after receiving a submittal under subsection (1) of this section, the
3 department shall:

4 (a) Review the submittal for compliance with the provisions of sections 49 to 59 of this
5 2024 Act.

6 (b)(A) If the submittal substantially complies with the provisions of sections 49 to 59 of
7 this 2024 Act, issue an order approving the submittal; or

8 (B) If the submittal does not substantially comply with the provisions of sections 49 to
9 59 of this 2024 Act, issue an order remanding the submittal to the city or to Metro with a
10 specific determination of deficiencies in the submittal and with sufficient detail to identify a
11 specific remedy for any deficiency in a subsequent resubmittal.

12 (3) If a conceptual plan is remanded to Metro under subsection (2)(b) of this section:

13 (a) The department shall notify the city; and

14 (b) The city may amend its conceptual plan and resubmit a petition to Metro under sec-
15 tion 51 of this 2024 Act.

16 (4) Judicial review of the department's order:

17 (a) Must be as a review of orders other than a contested case under ORS 183.484; and

18 (b) May be initiated only by the city or an owner of a proposed site.

19 (5) Following the approval of a submittal under this section, a local government must
20 include the added lands in any future inventory of buildable lands or determination of hous-
21 ing capacity under ORS 197A.270, 197A.280, 197A.335 or 197A.350.

22 **SECTION 58. Alternative urban growth boundary land exchange.** (1) In lieu of amending
23 its urban growth boundary under any other process provided by sections 49 to 59 of this 2024
24 Act, a city outside of Metro may amend its urban growth boundary to add a site to the urban
25 growth boundary and to remove one or more tracts of land from the urban growth boundary
26 as provided in this section.

27 (2) The acreage of the added site and removed lands must be roughly equivalent.

28 (3) The removed lands must have been zoned for residential uses. Notwithstanding any
29 other provision of ORS chapter 197 or 197A or any land use regulation, for lands removed
30 from an urban growth boundary under this section the city or county may, without further
31 process, consider the removed lands as:

32 (a) Zoned or designated for rural uses;

33 (b) Designated as lands subject to an exception under ORS 197.732 to goals for agriculture
34 or forest; or

35 (c) Designated as urban reserve, as defined in ORS 197A.230.

36 (4) The added site must be zoned for residential uses at the same or greater density than
37 the removed lands.

38 (5)(a) Except as provided in paragraph (b) of this subsection, land may be removed from
39 an urban growth boundary under this section without landowner consent.

40 (b) Land may not be removed from an urban growth boundary under this section if the
41 landowner enters into a recorded agreement with the city agreeing to consent to annexation
42 of the land and to develop the land within 20 years.

43 (6) Review of a city's exchange of lands made under this section may only be made by the
44 county as provided in section 50 (2) of this 2024 Act and by the Department of Land Conser-
45 vation and Development, subject to judicial review, as provided in section 57 of this 2024 Act.

(7) Sections 50 (1), 52, 53, 54, 55 and 56 of this 2024 Act do not apply to a site addition made under this section.

SECTION 59. Reporting on added sites. A city for which an amendment was made to an urban growth boundary and approved under sections 49 to 59 of this 2024 Act shall submit a report describing the status of development within the included area to the Department of Land Conservation and Development every two years until:

(1) January 2, 2033; or

(2) The city determines that development consistent with the acknowledged conceptual plan is deemed complete.

SECTION 60. Sunset. Sections 49 to 59 of this 2024 Act are repealed on January 2, 2033.

APPROPRIATIONS

SECTION 61. Appropriation for Housing Accountability and Production Office. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for deposit into the Housing Accountability and Production Office Fund under section 4 of this 2024 Act, for the biennium ending June 30, 2025, out of the General Fund, the following amounts:

(1) \$___ to operate the Housing Accountability and Production Office under sections 1 to 5 of this 2024 Act.

(2) \$10,000,000 for the office to provide technical assistance, including grants, under section 1 (1) of this 2024 Act.

SECTION 62. Appropriation to Oregon Business Development Department. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Business Development Department, for the biennium ending June 30, 2025, out of the General Fund, the following amounts:

(1) \$200,000,000 for deposit into the Housing Infrastructure Project Account under section 18 of this 2024 Act.

(2) \$10,000,000 for deposit into the Brownfields Redevelopment Fund to provide financial assistance under section 20 of this 2024 Act.

(3) \$5,000,000 for deposit into the Housing Infrastructure Support Fund under section 14 of this 2024 Act.

SECTION 63. Appropriation to Housing and Community Services Department. In addition to and not in lieu of any other appropriation, there is appropriated to the Housing and Community Services Department, for the biennium ending June 30, 2025, out of the General Fund, the following amounts:

(1) \$200,000,000 for deposit into the Housing Project Revolving Loan Fund under section 35 of this 2024 Act.

(2) \$40,000,000 for deposit into the Housing and Community Services Department Fund to provide financial assistance under section 22 of this 2024 Act.

(3) \$20,000,000 for deposit into the Housing and Community Services Department Fund to provide financial assistance under section 23 of this 2024 Act.

CONFORMING AMENDMENTS

1 **SECTION 64.** ORS 197.335, as amended by section 17, chapter 13, Oregon Laws 2023, is
2 amended to read:

3 197.335. (1) [*An order issued under ORS 197.328 and the copy of the order mailed*] **The Land**
4 **Conservation and Development Commission shall mail a copy of an enforcement order** to the
5 local government, state agency or special district. **An order** must set forth:

6 (a) The nature of the noncompliance, including, but not limited to, the contents of the compre-
7 hensive plan or land use regulation, if any, of a local government that do not comply with the goals
8 or the contents of a plan, program or regulation affecting land use adopted by a state agency or
9 special district that do not comply with the goals. In the case of a pattern or practice of decision-
10 making, the order must specify the decision-making that constitutes the pattern or practice, includ-
11 ing specific provisions the [*Land Conservation and Development*] commission believes are being
12 misapplied.

13 (b) The specific lands, if any, within a local government for which the existing plan or land use
14 regulation, if any, does not comply with the goals.

15 (c) The corrective action decided upon by the commission, including the specific requirements,
16 with which the local government, state agency or special district must comply. In the case of a
17 pattern or practice of decision-making, the commission may require revisions to the comprehensive
18 plan, land use regulations or local procedures which the commission believes are necessary to cor-
19 rect the pattern or practice. Notwithstanding the provisions of this section, except as provided in
20 subsection (3)(c) of this section, an enforcement order does not affect:

21 (A) Land use applications filed with a local government prior to the date of adoption of the
22 enforcement order unless specifically identified by the order;

23 (B) Land use approvals issued by a local government prior to the date of adoption of the
24 enforcement order; or

25 (C) The time limit for exercising land use approvals issued by a local government prior to the
26 date of adoption of the enforcement order.

27 (2) Judicial review of a final order of the commission is governed by the provisions of ORS
28 chapter 183 applicable to contested cases except as otherwise stated in this section. The
29 commission's final order must include a clear statement of findings which set forth the basis for the
30 order. Where a petition to review the order has been filed in the Court of Appeals, the commission
31 shall transmit to the court the entire administrative record of the proceeding under review.
32 Notwithstanding ORS 183.482 (3) relating to a stay of enforcement of an agency order, an appellate
33 court, before it may stay an order of the commission, shall give due consideration to the public in-
34 terest in the continued enforcement of the commission's order and may consider testimony or affi-
35 davits thereon. Upon review, an appellate court may affirm, reverse, modify or remand the order.
36 The court shall reverse, modify or remand the order only if it finds:

37 (a) The order to be unlawful in substance or procedure, but an error in procedure is not cause
38 for reversal, modification or remand unless the court finds that substantial rights of any party were
39 prejudiced thereby;

40 (b) The order to be unconstitutional;

41 (c) The order is invalid because it exceeds the statutory authority of the agency; or

42 (d) The order is not supported by substantial evidence in the whole record.

43 (3)(a) If the commission finds that in the interim period during which a local government, state
44 agency or special district would be bringing itself into compliance with the commission's order [*un-*
45 *der ORS 197.320 or subsection (2) of this section*] it would be contrary to the public interest in the

1 conservation or sound development of land to allow the continuation of some or all categories of
 2 land use decisions or limited land use decisions, it shall, as part of its order, limit, prohibit or re-
 3 quire the approval by the local government of applications for subdivisions, partitions, building
 4 permits, limited land use decisions or land use decisions until the plan, land use regulation or sub-
 5 sequent land use decisions and limited land use decisions are brought into compliance. The com-
 6 mission may issue an order that requires review of local decisions by a hearings officer or the
 7 Department of Land Conservation and Development before the local decision becomes final.

8 (b) Any requirement under this subsection may be imposed only if the commission finds that the
 9 activity, if continued, aggravates the goal, comprehensive plan or land use regulation violation and
 10 that the requirement is necessary to correct the violation.

11 (c) The limitations on enforcement orders under subsection (1)(c)(B) of this section do not affect
 12 the commission's authority to limit, prohibit or require application of specified criteria to subsequent
 13 land use decisions involving land use approvals issued by a local government prior to the date of
 14 adoption of the enforcement order.

15 (4) As part of its order [*under ORS 197.320 or subsection (2) of this section*], the commission may
 16 withhold grant funds from the local government to which the order is directed. As part of an order
 17 issued under this section, the commission may notify the officer responsible for disbursing state-
 18 shared revenues to withhold that portion of state-shared revenues to which the local government is
 19 entitled under ORS 221.770, 323.455, 366.762 and 366.800 and ORS chapter 471 which represents the
 20 amount of state planning grant moneys previously provided the local government by the commission.
 21 The officer responsible for disbursing state-shared revenues shall withhold state-shared revenues as
 22 outlined in this section and shall release funds to the local government or department when notified
 23 to so do by the commission or its designee. The commission may retain a portion of the withheld
 24 revenues to cover costs of providing services incurred under the order, including use of a hearings
 25 officer or staff resources to monitor land use decisions and limited land use decisions or conduct
 26 hearings. The remainder of the funds withheld under this provision shall be released to the local
 27 government upon completion of requirements of the [*commission*] **enforcement** order.

28 (5)(a) As part of its order under this section, the commission may notify the officer responsible
 29 for disbursing funds from any grant or loan made by a state agency to withhold such funds from a
 30 special district to which the order is directed. The officer responsible for disbursing funds shall
 31 withhold funds as outlined in this section and shall release funds to the special district or depart-
 32 ment when notified to do so by the commission.

33 (b) The commission may retain a portion of the funds withheld to cover costs of providing ser-
 34 vices incurred under the order, including use of a hearings officer or staff resources to monitor land
 35 use decisions and limited land use decisions or conduct hearings. The remainder of the funds with-
 36 held under this provision shall be released to the special district upon completion of the require-
 37 ments of the commission order.

38 (6) As part of its order under this section, upon finding a city failed to comply with ORS 197.320
 39 (13), the commission may, consistent with the principles in ORS 197A.130 (1), require the city to:

40 (a) Comply with the housing acceleration agreement under ORS 197A.130 (6).

41 (b) Take specific actions that are part of the city's housing production strategy under ORS
 42 197A.100.

43 (c) Impose appropriate models that have been developed by department, including model ordi-
 44 nances, procedures, actions or anti-displacement measures.

45 (d) Reduce maximum timelines for review of needed housing or specific types of housing or

1 affordability levels, *[including]* through ministerial approval or any other expedited existing approval
2 process.

3 (e) Take specific actions to waive or amend local ordinances.

4 (f) Forfeit grant funds under subsection (4) of this section.

5 (7) The commission may institute actions or proceedings for legal or equitable remedies in the
6 Circuit Court for Marion County or in the circuit court for the county to which the *[commission's]*
7 order is directed or within which all or a portion of the applicable city is located to enforce com-
8 pliance with the provisions of any order issued under this section or to restrain violations thereof.
9 Such actions or proceedings may be instituted without the necessity of prior agency notice, hearing
10 *[and]* **or** order on an alleged violation.

11 **(8) As used in this section, “enforcement order” or “order” means an order issued under**
12 **ORS 197.320 or section 3 of this 2024 Act as may be modified on appeal under subsection (2)**
13 **of this section.**

14 **SECTION 65.** ORS 183.471 is amended to read:

15 183.471. (1) When an agency issues a final order in a contested case, the agency shall maintain
16 the final order in a digital format that:

17 (a) Identifies the final order by the date it was issued;

18 (b) Is suitable for indexing and searching; and

19 (c) Preserves the textual attributes of the document, including the manner in which the docu-
20 ment is paginated and any boldfaced, italicized or underlined writing in the document.

21 (2) The Oregon State Bar may request that an agency provide the Oregon State Bar, or its
22 designee, with electronic copies of final orders issued by the agency in contested cases. The request
23 must be in writing. No later than 30 days after receiving the request, the agency, subject to ORS
24 192.338, 192.345 and 192.355, shall provide the Oregon State Bar, or its designee, with an electronic
25 copy of all final orders identified in the request.

26 (3) Notwithstanding ORS 192.324, an agency may not charge a fee for the first two requests
27 submitted under this section in a calendar year. For any subsequent request, an agency may impose
28 a fee in accordance with ORS 192.324 to reimburse the agency for the actual costs of complying with
29 the request.

30 (4) For purposes of this section, a final order entered in a contested case by an administrative
31 law judge under ORS 183.625 (3) is a final order issued by the agency that authorized the adminis-
32 trative law judge to conduct the hearing.

33 (5) This section does not apply to final orders by default issued under ORS 183.417 (3) or to final
34 orders issued in contested cases by:

35 (a) The Department of Revenue;

36 (b) The State Board of Parole and Post-Prison Supervision;

37 (c) The Department of Corrections;

38 (d) The Employment Relations Board;

39 (e) The Public Utility Commission of Oregon;

40 (f) The Oregon Health Authority;

41 (g) The Land Conservation and Development Commission, **except for enforcement orders un-**
42 **der section 3 of this 2024 Act;**

43 (h) The Land Use Board of Appeals;

44 (i) The Division of Child Support of the Department of Justice;

45 (j) The Department of Transportation, if the final order relates to the suspension, revocation or

1 cancellation of identification cards, vehicle registrations, vehicle titles or driving privileges or to the
2 assessment of taxes or stipulated settlements in the regulation of vehicle related businesses;

3 (k) The Employment Department or the Employment Appeals Board, if the final order relates to
4 benefits as defined in ORS 657.010;

5 (L) The Employment Department, if the final order relates to an assessment of unemployment
6 tax for which a hearing was not held;

7 (m) The Employment Department, if the final order relates to:

8 (A) Benefits, as defined in ORS 657B.010;

9 (B) Employer and employee contributions under ORS 657B.150 for which a hearing was not held;

10 (C) Employer-offered benefit plans approved under ORS 657B.210 or terminated under ORS
11 657B.220; or

12 (D) Employer assistance grants under ORS 657B.200; or

13 (n) The Department of Human Services, if the final order was not related to licensing or certi-
14 fication.

15 **SECTION 66.** ORS 455.770 is amended to read:

16 455.770. (1) In addition to any other authority and power granted to the Director of the De-
17 partment of Consumer and Business Services under ORS 446.003 to 446.200, 446.225 to 446.285,
18 446.395 to 446.420, 479.510 to 479.945, 479.995 and 480.510 to 480.670 and this chapter and ORS
19 chapters 447, 460 and 693 **and sections 1 to 5 of this 2024 Act**, with respect to municipalities,
20 building officials and inspectors, if the director has reason to believe that there is a failure to en-
21 force or a violation of any provision of the state building code or ORS 446.003 to 446.200, 446.225
22 to 446.285, 446.395 to 446.420, 479.510 to 479.945, 479.995 or 480.510 to 480.670 or this chapter or
23 ORS chapter 447, 460 or 693 or any rule adopted under those statutes, the director may:

24 (a) Examine building code activities of the municipality;

25 (b) Take sworn testimony; and

26 (c) With the authorization of the Office of the Attorney General, subpoena persons and records
27 to obtain testimony on official actions that were taken or omitted or to obtain documents otherwise
28 subject to public inspection under ORS 192.311 to 192.478.

29 (2) The investigative authority authorized in subsection (1) of this section covers the violation
30 or omission by a municipality related to enforcement of codes or administrative rules, certification
31 of inspectors or financial transactions dealing with permit fees and surcharges under any of the
32 following circumstances when:

33 (a) The duties are clearly established by law, rule or agreement;

34 (b) The duty involves procedures for which the means and methods are clearly established by
35 law, rule or agreement; or

36 (c) The duty is described by clear performance standards.

37 (3) Prior to starting an investigation under subsection (1) of this section, the director shall notify
38 the municipality in writing setting forth the allegation and the rules or statutes pertaining to the
39 allegation and give the municipality 30 days to respond to the allegation. If the municipality does
40 not satisfy the director's concerns, the director may then commence an investigation.

41 (4) If the Department of Consumer and Business Services or the director directs corrective
42 action[, *the following shall be done*]:

43 (a) The corrective action [*shall*] **must** be in writing and served on the building official and the
44 chief executive officers of all municipalities affected;

45 (b) The corrective action [*shall*] **must** identify the facts and law relied upon for the required

1 action; and

2 (c) A reasonable time [*shall*] **must** be provided to the municipality for compliance.

3 (5) The director may revoke any authority of the municipality to administer any part of the state
4 building code or ORS 446.003 to 446.200, 446.225 to 446.285, 446.395 to 446.420, 479.510 to 479.945,
5 479.995 or 480.510 to 480.670 or this chapter or ORS chapter 447, 460 or 693 or any rule adopted
6 under those statutes if the director determines after a hearing conducted under ORS 183.413 to
7 183.497 that:

8 (a) All of the requirements of this section and ORS 455.775 and 455.895 were met; and

9 (b) The municipality did not comply with the corrective action required.

10

11

CAPTIONS

12

13 **SECTION 67. The unit and section captions used in this 2024 Act are provided only for**
14 **the convenience of the reader and do not become part of the statutory law of this state or**
15 **express any legislative intent in the enactment of this 2024 Act.**

16

17

EFFECTIVE DATE

18

19 **SECTION 68. This 2024 Act takes effect on the 91st day after the date on which the 2024**
20 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

21

Requested by Senator WAGNER (at the request of Governor Tina Kotek)

**PROPOSED AMENDMENTS TO
SENATE BILL 1537**

1 Delete pages 2 through 33 of the printed bill.

2 On page 34, delete lines 1 through 32 and insert:

3 **“SECTION 1. Housing Accountability and Production Office. (1) The**
4 **Department of Land Conservation and Development and the Depart-**
5 **ment of Consumer and Business Services shall enter into an intera-**
6 **gency agreement to establish and administer the Housing**
7 **Accountability and Production Office.**

8 **“(2) The Housing Accountability and Production Office shall:**

9 **“(a) Provide technical assistance, including assistance through**
10 **grants, to local governments to:**

11 **“(A) Comply with housing laws;**

12 **“(B) Reduce permitting and land use barriers to housing production;**
13 **and**

14 **“(C) Support reliable and effective implementation of local proce-**
15 **dures and standards relating to the approval of residential develop-**
16 **ment projects.**

17 **“(b) Serve as a resource, which includes providing responses to re-**
18 **quests for technical assistance with complying with housing laws, to:**

19 **“(A) Local governments, as defined in ORS 174.116; and**

20 **“(B) Applicants for land use and building permits for residential**
21 **development who are experiencing permitting and land use barriers**

1 related to housing production.

2 “(c) Investigate and respond to complaints of violations of housing
3 laws under section 2 of this 2024 Act.

4 “(d) Establish best practices related to model codes, typical
5 drawings and specifications as described in ORS 455.062, procedures
6 and practices by which local governments may comply with housing
7 laws.

8 “(e) Provide optional mediation of active disputes relating to hous-
9 ing laws between a local government and applicants for land use and
10 building permits for residential development, including mediation un-
11 der ORS 197.860.

12 “(f) Coordinate agencies that are involved in the housing develop-
13 ment process, including, but not limited to, the Department of Land
14 Conservation and Development, Department of Consumer and Busi-
15 ness Services, Housing and Community Services Department and
16 Oregon Business Development Department, to enable the agencies to
17 support local governments and applicants for land use and building
18 permits for residential development by identifying state agency tech-
19 nical and financial resources that can address identified housing de-
20 velopment and feasibility barriers.

21 “(g) Establish policy and funding priorities for state agency re-
22 sources and programs for the purpose of addressing barriers to hous-
23 ing production, including, but not limited to, making
24 recommendations for moneys needed for the purposes of sections 16,
25 17, 19, 22, 23 and 35 of this 2024 Act.

26 “(3) The Land Conservation and Development Commission and the
27 Department of Consumer and Business Services shall coordinate in
28 adopting, amending or repealing rules for:

29 “(a) Carrying out the respective responsibilities of the departments
30 and the office under sections 1 to 5 of this 2024 Act.

1 “(b) Model codes, development plans, procedures and practices by
2 which local governments may comply with housing laws.

3 “(c) Establishing standards by which complaints are investigated
4 and pursued.

5 “(4) The office shall prioritize assisting local governments in vol-
6 untarily undertaking changes to come into compliance with housing
7 laws.

8 “(5) As used in sections 1 to 5 of this 2024 Act:

9 “(a) ‘Housing law’ means ORS chapter 197A and ORS 92.010 to
10 92.192, 92.830 to 92.845, 197.360 to 197.380, 197.475 to 197.493, 197.505 to
11 197.540, 197.660 to 197.670, 197.748, 215.402 to 215.438, 227.160 to 227.186,
12 455.148, 455.150, 455.152, 455.153, 455.156, 455.157, 455.165, 455.170, 455.175,
13 455.180, 455.185 to 455.198, 455.200, 455.202 to 455.208, 455.210, 455.220,
14 455.465 and 455.467 and administrative rules implementing those laws,
15 to the extent that the law or rule imposes a mandatory duty on a local
16 government or its officers, employees or agents and the application
17 of the law or rule applies to residential development or pertains to a
18 permit for a residential use or a division of land for residential pur-
19 poses.

20 “(b) ‘Residential’ includes mixed-use residential development.

21 “SECTION 2. Office responses to violations of housing laws. (1) The
22 Housing Accountability and Production Office shall establish a form
23 or format through which the office receives allegations of local
24 governments’ violations of housing laws that impact housing pro-
25 duction. For complaints that relate to a specific development project,
26 the office may receive complaints only from the project applicant. For
27 complaints not related to a specific development project, the office
28 may receive complaints from any person within the local government’s
29 jurisdiction or the Department of Land Conservation and Development
30 or the Department of Consumer and Business Services.

1 “(2)(a) Except as provided in paragraph (b) of this subsection, the
2 office shall investigate suspected violations of housing laws or vio-
3 lations credibly alleged under subsection (1) of this section.

4 “(b) The office shall develop consistent procedures to evaluate and
5 determine the credibility of alleged violations of housing laws.

6 “(c) If a complainant has filed a notice of appeal with the Land Use
7 Board of Appeals or has initiated private litigation regarding any as-
8 pect of the application decision that was alleged to have been the
9 subject of the housing law violation, the office may not further par-
10 ticipate in the specific complaint or its appeal, except for:

11 “(A) Providing agency briefs, including briefs under ORS 197.830 (8),
12 to the board or the court;

13 “(B) Providing technical assistance to the local government unre-
14 lated to the resolution of the specific complaint; or

15 “(C) Mediation at the request of the local government and
16 complainant, including mediation under ORS 197.860.

17 “(3)(a) If the office has a reasonable basis to conclude that a vio-
18 lation was or is being committed, the office shall deliver written
19 warning notice to the local government specifying the violation and
20 any authority under this section that the office intends to invoke if
21 the violation continues or is not remedied. The notice must include
22 an invitation to address or remedy the suspected violation through
23 mediation, the execution of a compliance agreement to voluntarily
24 remedy the situation, the adoption of suitable model codes developed
25 by the office under section 1 (3)(b) of this 2024 Act or other remedies
26 suitable to the specific violation.

27 “(b) The office shall prioritize technical assistance funding to local
28 governments that agree to comply with housing laws under this sub-
29 section.

30 “(c) A determination by the office is not a legislative, judicial or

1 quasi-judicial decision.

2 “(4) No earlier than 60 days after a warning notice is delivered un-
3 der subsection (3) of this section, the office may:

4 “(a) Initiate a request for an enforcement order of the Land Con-
5 servation and Development Commission by delivering a notice of re-
6 quest under section 3 (3) of this 2024 Act.

7 “(b) Seek a court order against a local government as described
8 under ORS 455.160 (3) without being adversely affected or serving the
9 demand as described in ORS 455.160 (2).

10 “(c) Notwithstanding ORS 197.090 (2)(b) to (e), participate in and
11 seek review of a matter under ORS 197.090 (2)(a) that pertains to
12 housing laws without the notice or consent of the commission. No less
13 than once every two years, the office shall report to the commission
14 on the matters in which the office participated under this paragraph.

15 “(d) Except regarding matters under the exclusive jurisdiction of
16 the Land Use Board of Appeals, apply to a circuit court for an order
17 compelling compliance with any housing law. If the court finds that
18 the defendant is not complying with a housing law, the court may
19 grant an injunction requiring compliance.

20 “(5) The office may not, in the name of the office, exercise the au-
21 thority of the Department of Land Conservation and Development
22 under ORS 197A.130.

23 “(6) The office shall send notice to each complainant under sub-
24 section (1) of this section at the time that the office:

25 “(a) Takes any action under subsection (3) or (4) of this section; or

26 “(b) Has determined that it will not take further actions or make
27 further investigations.

28 “(7) The actions authorized of the office under this section are in
29 addition to and may be exercised in conjunction with any other in-
30 vestigative or enforcement authority that may be exercised by the

1 Department of Land Conservation and Development, the Land Con-
2 servation and Development Commission or the Department of Con-
3 sumer and Business Services.

4 “(8) Nothing in this section:

5 “(a) Amends the jurisdiction of the Land Use Board of Appeals or
6 of a circuit court;

7 “(b) Creates a new cause of action; or

8 “(c) Tolls or extends:

9 “(A) The statute of limitations for any claim; or

10 “(B) The deadline for any appeal or other action.

11 **“SECTION 3. Office enforcement orders. (1) The Housing Account-**
12 **ability and Production Office may request an enforcement order under**
13 **section 2 (4)(a) of this 2024 Act requiring that a local government take**
14 **action necessary to bring its comprehensive plan, land use regulation,**
15 **limited land use decisions or other land use decisions or actions into**
16 **compliance with a housing law, except for a housing law that pertains**
17 **to the state building code or the administration of the code.**

18 “(2) Except as otherwise provided in this section, a request for an
19 enforcement order by the office is subject to the applicable provisions
20 of ORS 197.335 and ORS chapter 183 and is not subject to ORS 197.319,
21 197.324 or 197.328.

22 “(3) The office shall make a request for an enforcement order under
23 this section by delivering a notice to the local government that states
24 the grounds for initiation and summarizes the procedures for the
25 enforcement order proceeding along with a copy of the notice to the
26 Land Conservation and Development Commission. A decision of the
27 office to initiate an enforcement order is not subject to appeal.

28 “(4) After receiving notice of an enforcement order request under
29 subsection (3) of this section, the local government shall deliver a no-
30 tice to an affected applicant, if any, in substantially the following

1 **form:**

2 “ _____
3 **NOTICE: The Housing Accountability and Production Office has found**
4 **good cause for an enforcement proceeding against _____**
5 **(name of local government). An enforcement order may be adopted**
6 **that could limit, prohibit or require the application of specified criteria**
7 **to any action authorized by this decision but not applied for until after**
8 **the adoption of the enforcement order. Future applications for build-**
9 **ing permits or time extensions may be affected.**

10 “ _____
11 **“(5) Within 14 days after receipt by the commission of the notice**
12 **under subsection (3) of this section, the Director of the Department**
13 **of Land Conservation and Development shall assign the enforcement**
14 **order proceedings to a hearings officer who is:**

15 **“(a) An administrative law judge assigned under ORS 183.635; or**
16 **“(b) A hearings officer randomly selected from a pool of officers**
17 **appointed by the commission to review proceedings initiated under**
18 **this section.**

19 **“(6) The hearings officer shall schedule a contested case hearing**
20 **within 60 days of the delivery of the notice to the commission under**
21 **subsection (3) of this section.**

22 **“(7)(a) The hearings officer shall prepare a proposed enforcement**
23 **order or order of dismissal, including recommended findings and con-**
24 **clusions of law.**

25 **“(b) A proposed enforcement order may require the local govern-**
26 **ment to take any necessary action to comply with housing laws that**
27 **is suitable to address the basis for the proposed enforcement order,**
28 **including requiring the adoption or application of suitable models that**
29 **have been developed by the office under section 1 (3)(b) of this 2024**
30 **Act.**

1 “(c) The hearings officer must issue and serve the proposed
2 enforcement order on the office and all parties to the hearing within
3 30 days of the date the record closed.

4 “(8)(a) The proposed enforcement order becomes a final order of the
5 commission 14 days after service on the office and all parties to the
6 hearing, unless the office or a party to the hearing appeals the pro-
7 posed enforcement order to the commission prior to the proposed
8 enforcement order becoming final.

9 “(b) If the proposed enforcement order is appealed, the commission
10 shall consider the matter at:

11 “(A) Its next regularly scheduled meeting; or

12 “(B) If the appeal is made 45 or fewer days prior to the next regu-
13 larly scheduled meeting, at the following regularly scheduled meeting
14 or a special meeting held earlier.

15 “(9) The commission shall affirm, affirm with modifications or re-
16 verse the proposed enforcement order. The commission shall issue a
17 final order no later than 30 days after the meeting at which it con-
18 sidered the matter.

19 “(10) The commission may adopt rules administering this section,
20 including rules related to standing, preserving issues for commission
21 review or other provisions concerning the commission’s scope and
22 standard for review of proposed enforcement orders under this section.

23 “SECTION 4. Housing Accountability and Production Office Fund.

24 “(1) The Housing Accountability and Production Office Fund is estab-
25 lished in the State Treasury, separate and distinct from the General
26 Fund.

27 “(2) The Housing Accountability and Production Office Fund con-
28 sists of moneys appropriated, allocated, deposited or transferred to the
29 fund by the Legislative Assembly or otherwise.

30 “(3) Interest earned by the fund shall be credited to the fund.

1 “(4) Moneys in the fund are continuously appropriated to the De-
2 partment of Land Conservation and Development to administer the
3 fund, to operate the Housing Accountability and Production Office and
4 to implement sections 1 to 5 of this 2024 Act.

5 “SECTION 5. Reporting. On or before September 15, 2026, the
6 Housing Accountability and Production Office shall:

7 “(1) Contract with one or more organizations possessing relevant
8 expertise to produce a report identifying improvements in the local
9 building plan review approval, design review approval, land use, zoning
10 and permitting processes, including but not limited to plan review
11 approval timelines, process efficiency, local best practices and other
12 ways to accelerate and improve the efficiency of the development
13 process for construction, with a focus on increasing housing pro-
14 duction.

15 “(2) Produce a report based on a study by the office of state and
16 local timelines and standards related to public works and building
17 permit application review and develop recommendations for changes
18 to reduce complexity, delay or costs that inhibit housing production,
19 including an evaluation of their effect on the feasibility of varying
20 housing types and affordability levels.

21 “(3) Produce a report summarizing state agency plans, policies and
22 programs related to reducing or eliminating regulatory barriers to the
23 production of housing. The report must also include recommendations
24 on how state agencies may prioritize resources and programs to in-
25 crease housing production.

26 “(4) Provide the reports under subsections (1) to (3) of this section
27 to one or more appropriate interim committees of the Legislative As-
28 sembly in the manner provided in ORS 192.245.

29 “SECTION 6. Sunset. Section 5 of this 2024 Act is repealed on Jan-
30 uary 2, 2027.

1 **“SECTION 7. Operative and applicable dates. (1) Sections 2 and 3**
2 **of this 2024 Act become operative on July 1, 2025.**

3 **“(2) Sections 2 and 3 of this 2024 Act apply only to violations of**
4 **housing laws occurring on or after July 1, 2025.**

5 **“(3) The Department of Land Conservation and Development and**
6 **Department of Consumer and Business Services may take any action**
7 **before the operative date specified in subsection (1) of this section that**
8 **is necessary for the departments or the Housing Accountability and**
9 **Production Office to exercise, on and after the operative date, all of**
10 **the duties, functions and powers conferred by sections 1 to 5, 16, 17,**
11 **19, 22, 23, 35, 40 and 45 of this 2024 Act.**

12
13 **“OPTING IN TO AMENDED HOUSING REGULATIONS**

14
15 **“SECTION 8. ORS 215.427 is amended to read:**

16 “215.427. (1) Except as provided in subsections (3), (5) and (10) of this
17 section, for land within an urban growth boundary and applications for
18 mineral aggregate extraction, the governing body of a county or its designee
19 shall take final action on an application for a permit, limited land use deci-
20 sion or zone change, including resolution of all appeals under ORS 215.422,
21 within 120 days after the application is deemed complete. The governing body
22 of a county or its designee shall take final action on all other applications
23 for a permit, limited land use decision or zone change, including resolution
24 of all appeals under ORS 215.422, within 150 days after the application is
25 deemed complete, except as provided in subsections (3), (5) and (10) of this
26 section.

27 “(2) If an application for a permit, limited land use decision or zone
28 change is incomplete, the governing body or its designee shall notify the
29 applicant in writing of exactly what information is missing within 30 days
30 of receipt of the application and allow the applicant to submit the missing

1 information. The application shall be deemed complete for the purpose of
2 subsection (1) of this section and ORS 197A.470 upon receipt by the govern-
3 ing body or its designee of:

4 “(a) All of the missing information;

5 “(b) Some of the missing information and written notice from the appli-
6 cant that no other information will be provided; or

7 “(c) Written notice from the applicant that none of the missing informa-
8 tion will be provided.

9 “(3)(a) If the application was complete when first submitted or the appli-
10 cant submits additional information[, *as described in subsection (2) of this*
11 *section,*] within 180 days of the date the application was first submitted [*and*
12 *the county has a comprehensive plan and land use regulations acknowledged*
13 *under ORS 197.251*], approval or denial of the application [*shall be based*]
14 **must be based:**

15 “(A) Upon the standards and criteria that were applicable at the time the
16 application was first submitted[.]; **or**

17 “(B) **For an application relating to development of housing, upon**
18 **the request of the applicant, those standards and criteria that are op-**
19 **erative at the time of the request.**

20 “(b) **If an applicant requests review under different standards as**
21 **provided in paragraph (a)(B) of this subsection:**

22 “(A) **For the purposes of this section, any applicable timelines for**
23 **completeness review and final decisions restart as if a new application**
24 **were submitted on the date of the request;**

25 “(B) **For the purposes of this section and ORS 197A.470 the appli-**
26 **cation is not deemed complete until:**

27 “(i) **The county determines that additional information is not re-**
28 **quired under subsection (2) of this section; or**

29 “(ii) **The applicant makes a submission under subsection (2) of this**
30 **section in response to a county’s request;**

1 “(C) A county may deny a request under paragraph (a)(B) of this
2 subsection if:

3 “(i) The county has issued a public notice of the application; or

4 “(ii) A request under paragraph (a)(B) of this subsection was pre-
5 viously made; and

6 “(D) The county may not require that the applicant:

7 “(i) Pay a fee, except to cover additional costs incurred by the
8 county to accommodate the request;

9 “(ii) Submit a new application or duplicative information, unless
10 information resubmittal is required because the request affects or
11 changes information in other locations in the application or additional
12 narrative is required to understand the request in context; or

13 “(iii) Repeat redundant processes or hearings that are inapplicable
14 to the change in standards or criteria.

15 “[(b) If the application is for industrial or traded sector development of a
16 site identified under section 12, chapter 800, Oregon Laws 2003, and proposes
17 an amendment to the comprehensive plan, approval or denial of the application
18 must be based upon the standards and criteria that were applicable at the time
19 the application was first submitted, provided the application complies with
20 paragraph (a) of this subsection.]

21 “(4) On the 181st day after first being submitted, the application is void
22 if the applicant has been notified of the missing information as required
23 under subsection (2) of this section and has not submitted:

24 “(a) All of the missing information;

25 “(b) Some of the missing information and written notice that no other
26 information will be provided; or

27 “(c) Written notice that none of the missing information will be provided.

28 “(5) The period set in subsection (1) of this section or the 100-day period
29 set in ORS 197A.470 may be extended for a specified period of time at the
30 written request of the applicant. The total of all extensions, except as pro-

1 vided in subsection (10) of this section for mediation, may not exceed 215
2 days.

3 “(6) The period set in subsection (1) of this section applies:

4 “(a) Only to decisions wholly within the authority and control of the
5 governing body of the county; and

6 “(b) Unless the parties have agreed to mediation as described in sub-
7 section (10) of this section or ORS 197.319 (2)(b).

8 “(7) Notwithstanding subsection (6) of this section, the period set in sub-
9 section (1) of this section and the 100-day period set in ORS 197A.470 do not
10 apply to:

11 “(a) A decision of the county making a change to an acknowledged com-
12 prehensive plan or a land use regulation that is submitted to the Director
13 of the Department of Land Conservation and Development under ORS
14 197.610; or

15 “(b) A decision of a county involving an application for the development
16 of residential structures within an urban growth boundary, where the county
17 has tentatively approved the application and extends these periods by no
18 more than seven days in order to assure the sufficiency of its final order.

19 “(8) Except when an applicant requests an extension under subsection (5)
20 of this section, if the governing body of the county or its designee does not
21 take final action on an application for a permit, limited land use decision
22 or zone change within 120 days or 150 days, as applicable, after the applica-
23 tion is deemed complete, the county shall refund to the applicant either the
24 unexpended portion of any application fees or deposits previously paid or 50
25 percent of the total amount of such fees or deposits, whichever is greater.
26 The applicant is not liable for additional governmental fees incurred subse-
27 quent to the payment of such fees or deposits. However, the applicant is re-
28 sponsible for the costs of providing sufficient additional information to
29 address relevant issues identified in the consideration of the application.

30 “(9) A county may not compel an applicant to waive the period set in

1 subsection (1) of this section or to waive the provisions of subsection (8) of
2 this section or ORS 197A.470 or 215.429 as a condition for taking any action
3 on an application for a permit, limited land use decision or zone change ex-
4 cept when such applications are filed concurrently and considered jointly
5 with a plan amendment.

6 “(10) The periods set forth in subsections (1) and (5) of this section and
7 ORS 197A.470 may be extended by up to 90 additional days, if the applicant
8 and the county agree that a dispute concerning the application will be me-
9 diated.

10 **“SECTION 9.** ORS 227.178 is amended to read:

11 “227.178. (1) Except as provided in subsections (3), (5) and (11) of this
12 section, the governing body of a city or its designee shall take final action
13 on an application for a permit, limited land use decision or zone change,
14 including resolution of all appeals under ORS 227.180, within 120 days after
15 the application is deemed complete.

16 “(2) If an application for a permit, limited land use decision or zone
17 change is incomplete, the governing body or its designee shall notify the
18 applicant in writing of exactly what information is missing within 30 days
19 of receipt of the application and allow the applicant to submit the missing
20 information. The application shall be deemed complete for the purpose of
21 subsection (1) of this section or ORS 197A.470 upon receipt by the governing
22 body or its designee of:

23 “(a) All of the missing information;

24 “(b) Some of the missing information and written notice from the appli-
25 cant that no other information will be provided; or

26 “(c) Written notice from the applicant that none of the missing informa-
27 tion will be provided.

28 “(3)(a) If the application was complete when first submitted or the appli-
29 cant submits the requested additional information within 180 days of the date
30 the application was first submitted [*and the city has a comprehensive plan*

1 *and land use regulations acknowledged under ORS 197.251*], approval or de-
2 nial of the application [*shall*] **must** be based:

3 **“(A) Upon the standards and criteria that were applicable at the time the**
4 **application was first submitted[.]; or**

5 **“(B) For an application relating to development of housing, upon**
6 **the request of the applicant, those standards and criteria that are op-**
7 **erative at the time of the request.**

8 **“(b) If an applicant requests review under different standards as**
9 **provided in paragraph (a)(B) of this subsection:**

10 **“(A) For the purposes of this section, any applicable timelines for**
11 **completeness review and final decisions restart as if a new application**
12 **were submitted on the date of the request;**

13 **“(B) For the purposes of this section and ORS 197A.470 the appli-**
14 **cation is not deemed complete until:**

15 **“(i) The city determines that additional information is not required**
16 **under subsection (2) of this section; or**

17 **“(ii) The applicant makes a submission under subsection (2) of this**
18 **section in response to a city’s request;**

19 **“(C) A city may deny a request under paragraph (a)(B) of this sub-**
20 **section if:**

21 **“(i) The city has issued a public notice of the application; or**

22 **“(ii) A request under paragraph (a)(B) of this subsection was pre-**
23 **viously made; and**

24 **“(D) The city may not require that the applicant:**

25 **“(i) Pay a fee, except to cover additional costs incurred by the city**
26 **to accommodate the request;**

27 **“(ii) Submit a new application or duplicative information, unless**
28 **information resubmittal is required because the request affects or**
29 **changes information in other locations in the application or additional**
30 **narrative is required to understand the request in context; or**

1 **“(iii) Repeat redundant processes or hearings that are inapplicable**
2 **to the change in standards or criteria.**

3 *“(b) If the application is for industrial or traded sector development of a*
4 *site identified under section 12, chapter 800, Oregon Laws 2003, and proposes*
5 *an amendment to the comprehensive plan, approval or denial of the application*
6 *must be based upon the standards and criteria that were applicable at the time*
7 *the application was first submitted, provided the application complies with*
8 *paragraph (a) of this subsection.]*

9 “(4) On the 181st day after first being submitted, the application is void
10 if the applicant has been notified of the missing information as required
11 under subsection (2) of this section and has not submitted:

12 “(a) All of the missing information;

13 “(b) Some of the missing information and written notice that no other
14 information will be provided; or

15 “(c) Written notice that none of the missing information will be provided.

16 “(5) The 120-day period set in subsection (1) of this section or the 100-day
17 period set in ORS 197A.470 may be extended for a specified period of time
18 at the written request of the applicant. The total of all extensions, except
19 as provided in subsection (11) of this section for mediation, may not exceed
20 245 days.

21 “(6) The 120-day period set in subsection (1) of this section applies:

22 “(a) Only to decisions wholly within the authority and control of the
23 governing body of the city; and

24 “(b) Unless the parties have agreed to mediation as described in sub-
25 section (11) of this section or ORS 197.319 (2)(b).

26 “(7) Notwithstanding subsection (6) of this section, the 120-day period set
27 in subsection (1) of this section and the 100-day period set in ORS 197A.470
28 do not apply to:

29 “(a) A decision of the city making a change to an acknowledged compre-
30 hensive plan or a land use regulation that is submitted to the Director of the

1 Department of Land Conservation and Development under ORS 197.610; or

2 “(b) A decision of a city involving an application for the development of
3 residential structures within an urban growth boundary, where the city has
4 tentatively approved the application and extends these periods by no more
5 than seven days in order to assure the sufficiency of its final order.

6 “(8) Except when an applicant requests an extension under subsection (5)
7 of this section, if the governing body of the city or its designee does not take
8 final action on an application for a permit, limited land use decision or zone
9 change within 120 days after the application is deemed complete, the city
10 shall refund to the applicant, subject to the provisions of subsection (9) of
11 this section, either the unexpended portion of any application fees or depos-
12 its previously paid or 50 percent of the total amount of such fees or deposits,
13 whichever is greater. The applicant is not liable for additional governmental
14 fees incurred subsequent to the payment of such fees or deposits. However,
15 the applicant is responsible for the costs of providing sufficient additional
16 information to address relevant issues identified in the consideration of the
17 application.

18 “(9)(a) To obtain a refund under subsection (8) of this section, the appli-
19 cant may either:

20 “(A) Submit a written request for payment, either by mail or in person,
21 to the city or its designee; or

22 “(B) Include the amount claimed in a mandamus petition filed under ORS
23 227.179. The court shall award an amount owed under this section in its final
24 order on the petition.

25 “(b) Within seven calendar days of receiving a request for a refund, the
26 city or its designee shall determine the amount of any refund owed. Payment,
27 or notice that no payment is due, shall be made to the applicant within 30
28 calendar days of receiving the request. Any amount due and not paid within
29 30 calendar days of receipt of the request shall be subject to interest charges
30 at the rate of one percent per month, or a portion thereof.

1 “(c) If payment due under paragraph (b) of this subsection is not paid
2 within 120 days after the city or its designee receives the refund request, the
3 applicant may file an action for recovery of the unpaid refund. In an action
4 brought by a person under this paragraph, the court shall award to a pre-
5 vailing applicant, in addition to the relief provided in this section, reason-
6 able attorney fees and costs at trial and on appeal. If the city or its designee
7 prevails, the court shall award reasonable attorney fees and costs at trial
8 and on appeal if the court finds the petition to be frivolous.

9 “(10) A city may not compel an applicant to waive the 120-day period set
10 in subsection (1) of this section or to waive the provisions of subsection (8)
11 of this section or ORS 197A.470 or 227.179 as a condition for taking any
12 action on an application for a permit, limited land use decision or zone
13 change except when such applications are filed concurrently and considered
14 jointly with a plan amendment.

15 “(11) The periods set forth in subsections (1) and (5) of this section and
16 ORS 197A.470 may be extended by up to 90 additional days, if the applicant
17 and the city agree that a dispute concerning the application will be medi-
18 ated.

19

20 **“ATTORNEY FEES FOR NEEDED HOUSING CHALLENGES**

21

22 **“SECTION 10.** ORS 197.843 is amended to read:

23 “197.843. (1) The Land Use Board of Appeals shall award attorney fees
24 to:

25 “(a) An applicant whose application is only for the development of af-
26 fordable housing[, *as defined in ORS 197A.445, or publicly supported housing,*
27 *as defined in ORS 456.250*], if the board [*affirms a quasi-judicial land use*
28 *decision approving the application or*] reverses a quasi-judicial land use deci-
29 sion denying the application[.];

30 **“(b) An applicant whose application is only for the development of**

1 **housing and was approved by the local government, if the board af-**
2 **firms the decision; and**

3 **“(c) The local government that approved a quasi-judicial land use**
4 **decision described in paragraph (b) of this subsection.**

5 **“(2) A party who was awarded attorney fees under this section or ORS**
6 **197.850 shall repay the fees plus any interest from the time of the judgment**
7 **if the property upon which the fees are based is developed for a use other**
8 **than [affordable] the proposed housing.**

9 **“(3) As used in this section:**

10 **“[(a) ‘Applicant’ includes:]**

11 **“[(A) An applicant with a funding reservation agreement with a public**
12 **funder for the purpose of developing publicly supported housing;]**

13 **“[(B) A housing authority, as defined in ORS 456.005;]**

14 **“[(C) A qualified housing sponsor, as defined in ORS 456.548;]**

15 **“[(D) A religious nonprofit corporation;]**

16 **“[(E) A public benefit nonprofit corporation whose primary purpose is the**
17 **development of affordable housing; and]**

18 **“[(F) A local government that approved the application of an applicant de-**
19 **scribed in this paragraph.]**

20 **“(a) ‘Affordable housing’ means affordable housing, as defined in**
21 **ORS 197A.445, or publicly supported housing, as defined in ORS 456.250.**

22 **“(b) ‘Attorney fees’ includes prelitigation legal expenses, including pre-**
23 **paring and processing the application and supporting the application in**
24 **local land use hearings or proceedings.**

25 **“SECTION 11. Operative and applicable dates. (1) The amendments**
26 **to ORS 197.843 by section 10 of this 2024 Act become operative on**
27 **January 1, 2025.**

28 **“(2) The amendments to ORS 197.843 by section 10 of this 2024 Act**
29 **apply to decisions for which a notice of intent to appeal under ORS**
30 **197.830 is filed on or after January 1, 2025.**

1 **“FINANCIAL ASSISTANCE SUPPORTING HOUSING PRODUCTION**

2
3 **“SECTION 12. Sections 13 and 14 of this 2024 Act are added to and**
4 **made a part of ORS chapter 285A.**

5 **“SECTION 13. Capacity and support for infrastructure planning.**
6 **The Oregon Business Development Department shall provide capacity**
7 **and support for infrastructure planning to municipalities to enable**
8 **them to plan and finance infrastructure for water, sewers and sanita-**
9 **tion, stormwater and transportation consistent with opportunities to**
10 **produce housing units at densities defined in section 17 (2) of this 2024**
11 **Act. ‘Capacity and support’ includes assistance with local financing**
12 **opportunities, state and federal grant navigation, writing, review and**
13 **administration, resource sharing, regional collaboration support and**
14 **technical support, including engineering and design assistance and**
15 **other capacity or support as the department may designate by rule.**

16 **“SECTION 14. Housing Infrastructure Support Fund. (1) The Hous-**
17 **ing Infrastructure Support Fund is established in the State Treasury,**
18 **separate and distinct from the General Fund.**

19 **“(2) The Housing Infrastructure Support Fund consists of moneys**
20 **appropriated, allocated, deposited or transferred to the fund by the**
21 **Legislative Assembly or otherwise.**

22 **“(3) Interest earned by the fund shall be credited to the fund.**

23 **“(4) Moneys in the fund are continuously appropriated to the**
24 **Oregon Business Development Department to administer the fund and**
25 **to implement section 13 of this 2024 Act.**

26 **“SECTION 15. Sunset. (1) Sections 13 and 14 of this 2024 Act are**
27 **repealed on January 2, 2030.**

28 **“(2) Any unobligated moneys in the Housing Infrastructure Support**
29 **Fund on January 2, 2030, must be transferred to the General Fund for**
30 **general governmental purposes.**

1 **“SECTION 15a. Sections 16 to 18 of this 2024 Act are added to and**
2 **made a part of ORS 285B.410 to 285B.482.**

3 **“SECTION 16. Water infrastructure funding. (1) The Oregon**
4 **Infrastructure Finance Authority may provide financial assistance, in**
5 **the form of grants or loans, to a city, a county or a tribal council of**
6 **a federally recognized Indian tribe in this state for a sanitary or**
7 **drinking water infrastructure project that will primarily support resi-**
8 **dential housing. To be eligible for financial assistance under this sec-**
9 **tion, the applicant must demonstrate that the project will support**
10 **infrastructure capacity building as necessary to accelerate:**

11 **“(a) Additional housing production, including, but not limited to,**
12 **the engineering design, design-build or construction of water storage,**
13 **pump stations, gravity-fed mains or force mains; or**

14 **“(b) The improvement of existing sanitary and drinking water sys-**
15 **tems and facilities, if failure to address deficiencies would prevent**
16 **residential housing development opportunities.**

17 **“(2) For projects related to construction, not including engineering**
18 **and design aspects, the department may develop rules to ensure the**
19 **projects have demonstrated a readiness to proceed, including, but not**
20 **limited to, rules requiring that at the time of application the project**
21 **will have:**

22 **“(a) Completed 90 percent of final engineering design, if applicable**
23 **to the project; or**

24 **“(b) Advertised invitation to bid for construction, if applicable to**
25 **the project.**

26 **“(3) Engineering and design costs related to a project that are in-**
27 **curred after application may be reimbursed under this section.**

28 **“(4) In administering this program, the authority may prioritize**
29 **funding applications for projects that will:**

30 **“(a) Support the greatest housing production per capita;**

1 **“(b) Address drinking water quality or quantity deficiencies or ca-**
2 **capacity constraints that must be addressed in order to support housing**
3 **production opportunities; or**

4 **“(c) Support the remedy of wastewater capacity deficiencies**
5 **through system expansion or through improved system efficiency,**
6 **such as projects addressing severe inflow and infiltration issues.**

7 **“(5) In administering the programs under this section and section**
8 **17 of this 2024 Act, the authority shall use at least:**

9 **“(a) Twenty-five percent of the funds to support cities or Indian**
10 **tribes with populations of less than 30,000; and**

11 **“(b) Twenty-five percent of the funds to support cities or Indian**
12 **tribes with populations of 30,000 or greater and less than 100,000.**

13 **“(6) The Housing Accountability and Production Office shall provide**
14 **assistance in developing requirements and prioritizing funding under**
15 **this section and section 17 of this 2024 Act. In administering these**
16 **programs, the authority shall coordinate with:**

17 **“(a) The office;**

18 **“(b) The Oregon Business Development Department with respect to**
19 **its administration of the housing site cleanup and mitigation program**
20 **under section 19 of this 2024 Act; and**

21 **“(c) The Housing and Community Services Department with respect**
22 **to its administration of the programs under sections 22 and 23 of this**
23 **2024 Act and the Housing Project Revolving Loan Fund under section**
24 **35 of this 2024 Act.**

25 **“(7) The Oregon Business Development Department may adopt rules**
26 **to implement this section and section 17 of this 2024 Act.**

27 **“SECTION 17. Other utility infrastructure financing. (1) The**
28 **Oregon Infrastructure Finance Authority may provide financial as-**
29 **sistance, in the form of grants or loans, to a city or a tribal council**
30 **of a federally recognized Indian tribe in this state for a project that**

1 will primarily support the development of planned housing as de-
2 scribed in subsection (2) of this section. A project under this section
3 may include:

4 “(a) The development or improvement of transportation, water,
5 wastewater and stormwater infrastructure; or

6 “(b) Site development, including the development of privately
7 owned sites, necessary for improvement of transportation, water,
8 wastewater and stormwater infrastructure.

9 “(2)(a) To be eligible for financial assistance under this section the
10 proposed housing development must have a minimum density of:

11 “(A) Seventeen dwelling units per net residential acre if sited within
12 the Metro urban growth boundary;

13 “(B) Ten units per net residential acre if sited in a city with a
14 population of 25,000 or greater;

15 “(C) Six units per net residential acre if sited in a city with a pop-
16 ulation of 2,500 and greater and less than 25,000; or

17 “(D) Five units per net residential acre if sited in a city with pop-
18 ulation less than 2,500.

19 “(b) As used in this subsection, ‘net residential acre’ means an acre
20 of residentially designated buildable land, not including rights of way
21 for streets, roads or utilities or areas not designated for development
22 due to natural resource protections or environmental constraints.

23 “(3) To be eligible for a grant under this section the housing to be
24 developed must be subject to an affordable housing covenant, as de-
25 fined in ORS 456.270, under which:

26 “(a) The grantee shall serve as or designate the covenant holder;
27 and

28 “(b) The housing will be made affordable to households with very
29 low, low or moderate income as defined in ORS 458.610:

30 “(A) For a period of no less than 30 years from the date the housing

1 is first available for occupancy as rental housing; or

2 “(B) For a length of time to be established by rule from the date
3 the housing is first sold as owner-occupied housing.

4 “(4) A county, a county service district organized under ORS chap-
5 ter 451, a housing authority as defined in ORS 456.005, a district as
6 defined in ORS 198.010 or a housing developer may partner with a
7 willing applicant to apply for and receive funding and to carry out
8 projects under this section. Intergovernmental agreements may be
9 used to enumerate applicants’ and partners’ responsibilities, including
10 financial responsibilities and appropriate allocations of funds awarded
11 and responsibility for loan repayment or grant performance.

12 “(5) In administering this program, the authority shall prioritize
13 funding the applications of cities, counties and Indian tribes with the
14 greatest need for housing affordability or production.

15 “SECTION 18. Housing Infrastructure Project Fund. (1) The Hous-
16 ing Infrastructure Project Fund is established in the State Treasury,
17 separate and distinct from the General Fund.

18 “(2) The Oregon Business Development Department may accept
19 grants, donations, contributions or gifts from any source for deposit
20 in the Housing Infrastructure Project Fund.

21 “(3) Interest earned by the fund shall be credited to the fund.

22 “(4) Moneys in the fund are continuously appropriated to the de-
23 partment to administer the fund and to implement sections 16 and 17
24 of this 2024 Act.

25 “SECTION 18a. Sections 19 and 20 of this 2024 Act are added to and
26 made a part of ORS chapter 285A.

27 “SECTION 19. Site mitigation and readiness. (1)(a) The Oregon
28 Business Development Department may provide financial assistance,
29 in the form of grants or loans, to a city or a tribal council of a feder-
30 ally recognized Indian tribe, to provide site cleanup and mitigation of

1 publicly or privately owned properties zoned for residential or mixed-
2 use development in order to allow for a specific housing development
3 project for households with very low, low or moderate income.

4 “(b) As used in this subsection, ‘cleanup and mitigation’ includes
5 remediation of brownfields, as defined in ORS 285A.185, abatement of
6 public nuisances, including abatement as described in ORS 105.550 to
7 105.600 or grading of land.

8 “(2) To be eligible for financial assistance under this section:

9 “(a) The land to be purchased must be for housing development that
10 requires density not less than that described in section 17 (2) of this
11 2024 Act; and

12 “(b) The housing to be developed on that land must be subject to
13 an affordable housing covenant as described in section 17 (3) of this
14 2024 Act, with the affordability period described in section 17 (3)(b)(B)
15 of this 2024 Act established by the department by rule.

16 “(3) A housing authority as defined in ORS 456.005 or a housing
17 developer may partner with a willing applicant to apply for and receive
18 funding and to carry out projects under this section. Intergovern-
19 mental agreements may be used to enumerate applicants’ and
20 partners’ responsibilities, including financial responsibilities and ap-
21 propriate allocations of funds awarded and responsibility for loan re-
22 payment or grant performance.

23 “(4) In administering this program, the department shall prioritize
24 funding the applications of cities and Indian tribes with the greatest
25 need for housing affordability or production.

26 “(5) In administering this program, the department shall use no less
27 than:

28 “(a) Twenty-five percent of the funds to support cities or Indian
29 tribes with populations of less than 25,000; and

30 “(b) Twenty-five percent of the funds to support cities or Indian

1 tribes with populations of 25,000 or greater and less than 100,000.

2 “(6) The Housing Accountability and Production Office shall provide
3 assistance in developing requirements and prioritizing funding under
4 this section. In administering this program, the department shall co-
5 ordinate with:

6 “(a) The office;

7 “(b) The Oregon Infrastructure Finance Authority with respect to
8 its administration of the housing infrastructure financing programs
9 under sections 16 and 17 of this 2024 Act; and

10 “(c) The Housing and Community Services Department with respect
11 to its administration of the programs under sections 22 and 23 of this
12 2024 Act and the Housing Project Revolving Loan Fund under section
13 35 of this 2024 Act.

14 “(7) The Oregon Business Development Department may adopt rules
15 to implement this section.

16 “SECTION 20. Housing Site Readiness Fund. (1) The Housing Site
17 Readiness Fund is established in the State Treasury, separate and
18 distinct from the General Fund.

19 “(2) The Oregon Business Development Department may accept
20 grants, donations, contributions or gifts from any source for deposit
21 in the Housing Site Readiness Fund.

22 “(3) Interest earned by the fund shall be credited to the fund.

23 “(4) Moneys in the fund are continuously appropriated to the de-
24 partment to administer the fund and to implement section 19 of this
25 2024 Act.

26 “SECTION 21. Sections 22 and 23 of this 2024 Act and ORS 456.502
27 are added to and made a part of ORS chapter 458.

28 “SECTION 22. Site acquisition. (1) The Housing and Community
29 Services Department may provide financial assistance, in the form of
30 grants or loans, to cities or federally recognized Indian tribes to pur-

1 chase land to allow for a specific development project of housing for
2 households with very low, low or moderate income.

3 “(2) To be eligible for funding under this section:

4 “(a) The applicant must agree to develop a housing development on
5 the purchased land at a density not less than that described in section
6 17 (2) of this 2024 Act; and

7 “(b) The housing to be developed on that land must be subject to
8 an affordable housing covenant as described in section 17 (3) of this
9 2024 Act, with the affordability period described in section 17 (3)(b)(B)
10 of this 2024 Act established by the department by rule.

11 “(3) An applicant may partner with a housing authority or devel-
12 oper to apply for and receive funding under this section.

13 “(4) In administering this program, the department shall prioritize
14 funding the applications of cities and Indian tribes with the greatest
15 need for housing affordability or production.

16 “(5) In administering this program, the department shall use no less
17 than:

18 “(a) Twenty-five percent of the moneys to support cities or Indian
19 tribes with populations of less than 30,000; and

20 “(b) Twenty-five percent of the moneys to support cities or Indian
21 tribes with populations of 30,000 or greater and less than 100,000.

22 “(6) The Housing Accountability and Production Office shall provide
23 assistance in developing requirements and prioritizing funding under
24 this section. In administering these programs, the department shall
25 coordinate with:

26 “(a) The office;

27 “(b) The Oregon Infrastructure Finance Authority with respect to
28 its administration of the housing infrastructure financing programs
29 under sections 16 and 17 of this 2024 Act; and

30 “(c) The Oregon Business Development Department with respect to

1 its administration of the housing site cleanup and mitigation program
2 under section 19 of this 2024 Act.

3 **“SECTION 23. Electrification incentives. (1) The Housing and Com-**
4 **munity Services Department may provide grants for specific housing**
5 **development projects to develop dwelling units for very low, low or**
6 **moderate income that will use only electricity for the energy needs**
7 **of the dwelling units.**

8 **“(2) To be eligible for funding under this section:**

9 **“(a) The development must have a minimum density as described**
10 **in section 17 (2) of this 2024 Act; and**

11 **“(b) The housing to be developed on that land must be subject to**
12 **an affordable housing covenant as described in section 17 (3)(b)(B) of**
13 **this 2024 Act.**

14 **“(3) The Housing Accountability and Production Office shall provide**
15 **assistance in developing requirements and prioritizing funding under**
16 **this section and section 22 of this 2024 Act. In administering these**
17 **programs, the department shall coordinate with:**

18 **“(a) The office;**

19 **“(b) The Oregon Infrastructure Finance Authority with respect to**
20 **its administration of the housing infrastructure financing programs**
21 **under sections 16 and 17 of this 2024 Act; and**

22 **“(c) The Oregon Business Development Department with respect to**
23 **its administration of the housing site cleanup and mitigation program**
24 **under section 19 of this 2024 Act.**

25

26

“HOUSING PROJECT REVOLVING LOANS

27

28 **“SECTION 24. As used in sections 24 to 35 of this 2024 Act:**

29 **“(1) ‘Assessor,’ ‘tax collector’ and ‘treasurer’ mean the individual**
30 **filling that county office so named or any county officer performing**

1 the functions of the office under another name.

2 “(2) ‘County tax officers’ and ‘tax officers’ mean the assessor, tax
3 collector and treasurer of a county.

4 “(3) ‘Eligible costs’ means the following costs associated with an
5 eligible housing project:

6 “(a) Infrastructure costs, including, but not limited to, system de-
7 velopment charges;

8 “(b) Predevelopment costs;

9 “(c) Construction costs; and

10 “(d) Land write-downs.

11 “(4) ‘Eligible housing project’ means a project to construct housing,
12 or to convert a building from a nonresidential use to housing, that is:

13 “(a) Affordable to households with low income or moderate income
14 as those terms are defined in ORS 458.610;

15 “(b) If for-sale property, a single-family dwelling, middle housing
16 as defined in ORS 197A.420 or a multifamily dwelling that is affordable
17 as described in paragraph (a) of this subsection continuously from in-
18 itial sale for a period, to be established by the Housing and Community
19 Services Department and the sponsoring jurisdiction, of not less than
20 the term of the loan related to the for-sale property; or

21 “(c) If rental property:

22 “(A)(i) Middle housing as defined in ORS 197A.420;

23 “(ii) A multifamily dwelling;

24 “(iii) An accessory dwelling unit as defined in ORS 215.501; or

25 “(iv) Any other form of affordable housing or moderate income
26 housing; and

27 “(B) Rented at a monthly rate that is affordable to households with
28 an annual income not greater than 120 percent of the area median
29 income, such affordability to be maintained for a period, to be estab-
30 lished by the department and the sponsoring jurisdiction, of not less

1 than the term of the loan related to the rental property.

2 “(5) ‘Eligible housing project property’ means the taxable real and
3 personal property constituting the improvements of an eligible housing
4 project.

5 “(6) ‘Fee payer’ means, for any property tax year, the person re-
6 sponsible for paying ad valorem property taxes on eligible housing
7 project property to which a grant awarded under section 29 of this 2024
8 Act relates.

9 “(7) ‘Fire district taxes’ means property taxes levied by fire districts
10 within whose territory all or a portion of eligible housing project
11 property is located.

12 “(8) ‘Nonexempt property’ means property other than eligible
13 housing project property in the tax account that includes eligible
14 housing project property.

15 “(9) ‘Nonexempt taxes’ means the ad valorem property taxes as-
16 sessed on nonexempt property.

17 “(10) ‘Sponsoring jurisdiction’ means:

18 “(a)(A) A city with respect to eligible housing projects located
19 within the city boundaries; or

20 “(B) A county with respect to eligible housing projects located in
21 urban unincorporated areas of the county; or

22 “(b) The governing body of a city or county described in paragraph
23 (a) of this subsection.

24 “SECTION 25. (1)(a) A sponsoring jurisdiction may adopt by ordi-
25 nance or resolution a program under which the sponsoring jurisdiction
26 awards grants to developers for eligible costs.

27 “(b) Before adopting the program, the sponsoring jurisdiction shall
28 consult with the governing body of any city or county with territory
29 inside the boundaries of the sponsoring jurisdiction.

30 “(2) The ordinance or resolution shall set forth:

1 “(a) The kinds of eligible housing projects for which a developer
2 may seek a grant under the program; and

3 “(b) Any eligibility requirements to be imposed on projects and de-
4 velopers in addition to those required under sections 24 to 35 of this
5 2024 Act.

6 “(3) A grant award:

7 “(a) Shall be in the amount determined under section 26 (3) of this
8 2024 Act; and

9 “(b) May include reimbursement for eligible costs incurred for up
10 to 12 months preceding the date on which the eligible housing project
11 received local site approval.

12 “(4) Eligible housing project property for which a developer receives
13 a grant for eligible costs may not be granted any exemption, partial
14 exemption or special assessment of ad valorem property taxes other
15 than the exemption granted under section 30 of this 2024 Act.

16 “(5) A sponsoring jurisdiction may amend an ordinance or resol-
17 ution adopted pursuant to this section at any time. The amendments
18 shall apply only to applications submitted under section 26 of this 2024
19 Act on or after the effective date of the ordinance or resolution.

20 “SECTION 26. (1)(a) A sponsoring jurisdiction that adopts a grant
21 program pursuant to section 25 of this 2024 Act shall prescribe an ap-
22 plication process, including forms and deadlines, by which a developer
23 may apply for a grant with respect to an eligible housing project.

24 “(b) An application for a grant must include, at a minimum:

25 “(A) A description of the eligible housing project;

26 “(B) A detailed explanation of the affordability of the eligible
27 housing project;

28 “(C) An itemized description of the eligible costs for which the
29 grant is sought;

30 “(D) The proposed schedule for completion of the eligible housing

1 **project;**

2 **“(E) A project pro forma demonstrating that the project would not**
3 **be economically feasible but for receipt of the grant moneys; and**

4 **“(F) Any other information, documentation or attestation that the**
5 **sponsoring jurisdiction considers necessary or convenient for the ap-**
6 **plication review process.**

7 **“(c)(A) The project pro forma under paragraph (b)(E) of this sub-**
8 **section shall be on a form provided to the sponsoring jurisdiction by**
9 **the Housing and Community Services Department and made available**
10 **to grant applicants.**

11 **“(B) The department may enter into an agreement with a third**
12 **party to develop the project pro forma template.**

13 **“(2)(a) The review of an application under this section shall be**
14 **completed within 90 days following the receipt of the application by the**
15 **sponsoring jurisdiction.**

16 **“(b) Notwithstanding paragraph (a) of this subsection:**

17 **“(A) The sponsoring jurisdiction may in its sole discretion extend**
18 **the review process beyond 90 days if the volume of applications would**
19 **make timely completion of the review process unlikely.**

20 **“(B) The sponsoring jurisdiction may consult with a developer about**
21 **the developer’s application, and the developer, after the consultation,**
22 **may amend the application on or before a deadline set by the spon-**
23 **soring jurisdiction.**

24 **“(3) The sponsoring jurisdiction shall:**

25 **“(a) Review each application;**

26 **“(b) Request that the county tax officers provide to the sponsoring**
27 **jurisdiction the determinations made under section 27 of this 2024 Act;**

28 **“(c) Set the term of the loan that will fund the grant award for a**
29 **period not to exceed the greater of:**

30 **“(A) Ten years following July 1 of the first property tax year for**

1 which the completed eligible housing project property is estimated to
2 be taken into account; or

3 “(B) If agreed upon by the sponsoring jurisdiction and the depart-
4 ment, the period required for the loan principal and fees to be repaid
5 in full;

6 “(d) Set the amount of the grant that may be awarded to the de-
7 veloper under section 29 (2) of this 2024 Act by multiplying the incre-
8 ment determined under section 27 (1)(c) of this 2024 Act by the term
9 of the loan; and

10 “(e)(A) Provisionally approve the application as submitted;

11 “(B) Provisionally approve the application on terms other than
12 those requested in the application; or

13 “(C) Reject the application.

14 “(4)(a) The sponsoring jurisdiction shall forward provisionally ap-
15 proved applications to the Housing and Community Services Depart-
16 ment.

17 “(b) The department shall review the provisionally approved appli-
18 cations for completeness, including, but not limited to, the complete-
19 ness of the project pro forma submitted with the application under
20 subsection (1)(b)(E) of this section and the amounts computed under
21 section 27 (1) of this 2024 Act and notify the sponsoring jurisdiction
22 of its determination.

23 “(5)(a) If the department has determined that a provisionally ap-
24 proved application is incomplete, the sponsoring jurisdiction may:

25 “(A) Consult with the applicant developer and reconsider the pro-
26 visionally approved application after the applicant revises it; or

27 “(B) Reject the provisionally approved application.

28 “(b) If the department has determined that a provisionally approved
29 application is complete, the approval shall be final.

30 “(c) The sponsoring jurisdiction shall notify each applicant and the

1 department of the final approval or rejection of an application and the
2 amount of the grant award.

3 “(d) The rejection of an application and the amount of a grant
4 award may not be appealed, but a developer may reapply for a grant
5 at any time within the applicable deadlines of the grant program for
6 the same or another eligible housing project.

7 “(6) Upon request by a sponsoring jurisdiction, the department may
8 assist the sponsoring jurisdiction with, or perform on behalf of the
9 sponsoring jurisdiction, any duty required under this section.

10 **“SECTION 27. (1) Upon request of the sponsoring jurisdiction under**
11 **section 26 (3)(b) of this 2024 Act, the assessor of the county in which**
12 **is located the eligible housing project to which an application being**
13 **reviewed under section 26 of this 2024 Act relates shall:**

14 “(a) Using the last certified assessment roll for the property tax
15 year in which the application is received under section 26 of this 2024
16 Act:

17 “(A) Determine the amount of property taxes assessed against all
18 tax accounts that include the eligible housing project property; and

19 “(B) Subtract the amount of operating taxes as defined in ORS
20 310.055 and local option taxes as defined in ORS 310.202 levied by fire
21 districts from the amount determined under subparagraph (A) of this
22 paragraph.

23 “(b) For the first property tax year for which the completed eligible
24 housing project property is estimated to be taken into account:

25 “(A) Determine the estimated amount of property taxes that will
26 be assessed against all tax accounts that include the eligible housing
27 project property; and

28 “(B) Subtract the estimated amount of operating taxes and local
29 option taxes levied by fire districts from the amount determined under
30 subparagraph (A) of this paragraph.

1 “(c) Determine the amount of the increment that results from
2 subtracting the amount determined under subsection (1)(a) of this
3 section from the amount determined under subsection (1)(b) of this
4 section.

5 “(2) As soon as practicable after determining amounts under this
6 subsection, the county tax officers shall provide written notice to the
7 sponsoring jurisdiction certifying the amounts.

8 “SECTION 28. (1)(a) The Housing and Community Services Depart-
9 ment shall develop a program to make loans to sponsoring jurisdic-
10 tions to fund grants awarded under the sponsoring jurisdiction’s grant
11 program adopted pursuant to section 25 of this 2024 Act.

12 “(b) The loans shall be interest free for the term set by the spon-
13 soring jurisdiction under section 26 (3)(c) of this 2024 Act.

14 “(2) For each application approved under section 26 (5)(b) of this
15 2024 Act, the Housing and Community Services Department shall:

16 “(a) Enter into a loan agreement with the sponsoring jurisdiction
17 for a payment in an amount equal to the total of:

18 “(A) Loan proceeds in an amount equal to the grant award for the
19 application set under section 26 (3)(d) of this 2024 Act; and

20 “(B) The administrative costs set forth in subsection (3) of this
21 section; and

22 “(b) Pay to the sponsoring jurisdiction the total amount set forth
23 in paragraph (a) of this subsection out of the Housing Project Re-
24 volving Loan Fund established under section 35 of this 2024 Act.

25 “(3) The administrative costs referred to in subsection (2)(a)(B) of
26 this section are:

27 “(a) An amount not greater than five percent of the loan proceeds
28 to reimburse the sponsoring jurisdiction for the costs of administering
29 the grant program, other than the costs of tax administration; and

30 “(b) An amount equal to one percent of the loan proceeds to be

1 transferred to the county in which the sponsoring jurisdiction is situ-
2 ated to reimburse the county for the costs of the tax administration
3 of the grant program by the county tax officers.

4 “(4) The Housing and Community Services Department may assign
5 any and all loan amounts made under this section to the Department
6 of Revenue for collection as provided in ORS 293.250.

7 “(5) The Housing and Community Services Department may:

8 “(a) Consult with the Oregon Business Development Department
9 about any of the powers and duties conferred on the Housing and
10 Community Services Department by sections 24 to 35 of this 2024 Act;
11 and

12 “(b) Adopt any rule it considers necessary or convenient for the
13 administration of sections 24 to 35 of this 2024 Act by the Housing and
14 Community Services Department.

15 “SECTION 29. (1) Upon entering into a loan agreement with the
16 Housing and Community Services Department under section 28 of this
17 2024 Act, a sponsoring jurisdiction shall offer a grant agreement to
18 each developer whose application was approved under section 26 (5)(b)
19 of this 2024 Act.

20 “(2) The grant agreement shall:

21 “(a) Include a grant award in the amount set under section 26 (3)(d)
22 of this 2024 Act; and

23 “(b) Contain terms that:

24 “(A) Are required under sections 24 to 35 of this 2024 Act or the
25 ordinance or resolution adopted by the sponsoring jurisdiction pursu-
26 ant to section 25 of this 2024 Act.

27 “(B) Do not conflict with sections 24 to 35 of this 2024 Act or the
28 ordinance or resolution adopted by the sponsoring jurisdiction pursu-
29 ant to section 25 of this 2024 Act.

30 “(3) Upon entering into a grant agreement with a developer, a

1 sponsoring jurisdiction shall adopt an ordinance or resolution setting
2 forth the details of the eligible housing project that is the subject of
3 the agreement, including but not limited to:

4 “(a) A description of the eligible housing project;

5 “(b) An itemized description of the eligible costs;

6 “(c) The amount and terms of the grant award;

7 “(d) Written notice that the eligible housing project property is ex-
8 empt from property taxation in accordance with section 30 of this 2024
9 Act; and

10 “(e) A statement declaring that the grant has been awarded in re-
11 sponse to the housing needs of communities within the sponsoring
12 jurisdiction.

13 “(4) Unless otherwise specified in the grant agreement, as soon as
14 practicable after the ordinance or resolution required under subsection
15 (3) of this section becomes effective, the sponsoring jurisdiction shall
16 distribute the loan proceeds received from the department under sec-
17 tion 28 (2)(a)(A) of this 2024 Act to the developer as the grant moneys
18 awarded under this section.

19 “(5) The sponsoring jurisdiction shall forward to the tax officers of
20 the county in which the eligible housing project is located a copy of
21 the grant agreement, the ordinance or resolution and any other ma-
22 terial the sponsoring jurisdiction considers necessary for the tax offi-
23 cers to perform their duties under sections 24 to 35 of this 2024 Act or
24 the ordinance or resolution.

25 “(6) Upon request, the department may assist the sponsoring juris-
26 diction with, or perform on behalf of the sponsoring jurisdiction, any
27 duty required under this section.

28 **“SECTION 30. (1) Upon receipt of the copy of a grant agreement and**
29 **ordinance or resolution from the sponsoring jurisdiction under section**
30 **29 (5) of this 2024 Act, the assessor of the county in which eligible**

1 housing project property is located shall:

2 “(a) Exempt the eligible housing project property in accordance
3 with this section;

4 “(b) Assess and tax the nonexempt property in the tax account as
5 other similar property is assessed and taxed; and

6 “(c) Submit a written report to the sponsoring jurisdiction setting
7 forth the assessor’s estimate of the amount of:

8 “(A) The real market value of the exempt eligible housing project
9 property; and

10 “(B) The property taxes on the exempt eligible housing project
11 property that would have been collected if the property were not ex-
12 empt.

13 “(2)(a) The exemption shall first apply to the first property tax year
14 that begins after completion of the eligible housing project to which
15 the grant relates.

16 “(b) The eligible housing project property shall be disqualified from
17 the exemption on the earliest of:

18 “(A) July 1 of the property tax year immediately succeeding the
19 date on which the fee payment obligation under section 32 of this 2024
20 Act that relates to the eligible housing project is repaid in full;

21 “(B) The date on which the annual fee imposed on the fee payer
22 under section 32 of this 2024 Act becomes delinquent;

23 “(C) The date on which foreclosure proceedings are commenced as
24 provided by law for delinquent nonexempt taxes assessed with respect
25 to the tax account that includes the eligible housing project; or

26 “(D) The date on which a condition specified in section 33 (1) of this
27 2024 Act occurs.

28 “(c) After the eligible housing project property has been disqualified
29 from the exemption under this subsection, the property shall be as-
30 sessed and taxed as other similar property is assessed and taxed.

1 **“(3) For each tax year that the eligible housing project property is**
2 **exempt from taxation, the assessor shall enter a notation on the as-**
3 **essment roll stating:**

4 **“(a) That the property is exempt under this section; and**

5 **“(b) The presumptive number of property tax years for which the**
6 **exemption is granted, which shall be the term of the loan agreement**
7 **relating to the eligible housing project set under section 26 (3)(c) of**
8 **this 2024 Act.**

9 **“SECTION 31. (1) Repayment of loans made under section 28 of this**
10 **2024 Act shall begin, in accordance with section 32 of this 2024 Act,**
11 **after completion of the eligible housing project funded by the grant to**
12 **which the loan relates.**

13 **“(2)(a) The sponsoring jurisdiction shall determine the date of**
14 **completion of an eligible housing project.**

15 **“(b)(A) If an eligible housing project is completed before July 1 of**
16 **the assessment year, repayment shall begin with the property tax year**
17 **that begins on July 1 of the assessment year.**

18 **“(B) If an eligible housing project is completed on or after July 1**
19 **of the assessment year, repayment shall begin with the property tax**
20 **year that begins on July 1 of the succeeding assessment year.**

21 **“(c) After determining the date of completion under paragraph (a)**
22 **of this subsection, the sponsoring jurisdiction shall notify the Housing**
23 **and Community Services Department and the county tax officers of**
24 **the determination.**

25 **“(3) A loan shall remain outstanding until repaid in full.**

26 **“SECTION 32. (1) The fee payer for eligible housing project property**
27 **that has been granted exemption under section 30 of this 2024 Act shall**
28 **pay an annual fee for the term that shall be the presumptive number**
29 **of years for which the property is granted exemption under section 30**
30 **(3)(b) of this 2024 Act.**

1 **“(2)(a) The amount of the fee for the first property tax year in**
2 **which repayment of the loan is due under section 31 (1) of this 2024**
3 **Act shall equal the total of:**

4 **“(A) The portion of the increment determined under section 27**
5 **(1)(c) of this 2024 Act that is attributable to the eligible housing project**
6 **property to which the fee relates; and**

7 **“(B) The administrative costs described in section 28 (3) of this 2024**
8 **Act divided by the term of the grant agreement entered into under**
9 **section 29 of this 2024 Act.**

10 **“(b) For each subsequent property tax year, the amount of the fee**
11 **shall be 103 percent of the amount of the fee for the preceding property**
12 **tax year.**

13 **“(3)(a) Not later than July 15 of each property tax year during the**
14 **term of the fee obligation, the sponsoring jurisdiction shall certify to**
15 **the assessor each fee amount that became due under this section on**
16 **or after July 16 of the previous property tax year from fee payers with**
17 **respect to eligible housing projects located in the sponsoring jurisdic-**
18 **tion.**

19 **“(b) The assessor shall place each fee amount on the assessment**
20 **and tax rolls of the county and notify:**

21 **“(A) The sponsoring jurisdiction of each fee amount and the ag-**
22 **gregate of all fee amounts imposed with respect to eligible housing**
23 **project property located in the sponsoring jurisdiction.**

24 **“(B) The Housing and Community Services Department of each fee**
25 **amount and the aggregate of all fee amounts with respect to all eligi-**
26 **ble housing project property located in the county.**

27 **“(4)(a) The assessor shall include on the tax statement of each tax**
28 **account that includes exempt eligible housing project property the**
29 **amount of the fee imposed on the fee payer with respect to the eligible**
30 **housing project property.**

1 **“(b) The fee shall be collected and enforced in the same manner as**
2 **ad valorem property taxes, including nonexempt taxes, are collected**
3 **and enforced.**

4 **“(5)(a) For each property tax year in which a fee is payable under**
5 **this section, the treasurer shall:**

6 **“(A) Estimate the amount of operating taxes as defined in ORS**
7 **310.055 and local option taxes as defined in ORS 310.202 levied by fire**
8 **districts that would have been collected on eligible housing project**
9 **property if the property were not exempt;**

10 **“(B) Distribute out of the fee moneys the amounts determined un-**
11 **der subparagraph (A) of this paragraph to the respective fire districts**
12 **when other ad valorem property taxes are distributed under ORS**
13 **311.395; and**

14 **“(C) Transfer the net fee moneys to the Housing and Community**
15 **Services Department for deposit in the Housing Project Revolving**
16 **Loan Fund established under section 35 of this 2024 Act in repayment**
17 **of the loans to which the fees relate.**

18 **“(b) Nonexempt taxes shall be distributed in the same manner as**
19 **other ad valorem property taxes are distributed.**

20 **“(6) Any person with an interest in the eligible housing project**
21 **property on the date on which any fee amount becomes due shall be**
22 **jointly and severally liable for payment of the fee amount.**

23 **“(7) Any loan amounts that have not been repaid when the fee**
24 **payer has discharged its obligations in full under this section remain**
25 **the obligation of the sponsoring jurisdiction that obtained the loan**
26 **from the department under section 28 of this 2024 Act.**

27 **“(8) Any fee amounts collected in excess of the loan amount shall**
28 **be distributed in the same manner as other ad valorem property taxes**
29 **are distributed.**

30 **“SECTION 33. (1)(a) A developer that received a grant award under**

1 section 29 of this 2024 Act shall become liable for immediate payment
2 of any outstanding annual fee payments imposed under section 32 of
3 this 2024 Act for the entire term of the fee if:

4 “(A) The developer has not completed the eligible housing project
5 within three years following the date on which the grant moneys were
6 distributed to the developer;

7 “(B) The eligible housing project changes substantially from the
8 project for which the developer’s application was approved such that
9 the project would not have been eligible for the grant; or

10 “(C) The developer has not complied with a requirement specified
11 in the grant agreement.

12 “(b) The sponsoring jurisdiction may, in its sole discretion, extend
13 the date on which the eligible housing project must be completed.

14 “(2) If the sponsoring jurisdiction discovers that a developer
15 willfully made a false statement or misrepresentation or willfully
16 failed to report a material fact to obtain a grant with respect to an
17 eligible housing project, the sponsoring jurisdiction may impose on the
18 developer a penalty not to exceed 20 percent of the amount of the
19 grant so obtained, plus any applicable interest and fees associated with
20 the costs of collection.

21 “(3) Any amounts imposed under subsection (1) or (2) of this section
22 shall be a lien on the eligible housing project property and the non-
23 exempt property in the tax account.

24 “(4) The sponsoring jurisdiction shall provide written notice of any
25 amounts that become due under subsections (1) and (2) of this section
26 to the county tax officers and the Housing and Community Services
27 Department.

28 “(5)(a) Any and all amounts required to be paid under this section
29 shall be considered to be liquidated and delinquent, and the Housing
30 and Community Services Department shall assign such amounts to the

1 Department of Revenue for collection as provided in ORS 293.250.

2 “(b) Amounts collected under this subsection shall be deposited, net
3 of any collection charges, in the Housing Project Revolving Loan Fund
4 established under section 35 of this 2024 Act.

5 **“SECTION 34. (1) Not later than June 30 of each year in which a
6 grant agreement entered into under section 29 of this 2024 Act is in
7 effect, a developer that is party to the agreement shall submit a report
8 to the sponsoring jurisdiction in which the eligible housing project is
9 located that contains:**

10 **“(a) The status of the construction or conversion of the eligible
11 housing project property, including an estimate of the date of com-
12 pletion;**

13 **“(b) An itemized description of the uses of the grant moneys; and**

14 **“(c) Any information the sponsoring jurisdiction considers impor-
15 tant for evaluating the eligible housing project and the developer’s
16 performance under the terms of the grant agreement.**

17 **“(2) Not later than August 15 of each year, each sponsoring juris-
18 diction shall submit to the Housing and Community Services Depart-
19 ment a report containing such information relating to eligible housing
20 projects within the sponsoring jurisdiction as the department requires.**

21 **“(3)(a) Not later than November 15 of each year, the department
22 shall submit, in the manner required under ORS 192.245, a report to
23 the interim committees of the Legislative Assembly related to housing.**

24 **“(b) The report shall set forth in detail:**

25 **“(A) The information received from sponsoring jurisdictions under
26 subsection (2) of this section;**

27 **“(B) The status of the repayment of all outstanding loans made
28 under section 28 of this 2024 Act and of the payment of all fees imposed
29 under section 32 of this 2024 Act and all amounts imposed under sec-
30 tion 33 of this 2024 Act; and**

1 “(C) The cumulative experience of the program developed and im-
2 plemented under sections 24 to 35 of this 2024 Act.

3 “(c) The report may include recommendations for legislation.

4 “SECTION 35. (1) The Housing Project Revolving Loan Fund is es-
5 tablished in the State Treasury, separate and distinct from the General
6 Fund. Interest earned by the Housing Project Revolving Loan Fund
7 shall be credited to the fund.

8 “(2) Moneys in the fund may be invested as provided by ORS 293.701
9 to 293.857, and the earnings from the investments shall be credited to
10 the fund.

11 “(3) Moneys in the Housing Project Revolving Loan Fund shall
12 consist of:

13 “(a) Amounts appropriated or otherwise transferred or credited to
14 the fund by the Legislative Assembly;

15 “(b) Net fee moneys transferred under section 32 of this 2024 Act;

16 “(c) Amounts deposited in the fund under section 33 of this 2024 Act;

17 “(d) Interest and other earnings received on moneys in the fund;

18 and

19 “(e) Other moneys or proceeds of property from any public or pri-
20 vate source that are transferred, donated or otherwise credited to the
21 fund.

22 “(4) Moneys in the Housing Project Revolving Loan Fund are con-
23 tinuously appropriated to the Housing and Community Services De-
24 partment for the purpose of paying amounts determined under section
25 28 of this 2024 Act.

26 “(5) Moneys in the Housing Project Revolving Loan Fund at the end
27 of a biennium shall be retained in the fund and used for the purposes
28 set forth in subsection (4) of this section.

29 “SECTION 36. (1) The Housing and Community Services Depart-
30 ment shall have developed and begun operating the loan program that

1 the department is required to develop under section 28 of this 2024 Act,
2 including regional trainings and outreach for jurisdictional partners,
3 no later than June 30, 2025.

4 “(2) In the first two years in which the loan program is operating,
5 the department may not expend an amount in excess of two-thirds of
6 the moneys appropriated to the department for the purpose under
7 section 63 (1) of this 2024 Act.

8

9 “HOUSING LAND USE ADJUSTMENTS

10

11 “SECTION 37. Sections 38 to 41 of this 2024 Act are added to and
12 made a part of ORS chapter 197A.

13 “SECTION 38. Mandatory adjustment to housing development
14 standards. (1) As used in sections 38 to 41 of this 2024 Act:

15 “(a) ‘Adjustment’ means a deviation from an existing land use
16 regulation.

17 “(b) ‘Adjustment’ does not include:

18 “(A) A request to allow a use of property not otherwise permissible
19 under applicable zoning requirements;

20 “(B) Deviations from land use regulations or requirements related
21 to accessibility, affordability, fire ingress or egress, safety, local tree
22 codes, hazardous or contaminated site clean-up, wildlife protection,
23 or statewide land use planning goals relating to natural resources,
24 natural hazards, the Willamette River Greenway, estuarine resources,
25 coastal shorelands, beaches and dunes or ocean resources;

26 “(C) A complete waiver of land use regulations or any changes be-
27 yond the explicitly requested and allowed adjustments; or

28 “(D) Deviations to requirements related to the implementation of
29 fire or building codes, federal or state air, water quality or surface,
30 ground or stormwater requirements, or requirements of any federal,

1 state or local law other than a land use regulation.

2 “(2) Except as provided in section 40 of this 2024 Act, a local gov-
3 ernment shall grant a request for an adjustment in an application to
4 develop housing as provided in this section and section 39 of this 2024
5 Act. An application qualifies for an adjustment under this section only
6 if the following conditions are met:

7 “(a) The application is for a building permit or a quasi-judicial,
8 limited or ministerial land use decision;

9 “(b) The development is on lands zoned to allow for residential uses,
10 including mixed-use residential;

11 “(c) The residential development is for densities not less than those
12 required under section 17 (2) of this 2024 Act;

13 “(d) The development is within an urban growth boundary, not in-
14 cluding lands that have not been annexed by a city;

15 “(e) The development is of net new housing units in new con-
16 struction projects, including:

17 “(A) Single-family or multifamily;

18 “(B) Mixed-use residential where at least 75 percent of the developed
19 floor area will be used for residential uses;

20 “(C) Manufactured dwelling parks;

21 “(D) Accessory dwelling units; or

22 “(E) Middle housing as defined in ORS 197A.420;

23 “(f) The application requests not more than 10 distinct adjustments
24 to development standards as provided in this section. A ‘distinct ad-
25 justment’ means:

26 “(A) An adjustment to one of the development standards listed in
27 subsection (4) of this section where each discrete adjustment to a
28 listed development standard that includes multiple component stan-
29 dards must be counted as an individual adjustment; or

30 “(B) An adjustment to one of the development standards listed in

1 subsection (5) of this section where each discrete adjustment to a
2 listed development standard that includes multiple component stan-
3 dards must be counted as an individual adjustment; and

4 “(g) The application states how at least one of the following criteria
5 apply:

6 “(A) The adjustments will enable development of housing that is
7 not otherwise feasible due to cost or delay resulting from the unad-
8 justed land use regulations;

9 “(B) The adjustments will enable development of housing that re-
10 duces the sale or rental prices per residential unit;

11 “(C) The adjustments will increase the number of housing units
12 within the application;

13 “(D) All of the units in the application are subject to an affordable
14 housing covenant as described in ORS 456.270 to 456.295, making them
15 affordable to moderate income households as defined in ORS 456.270
16 for a minimum of 30 years;

17 “(E) At least 20 percent of the units in the application are subject
18 to an affordable housing covenant as described in ORS 456.270 to
19 456.295, making them affordable to low income households as defined
20 in ORS 456.270 for a minimum of 60 years;

21 “(F) The adjustments will enable the provision of accessibility or
22 visitability features in housing units that are not otherwise feasible
23 due to cost or delay resulting from the unadjusted land use regu-
24 lations; or

25 “(G) All of the units in the application are subject to a zero equity,
26 limited equity, or shared equity ownership model including resident-
27 owned cooperatives and community land trusts making them afforda-
28 ble to moderate income households as described in ORS 456.270 to
29 456.295 for a period of 90 years.

30 “(3) In reviewing an adjustment application under this section, a

1 **local government may:**

2 **“(a) Use an existing process, or develop and apply a new process,**
3 **that complies with the requirements of section 39 of this 2024 Act; or**

4 **“(b) Directly apply the process set forth in section 39 of this 2024**
5 **Act.**

6 **“(4) A local government shall grant an adjustment to the following**
7 **development standards:**

8 **“(a) Side or rear setbacks, for an adjustment of not more than 10**
9 **percent.**

10 **“(b) For an individual development project, the common area, open**
11 **space or area that must be landscaped on the same lot or parcel as the**
12 **proposed housing, for a reduction of not more than 25 percent.**

13 **“(c) Parking minimums.**

14 **“(d) Minimum lot sizes, not more than a 10 percent adjustment, and**
15 **including not more than a 10 percent adjustment to lot widths or**
16 **depths.**

17 **“(e) Maximum lot sizes, not more than a 10 percent adjustment,**
18 **including not more than a 10 percent adjustment to lot width or depths**
19 **and only if the adjustment results in:**

20 **“(A) More dwelling units than would be allowed without the ad-**
21 **justment; and**

22 **“(B) No reduction in density below the minimum applicable density.**

23 **“(f) Building lot coverage requirements for up to a 10 percent ad-**
24 **justment.**

25 **“(g) For manufactured dwelling parks, middle housing as defined in**
26 **ORS 197A.420, multifamily housing and mixed-use residential housing:**

27 **“(A) Requirements for bicycle parking that establish:**

28 **“(i) The minimum number of spaces for use by the residents of the**
29 **project, provided the application includes at least one-half space per**
30 **residential unit; or**

1 “(ii) The location of the spaces, provided that lockable, covered bi-
2 cycle parking spaces are within or adjacent to the residential devel-
3 opment;

4 “(B) For uses other than cottage clusters, as defined in ORS
5 197A.420 (1)(c)(D), building height maximums that:

6 “(i) Are in addition to existing applicable height bonuses, if any;
7 and

8 “(ii) Are not more than an increase of the greater of:

9 “(I) One story; or

10 “(II) A 20 percent increase to base zone height with rounding con-
11 sistent with methodology outlined in city code, if any;

12 “(C) Unit density maximums, not more than an amount necessary
13 to account for other adjustments under this section; and

14 “(D) Prohibitions, for the ground floor of a mixed-use building,
15 against:

16 “(i) Residential uses except for one face of the building that faces
17 the street and is within 20 feet of the street; and

18 “(ii) Nonresidential active uses that support the residential uses of
19 the building, including lobbies, day care, passenger loading, commu-
20 nity rooms, exercise facilities, offices, activity spaces or live-work
21 spaces, except for active uses in specifically and clearly defined mixed
22 use areas or commercial corridors designated by local governments.

23 “(5) A local government shall grant an adjustment to design stan-
24 dards that regulate:

25 “(a) Facade materials, color or pattern.

26 “(b) Facade articulation.

27 “(c) Roof forms and materials.

28 “(d) Entry and garage door materials.

29 “(e) Garage door orientation, unless the building is adjacent to or
30 across from a school or public park.

1 “(f) Window materials, except for bird-safe glazing requirements.

2 “(g) Total window area, for up to a 30 percent adjustment, provided
3 the application includes at least 12 percent of the total facade as win-
4 dow area.

5 “(h) For manufactured dwelling parks, middle housing as defined
6 in ORS 197A.420, multifamily housing and mixed-use residential:

7 “(A) Building orientation requirements, not including transit street
8 orientation requirements.

9 “(B) Building height transition requirements, not more than a 50
10 percent adjustment from the base zone.

11 “(C) Requirements for balconies and porches.

12 “(D) Requirements for recesses and offsets.

13 “SECTION 39. Approval of allowed housing adjustments. (1)(a)
14 Within 30 days after receiving a complete application under section 38
15 of this 2024 Act, the local government shall notify the applicant
16 whether the local government believes that the application is deemed
17 complete to make a review under section 38 of this 2024 Act. A local
18 government may provide this notification concurrently with the ap-
19 plication completeness determination described in ORS 215.427 (3) or
20 227.178 (3).

21 “(b) If a local government notifies the applicant that any adjust-
22 ment proposal is not complete, the applicant may submit additional
23 evidence for evaluation under this subsection within 30 days following
24 the notice.

25 “(2) A local government shall make a final decision on an applica-
26 tion for an adjustment under section 38 of this 2024 Act on or before
27 any development application decision or building permit issuance and
28 within any timelines imposed by ORS 197A.470, 215.416 or 227.175.

29 “(3)(a) A denial of an application for an adjustment under section
30 38 of this 2024 Act must be in a brief written statement that explains

1 the criteria and standards considered relevant to the decision, states
2 the facts relied on in rendering the decision and explains the justi-
3 fication for the decision based on the stated criteria, standards and
4 facts.

5 “(b) If the denial of an application for an adjustment is made sep-
6 arately from any other related application, the decision does not re-
7 quire notice under ORS 197.195 or 197.797. ‘Other related application’
8 means a land use decision, if any exists, for which the developer has
9 requested an approval of an adjustment under section 38 of this 2024
10 Act.

11 “(4) A final decision on an application for an adjustment made un-
12 der this section and section 38 of this 2024 Act is a limited land use
13 decision. Only the applicant may appeal the decision.

14 “SECTION 40. Mandatory adjustments exemption process. (1) A lo-
15 cal government may apply to the Housing Accountability and Pro-
16 duction Office for an exemption to sections 38 and 39 of this 2024 Act
17 only as provided in this section. After the application is made, sections
18 38 and 39 of this 2024 Act do not apply to the applicant until the office
19 denies the application or revokes the exemption.

20 “(2) To qualify for an exemption under this section, the local gov-
21 ernment must demonstrate that:

22 “(a) The local government reviews requested design and develop-
23 ment adjustments for all applications for the development of housing
24 that are under the jurisdiction of that local government;

25 “(b) All listed development and design adjustments under section
26 38 (4) and (5) of this 2024 Act are eligible for an adjustment under the
27 local government’s process; and

28 “(c)(A) Within the previous 5 years the city has approved 90 percent
29 of received adjustment requests; or

30 “(B) The adjustment process is flexible and accommodates project

1 needs as demonstrated by testimonials of housing developers who have
2 utilized the adjustment process within the previous five years.

3 “(3) Upon receipt of an application under this section, the office
4 shall allow for public comment on the application for a period of no
5 less than 45 days. The office shall enter a final order on the adjust-
6 ment exemption within 120 days of receiving the application. The ap-
7 proval of an application may not be appealed.

8 “(4) In approving an exemption, the office may establish conditions
9 of approval requiring that the city demonstrate that it continues to
10 meet the criteria under subsection (2) of this section.

11 “(5) Local governments with an approved or pending exemption
12 under this section shall clearly and consistently notify applicants, in-
13 cluding prospective applicants seeking to request an adjustment, that
14 are engaged in housing development:

15 “(a) That the local government is employing a local process in lieu
16 of sections 38 and 39 of this 2024 Act;

17 “(b) Of the development and design standards for which an appli-
18 cant may request an adjustment in a housing development application;
19 and

20 “(c) Of the applicable criteria for the adjustment application.

21 “(6) In response to a complaint and following an investigation, the
22 office may issue an order revoking an exemption issued under this
23 section if the office determines that the local government is:

24 “(a) Not approving adjustments as required by the local process or
25 the terms of the exemption;

26 “(b) Engaging in a pattern or practice of violating housing-related
27 statutes or implementing policies that create unreasonable cost or
28 delays to housing production under ORS 197.320 (13)(a); or

29 “(c) Failing to comply with conditions of approval adopted under
30 subsection (4) of this section.

1 **“SECTION 40a. Temporary exemption authority. Before January 1,**
2 **2025, notwithstanding section 40 of this 2024 Act:**

3 **“(1) Cities may deliver applications for exemption under section 40**
4 **of this 2024 Act to the Department of Land Conservation and Devel-**
5 **opment; and**

6 **“(2) The Department of Land Conservation and Development may**
7 **perform any action that the Housing Accountability and Production**
8 **Office may take under section 40 of this 2024 Act. Decisions and**
9 **actions of the department under this section are binding on the office.**

10 **“SECTION 41. Reporting. (1) A city required to provide a report**
11 **under ORS 197A.110 shall include as part of that report information**
12 **reasonably requested from the Department of Land Conservation and**
13 **Development on residential development produced through approvals**
14 **of adjustments granted under section 38 of this 2024 Act. The depart-**
15 **ment may not develop a separate process for collecting this data or**
16 **otherwise place an undue burden on local governments.**

17 **“(2) On or before September 15 of each even-numbered year, the**
18 **department shall provide a report to an interim committee of the**
19 **Legislative Assembly related to housing in the manner provided in**
20 **ORS 192.245 on the data collected under subsection (1) of this section.**
21 **The committee shall invite the League of Oregon Cities to provide**
22 **feedback on the report and the efficacy of section 38 of this 2024 Act.**

23 **“SECTION 42. Operative date. Sections 38 to 41 of this 2024 Act be-**
24 **come operative on January 1, 2025.**

25 **“SECTION 43. Sunset. Sections 38 to 41 of this 2024 Act are repealed**
26 **on January 2, 2032.**

27
28 **“LIMITED LAND USE DECISIONS**

29
30 **“SECTION 44. Section 45 of this 2024 Act is added to and made a**

1 part of ORS chapter 197A.

2 **“SECTION 45. Applicability of limited land use decision to housing**
3 **development.** (1) Except as provided in subsection (3) of this section,
4 each local government shall process as a limited land use decision or
5 ministerial decision any application for the development of housing
6 within an urban growth boundary that requests:

7 **“(a) Partitions, subdivisions, replats or property line adjustments**
8 **under ORS 92.010 to 92.192;**

9 **“(b) Review of land use applications regulating the siting or design**
10 **of a use that is permitted outright;**

11 **“(c) Extensions, alterations or expansions of nonconforming uses;**
12 **or**

13 **“(d) Adjustments to land use regulations, as defined in section 38**
14 **(1) of this 2024 Act, including those with an exemption under section**
15 **40 of this 2024 Act and including but not limited to those listed in**
16 **section 38 (4) or (5) of this 2024 Act.**

17 **“(2) Notwithstanding ORS 197.195 (1), a local government that has**
18 **not incorporated limited land use decisions into its land use regu-**
19 **lations may directly apply the procedures described in ORS 197.195 (2)**
20 **to (5).**

21 **“(3) This section does not apply to:**

22 **“(a) An application already processed as a ministerial use decision**
23 **under the local government’s acknowledged development standards.**

24 **“(b) Decisions by a local government for which the Housing Ac-**
25 **countability and Production Office has approved a hardship exemption**
26 **or time extension. The office may grant an exemption or time exten-**
27 **sion only if the local government demonstrates that a substantial**
28 **hardship would result from the increased costs or staff capacity needed**
29 **to implement procedures as required under this section. The office**
30 **shall review exemption or time extension requests under the deadlines**

1 provided in section 40 (3) of this 2024 Act.

2 “(4) This section does not apply to lands that are not within a city
3 or Metro urban unincorporated land.

4 “SECTION 46. Operative date. Section 45 of this 2024 Act becomes
5 operative on January 1, 2025.

6 “SECTION 47. Sunset. Section 45 of this 2024 Act is repealed on
7 January 2, 2032.

8

9 “ONE-TIME SITE ADDITIONS TO URBAN GROWTH BOUNDARIES

10

11 “SECTION 48. Sections 49 to 59 of this 2024 Act are added to and
12 made a part of ORS chapter 197A.

13 “SECTION 49. Definitions. As used in sections 49 to 59 of this 2024
14 Act:

15 “(1) ‘Net residential acre’ has the meaning given that term in sec-
16 tion 17 (2) of this 2024 Act.

17 “(2) ‘Site’ means a lot or parcel or contiguous lots or parcels, or
18 both, with or without common ownership.

19 “SECTION 50. City addition of sites outside of Metro. (1) Notwith-
20 standing any other provision of ORS chapter 197A, a city outside of
21 Metro may add a site to the city’s urban growth boundary under
22 sections 49 to 59 of this 2024 Act, if:

23 “(a) The site is adjacent to the existing urban growth boundary of
24 the city or is separated from the existing urban growth boundary by
25 only a street or road;

26 “(b) The site is:

27 “(A) Designated as an urban reserve under ORS 197A.230 to
28 197A.250, including a site whose designation is adopted under ORS
29 197.652 to 197.658;

30 “(B) Designated as nonresource land; or

1 **“(C) Subject to an acknowledged exception to a statewide land use**
2 **planning goal relating to farmland or forestland;**

3 **“(c) The city has not previously adopted an urban growth boundary**
4 **amendment or exchange under sections 49 to 59 of this 2024 Act;**

5 **“(d) The city has demonstrated a need for the addition under sec-**
6 **tion 52 of this 2024 Act;**

7 **“(e) The city has requested and received an application as required**
8 **under sections 53 and 54 of this 2024 Act;**

9 **“(f) The total acreage of the site:**

10 **“(A) For a city with a population of 25,000 or greater, does not ex-**
11 **ceed 150 net residential acres; or**

12 **“(B) For a city with a population of less than 25,000, does not exceed**
13 **75 net residential acres; and**

14 **“(g)(A) The city has adopted a binding conceptual plan for the site**
15 **that satisfies the requirements of section 55 of this 2024 Act; or**

16 **“(B) The added site does not exceed 15 net residential acres and**
17 **satisfies the requirements of section 56 of this 2024 Act.**

18 **“(2) A county shall approve an amendment to an urban growth**
19 **boundary made under this section that complies with sections 49 to**
20 **59 of this 2024 Act and shall cooperate with a city to facilitate the co-**
21 **ordination of functions under ORS 195.020 to facilitate the city’s**
22 **annexation and the development of the site. The county’s decision is**
23 **not a land use decision.**

24 **“(3) Notwithstanding ORS 197.626, an action by a local government**
25 **under sections 49 to 59 of this 2024 Act is not a land use decision as**
26 **defined in ORS 197.015.**

27 **“SECTION 51. Petition for additions of sites to Metro urban growth**
28 **boundary. (1) A city within Metro may petition Metro to add a site**
29 **within the Metro urban growth boundary if the site:**

30 **“(a) Satisfies the requirements of section 50 (1) of this 2024 Act; and**

1 “(b) Is designated as an urban reserve.

2 “(2)(a) Within 120 days of receiving a petition under this section,
3 Metro shall determine whether the site would substantially comply
4 with the applicable provisions of sections 49 to 59 of this 2024 Act.

5 “(b) If Metro determines that a petition does not substantially
6 comply, Metro shall:

7 “(A) Notify the city of deficiencies in the petition, specifying suffi-
8 cient detail to allow the city to remedy any deficiency in a subsequent
9 resubmittal; and

10 “(B) Allow the city to amend its conceptual plan and resubmit it
11 as a petition to Metro under this section.

12 “(c) If Metro determines that a petition does comply, notwith-
13 standing any other provision of ORS chapter 197A, Metro shall adopt
14 amendments to its urban growth boundary to include the site in the
15 petition, unless the amendment would result in more than 600 total
16 net residential acres added under this subsection.

17 “(3) If the net residential acres included in petitions that Metro
18 determines are in compliance on or before July 1, 2025, total less than
19 600 net residential acres, Metro shall adopt amendments to its urban
20 growth boundary under subsection (2)(c) of this section:

21 “(a) On or before November 1, 2025, for all petitions deemed
22 compliant on or before July 1, 2025; or

23 “(b) Within 120 days after a petition is deemed compliant after July
24 1, 2025, in the order in which the petitions are received.

25 “(4) If the net residential acres included in petitions that Metro
26 determines are in compliance on or before July 1, 2025, total 600 or
27 more net residential acres, on or before January 1, 2027, Metro shall
28 adopt amendments to its urban growth boundary under subsection
29 (2)(c) of this section to include the sites in those petitions that Metro
30 determines will:

1 “(a) Best comply with the provisions of section 55 of this 2024 Act;
2 and

3 “(b) Maximize the development of needed housing.

4 “(5) Metro may not conduct a hearing to review or select petitions
5 or adopt amendments to its urban growth boundary under this section.

6 “SECTION 52. City demonstration of need. A city may not add, or
7 petition to add, a site under sections 49 to 59 of this 2024 Act, unless:

8 “(1) The city has demonstrated a need for additional land based on
9 the following factors:

10 “(a)(A) In the previous 20 years there have been no urban growth
11 boundary expansions for residential use adopted by a city or by Metro
12 in allocation adjacent to the city; and

13 “(B) The city does not have within the existing urban growth
14 boundary an undeveloped, contiguous tract that is zoned for residen-
15 tial use that is larger than 20 net residential acres; or

16 “(b) Within urban growth boundary expansion areas for residential
17 use adopted by the city over the previous 20 years, or by Metro in lo-
18 cations adjacent to the city, 75 percent of the lands are developed or
19 development-ready lands; and

20 “(2) The city has demonstrated a need for affordable housing, based
21 on:

22 “(a) Having a greater percentage of extremely cost-burdened
23 households than the average for this state based on the Comprehensive
24 Housing Affordability Strategy data from the United States Depart-
25 ment of Housing and Urban Development; or

26 “(b) At least 25 percent of the renter households in the city being
27 severely rent burdened as indicated under the most recent housing
28 equity indicator data under ORS 456.602 (2)(g).

29 “SECTION 53. City solicitation of site applications. (1) Before a city
30 may select a site for inclusion within the city’s or Metro’s urban

1 growth boundary under sections 49 to 59 of this 2024 Act, a city must
2 provide public notice that includes:

3 “(a) The city’s intention to select a site for inclusion within the
4 city’s urban growth boundary.

5 “(b) Each basis under which the city has determined that it quali-
6 fies to include a site under section 52 of this section.

7 “(c) A deadline for submission of applications under this section
8 that is at least 45 days following the date of the notice;

9 “(d) A description of the information, form and format required of
10 an application, including the requirements of section 55 (2) of this 2024
11 Act.

12 “(2) A copy of the notice of intent under this section must be pro-
13 vided to:

14 “(a) Each county in which the city resides;

15 “(b) Each special district providing urban services within the city’s
16 urban growth boundary;

17 “(c) The Department of Land Conservation and Development; and

18 “(d) Metro, if the city is within Metro.

19 “SECTION 54. City review of site applications. (1) After the deadline
20 for submission of applications established under section 55 of this 2024
21 Act, the city shall:

22 “(a) Review applications filed for compliance with sections 49 to 59
23 of this 2024 Act.

24 “(b) For each completed application that complies with sections 49
25 to 59 of this 2024 Act, provide notice to the residents of the proposed
26 site area who were not signatories to the application.

27 “(c) Provide opportunities for public participation in selecting a
28 site, including, at least:

29 “(A) One public comment period;

30 “(B)(i) One meeting of the city’s planning commission at which

1 **public testimony is considered;**

2 **“(ii) One meeting of the city’s council at which public testimony is**
3 **considered; or**

4 **“(iii) One public open house; and**

5 **“(C) Notice on the city’s website or published in a paper of record**
6 **at least 14 days before:**

7 **“(i) A meeting under subparagraph (B) of this paragraph; and**

8 **“(ii) The beginning of a comment period under subparagraph (A)**
9 **of this paragraph.**

10 **“(d) Consult with, request necessary information from and provide**
11 **the opportunity for written comment from:**

12 **“(A) The owners of each lot or parcel within the site;**

13 **“(B) If the city does not currently exercise land use jurisdiction**
14 **over the entire site, the governing body of each county with land use**
15 **jurisdiction over the site;**

16 **“(C) Any special district that provides urban services to the site;**
17 **and**

18 **“(D) Any public or private utility that provides utilities to the site.**

19 **“(2) An application filed under this section must:**

20 **“(a) Be completed for each property owner or group of property**
21 **owners that are proposing an urban growth boundary amendment un-**
22 **der sections 49 to 59 of this 2024 Act;**

23 **“(b) Be in writing in a form and format as required by the city;**

24 **“(c) Specify the lots or parcels that are the subject of the applica-**
25 **tion;**

26 **“(d) Be signed by all owners of lots or parcels included within the**
27 **application; and**

28 **“(e) Include each owner’s signed consent to annexation of the**
29 **properties if the site is added to the urban growth boundary.**

30 **“(3) If the city has received approval from all property owners of**

1 such lands, in writing in a form and format specified by the city, the
2 governing body of the city may select an application and the city shall
3 adopt a conceptual plan as described in section 55 of this 2024 Act for
4 all or a portion of the lands contained within the application.

5 “(4) A conceptual plan adopted under subsection (3) of this section
6 must include findings identifying reasons for inclusion of lands within
7 the conceptual plan and reasons why lands, if any, submitted as part
8 of an application that was partially approved were not included within
9 the conceptual plan.

10 **“SECTION 55. Conceptual plan for added sites. (1) As used in this**
11 **section:**

12 “(a) ‘Affordable units’ means residential units described in sub-
13 section (3)(f)(A) or (4) of this section.

14 “(b) ‘Market rate units’ means residential units other than afford-
15 able units.

16 “(2) Before adopting an urban growth boundary amendment under
17 section 50 of this 2024 Act or petitioning Metro under section 51 of this
18 2024 Act, for a site larger than 15 net residential acres, a city shall
19 adopt a binding conceptual plan as an amendment to its comprehen-
20 sive plan.

21 “(3) The conceptual plan must:

22 “(a) Establish the total net residential acres within the site and
23 must require for those residential areas:

24 “(A) A diversity of housing types and sizes, including middle hous-
25 ing, accessible housing and other needed housing; and

26 “(B) That the development will be on lands zoned for residential or
27 mixed-use residential uses and built at net residential densities not
28 less than those required under section 17 (2) of this 2024 Act;

29 “(b) Designate within the site:

30 “(A) Recreation and open space lands; and

1 **“(B) Lands for commercial uses, either separate or as a mixed use,**
2 **that:**

3 **“(i) Primarily serve the immediate surrounding housing;**

4 **“(ii) Provide goods and services at a smaller scale than provided on**
5 **typical lands zoned for commercial use; and**

6 **“(iii) Are provided at the minimum amount necessary to support**
7 **and integrate viable commercial and residential uses;**

8 **“(c) If the city has a population of 5,000 or greater, include a**
9 **transportation network for the site that provides diverse transporta-**
10 **tion options, including walking, bicycling and transit use if public**
11 **transit services are available, as well as sufficient connectivity to ex-**
12 **isting and planned transportation network facilities as shown in the**
13 **local government’s transportation system plan as defined in Land**
14 **Conservation and Development Commission rules;**

15 **“(d) Demonstrate that protective measures will be applied to the**
16 **site consistent with the statewide land use planning goals for:**

17 **“(A) Open spaces, scenic and historic areas or natural resources;**

18 **“(B) Air, water and land resources quality;**

19 **“(C) Areas subject to natural hazards;**

20 **“(D) The Willamette River Greenway;**

21 **“(E) Estuarine resources;**

22 **“(F) Coast shorelands; or**

23 **“(G) Beaches and dunes;**

24 **“(e) Include a binding agreement among the city, each owner within**
25 **the site and any other necessary public or private utility provider, lo-**
26 **cal government or district, as defined in ORS 195.060, or combination**
27 **of local governments and districts that the site will be served with all**
28 **necessary urban services as defined in ORS 195.065, or an equivalent**
29 **assurance; and**

30 **“(f) Include requirements that ensure that:**

1 **“(A) At least 30 percent of the residential units are subject to**
2 **affordability restrictions, including but not limited to affordable**
3 **housing covenants, as described in ORS 456.270 to 456.295, that require**
4 **for a period of not less than 60 years that the units be:**

5 **“(i) Available for rent, with or without government assistance, by**
6 **households with an income of 80 percent or less of the area median**
7 **income as defined in ORS 456.270; or**

8 **“(ii) Available for purchase, with or without government assistance,**
9 **by households with an income of 130 percent or less of the area median**
10 **income;**

11 **“(B) The construction of all affordable units has commenced before**
12 **the city issues certificates of occupancy to the last 15 percent of mar-**
13 **ket rate units;**

14 **“(C) All common areas and amenities are equally available to resi-**
15 **dents of affordable units and of market rate units and properties des-**
16 **ignated for affordable units are dispersed throughout the site; and**

17 **“(D) The requirement for affordable housing units is recorded be-**
18 **fore the building permits are issued for any property within the site,**
19 **and the requirements contain financial penalties for noncompliance.**

20 **“(4) A city may require greater affordability requirements for resi-**
21 **dential units than are required under subsection (3)(f)(A) of this sec-**
22 **tion, provided that the city significantly and proportionally offsets**
23 **development costs related to:**

24 **“(a) Permits or fees;**

25 **“(b) System development charges;**

26 **“(c) Property taxes; or**

27 **“(d) Land acquisition and predevelopment costs.**

28 **“SECTION 56. Alternative for small additions. (1) A city that in-**
29 **tends to add 15 net residential acres or less is not required to adopt a**
30 **conceptual plan under section 55 of this 2024 Act if the city has entered**

1 **into:**

2 **“(a) Enforceable and recordable agreements with each landowner**
3 **of a property within the site to ensure that the site will comply with**
4 **the affordability requirements described in section 55 (3)(f) of this 2024**
5 **Act; and**

6 **“(b) A binding agreement with each owner within the site and any**
7 **other necessary public or private utility provider, local government**
8 **or district, as defined in ORS 195.060, or combination of local govern-**
9 **ments and districts to ensure that the site will be served with all**
10 **necessary urban services as defined in ORS 195.065.**

11 **“(2) This section does not apply to a city within Metro.**

12 **“SECTION 57. Department approval of site additions. (1) Within 21**
13 **days after the adoption of an amendment to an urban growth bound-**
14 **ary or the adoption or amendment of a conceptual plan under sections**
15 **49 to 59 of this 2024 Act, and the approval by a county if required under**
16 **section 50 (2) of this 2024 Act, the conceptual plan or amendment must**
17 **be submitted to the Department of Land Conservation and Develop-**
18 **ment for review. The submission must be made by:**

19 **“(a) The city, for an amendment under section 50 or 58 of this 2024**
20 **Act; or**

21 **“(b) Metro, for an amendment under section 51 of this 2024 Act.**

22 **“(2) Within 60 days after receiving a submittal under subsection (1)**
23 **of this section, the department shall:**

24 **“(a) Review the submittal for compliance with the provisions of**
25 **sections 49 to 59 of this 2024 Act.**

26 **“(b)(A) If the submittal substantially complies with the provisions**
27 **of sections 49 to 59 of this 2024 Act, issue an order approving the sub-**
28 **mittal; or**

29 **“(B) If the submittal does not substantially comply with the pro-**
30 **visions of sections 49 to 59 of this 2024 Act, issue an order remanding**

1 the submittal to the city or to Metro with a specific determination of
2 deficiencies in the submittal and with sufficient detail to identify a
3 specific remedy for any deficiency in a subsequent resubmittal.

4 “(3) If a conceptual plan is remanded to Metro under subsection
5 (2)(b) of this section:

6 “(a) The department shall notify the city; and

7 “(b) The city may amend its conceptual plan and resubmit a peti-
8 tion to Metro under section 51 of this 2024 Act.

9 “(4) Judicial review of the department’s order:

10 “(a) Must be as a review of orders other than a contested case under
11 ORS 183.484; and

12 “(b) May be initiated only by the city or an owner of a proposed site.

13 “(5) Following the approval of a submittal under this section, a lo-
14 cal government must include the added lands in any future inventory
15 of buildable lands or determination of housing capacity under ORS
16 197A.270, 197A.280, 197A.335 or 197A.350.

17 “SECTION 58. Alternative urban growth boundary land exchange.

18 (1) In lieu of amending its urban growth boundary under any other
19 process provided by sections 49 to 59 of this 2024 Act, a city outside of
20 Metro may amend its urban growth boundary to add one or more sites
21 described in section 51 (1)(a) and (b) of this 2024 Act to the urban
22 growth boundary and to remove one or more tracts of land from the
23 urban growth boundary as provided in this section.

24 “(2) The acreage of the added site and removed lands must be
25 roughly equivalent.

26 “(3) The removed lands must have been zoned for residential uses.

27 “(4) The added site must be zoned for residential uses at the same
28 or greater density than the removed lands.

29 “(5)(a) Except as provided in paragraph (b) of this subsection, land
30 may be removed from an urban growth boundary under this section

1 without landowner consent.

2 “(b) A landowner may not appeal the removal of the landowner’s
3 land from an urban growth boundary under this section unless the
4 landowner agrees to enter into a recorded agreement with the city in
5 which the landowner would consent to annexation and development
6 of the land within 20 years if the land remains in the urban growth
7 boundary.

8 “(6) Review of a city’s exchange of lands made under this section
9 may only be made by the county as provided in section 50 (2) of this
10 2024 Act and by the Department of Land Conservation and Develop-
11 ment, subject to judicial review, as provided in section 57 of this 2024
12 Act.

13 “(7) Sections 50 (1)(d) to (g), 52, 53, 54, 55 and 56 of this 2024 Act do
14 not apply to a site addition made under this section.

15 “SECTION 59. Reporting on added sites. A city for which an
16 amendment was made to an urban growth boundary and approved
17 under sections 49 to 59 of this 2024 Act shall submit a report describing
18 the status of development within the included area to the Department
19 of Land Conservation and Development every two years until:

20 “(1) January 2, 2033; or

21 “(2) The city determines that development consistent with the ac-
22 knowledged conceptual plan is deemed complete.

23 “SECTION 60. Sunset. Sections 49 to 59 of this 2024 Act are repealed
24 on January 2, 2033.

25

26

“APPROPRIATIONS

27

28 “SECTION 61. Appropriation for Housing Accountability and Pro-
29 duction Office. In addition to and not in lieu of any other appropri-
30 ation, there is appropriated to the Department of Land Conservation

1 and Development, for deposit into the Housing Accountability and
2 Production Office Fund under section 4 of this 2024 Act, for the
3 biennium ending June 30, 2025, out of the General Fund, the following
4 amounts:

5 “(1) \$_____ to operate the Housing Accountability and Production
6 Office under sections 1 to 5 of this 2024 Act.

7 “(2) \$10,000,000 for the office to provide technical assistance, in-
8 cluding grants, under section 1 (1) of this 2024 Act.

9 “SECTION 62. Appropriation to Oregon Business Development De-
10 partment. In addition to and not in lieu of any other appropriation,
11 there is appropriated to the Oregon Business Development Depart-
12 ment, for the biennium ending June 30, 2025, out of the General Fund,
13 the following amounts:

14 “(1) \$200,000,000 for deposit into the Housing Infrastructure Project
15 Fund under section 18 of this 2024 Act.

16 “(2) \$10,000,000 for deposit into the Housing Site Readiness Fund
17 under section 20 of this 2024 Act.

18 “(3) \$5,000,000 for deposit into the Housing Infrastructure Support
19 Fund under section 14 of this 2024 Act.”.

20 _____



DATE: January 31, 2024
TO: LOC Legislative Committee
FROM: Ariel Nelson, LOC Lobbyist
SUBJECT: LOC Feedback on LC 19/SB 1537

The LOC currently has a neutral position on the bill, pending further review. There are sections that cities would like to support if refined and other sections that cities do not support. LC 19 still needs a lot of technical corrections across all sections of the bill and the LOC submitted comprehensive feedback to the Governor's Office. We are waiting to find out what has been accepted for a forthcoming amendment. The LOC supports and shares the Governor's housing goals and LC 19/SB 1537 has the potential to make significant progress on Oregon's housing needs, but as drafted it does not work on the ground. I've described our most significant concerns and suggestions for improvement below, although LOC and individual cities shared extensive technical feedback needed to improve the entire bill.

Cities across the state are working urgently to address Oregon's housing crisis and encourage the development of needed housing... but they do not directly develop housing. Cities need a range of tools to help attract and expedite housing development and improve affordability. Not all tools will work for all cities, as needs and opportunities for development look different in cities of varying sizes, tax bases, topography, and market realities across the state. That said, focused state infrastructure investment is the most effective tool to expedite development and increase affordability across Oregon.

Sections 1 – 7: HAPO

The LOC supports increased state investment and technical assistance for local development needs, including critically needed coordination across the various state agencies and between state and local government. The proposed HAPO has the potential to do this, but it needs additional work for cities to support. The current proposal would add new enforcement authority and processes at DLCD that are duplicative of existing LCDC authority. **Any new enforcement roles, processes, and authorities should be clearly communicated. LC 19 should sunset any legacy processes and authorities that the state is not currently using or intending to use before standing up a new HAPO entity. Alternatively, the bill could be amended to simply indicate that HAPO is now the enforcement venue and replaces LCDC enforcement.**

The HAPO would also significantly expand DLCD's authority and role outside the department's scope that could conflict with other state agency policy priorities, processes, and expertise. While we support any effort to coordinate and focus state

agencies, the HAPO proposal lacks transparency and accountability. The LOC would like to see the Governor appoint an implementation oversight commission or process with representation from city and development experts to ensure the HAPO does not create additional bureaucratic delay, cost, or uncertainty for both local government and developers in Oregon's already challenging development environment.

The LOC would also like to see the list of coordinating agencies in Section 1(f) expanded to include ODOT, DEQ, DSL, due to their significant impact on housing development.

Sections 8-9: Opting into Amended Housing Regulations

The "Goal Post" rule is, in concept, both what cities practice now and what cities support. While we support an applicant not having to withdraw and re-apply to have new standards apply if they wish, there are some potential issues with the concept as drafted that could cause significant challenges for implementation. We are working with Rep. Marsh and DLCD on technical improvements that would resolve cities concerns for this concept in LC 19 and in LC 40.

Section 10: Attorney Fees

LOC supports this section that expands current prevailing party attorney's fees provisions for affordable housing to include local governments and all housing when the following occurs:

- Local government approves housing land use application
- Land use decision appealed to LUBA
- LUBA affirms local government decision

The concept does not work as drafted and LOC submitted technical feedback to ensure the concept can be implemented as intended.

Section 13 – 23: Financial Assistance Supporting Housing Production

The LOC is encouraged to see significant investments in infrastructure programs included in LC 19/SB 1537. The most powerful strategy the state can deploy to quickly unlock housing and improve affordability is to make focused infrastructure investments in water, sewer, storm water and transportation projects that support new homes.

In the current draft, these funds would only be available for site-specific infrastructure projects affecting one development at a time. **Funding eligibility should be expanded to include large expansion areas or greenfield developments for all infrastructure needs: water, sewer, stormwater, transportation.**

Also, the density thresholds required to access the funds need further refinement to ensure that all cities can access funding. Density requirements do not reflect market realities in some cities and would prevent other cities from supporting a *range* of needed housing types – multifamily development, single-detached and

middle housing development that may be called for in state-required housing production strategies.

Section 24 – 36: Housing Project Revolving Loans

Cities need a range of tools to actively encourage housing development and overcome a variety of development barriers around the state. The LOC supports the Revolving Loan Fund as one such tool. We are working with the legislature on technical improvements to the bill to ensure cities of all sizes and capacity can administer this tool. The LOC is also encouraging the legislature to prioritize funding for proven infrastructure programs and direct allocations.

Sections 37 – 47: Housing Land Use Adjustments

The LOC was strongly opposed to the original version of this concept in HB 3414. Thanks to the support of legislators with local government experience, we were able to gain some significant structural improvements that lead LOC to a neutral position last session. Despite some additional modest technical improvements and restoration of critical environmental protections, cities still do not support the current version of LC19/SB 1537.

The proposal would still require all cities to grant up to 10 waivers from a range of siting and design standards, which are important tools cities rely on to encourage and require the development of specific housing types to meet community needs. For example, the City of Sherwood limits the height of a cottage cluster to 20 feet, which allows for 1.5 stories or a first floor and a loft. This approach, combined with their objective of creating "Cottage Cluster" only zoning, promotes much-needed small-footprint homes for their residents who aspire to age in place or starter families. LC 19/SB 1537 would require the City to grant a height variance and eliminate the benefit, which is informed by housing need data and community engagement. This is just one example in one city. Many cities rely on siting and design standards to encourage walkable, climate friendly development, pedestrian safety and connectivity, etc that this bill would allow developers to override. Furthermore, **nothing in this proposal ensures that any resulting adjustments would actually create more housing units than without or make housing more affordable. Cities would be more inclined to support some restrictions on local tools if there was a public benefit gained in return.**

Section 44: Limited Land Use Decisions

LOC is not opposed to this section but submitted technical feedback needed to clarify implementation.

Section 49 – 60: One-Time Site Additions to Urban Growth Boundaries

While land supply is not a barrier for all cities, it is critical for some, and the current state UGB adjustment process is time-consuming, cost-prohibitive, and litigious. The LOC supports the return of a one-time expedited UGB expansion tool for those communities needing land to meet their housing goals. The previous version of this proposal in HB 3414 (2023) would not have met all cities' UGB needs because it was restricted to only urban reserves or non-resource lands but could have made a meaningful difference for some communities. Our understanding after initial review of the latest version is that **all cities are likely functionally precluded from using this tool under multiple criteria.** In addition, the "expedited" process has grown more

complicated in return for the minor expansion allowed in the bill. Please reference feedback submitted from individual cities.

We hope to continue working with the Governor and developers on a tool that could benefit at least some cities and make meaningful progress on Oregon's housing production goals.

CITY OF NEWPORT
169 SW COAST HWY
NEWPORT, OREGON 97365

COAST GUARD CITY, USA



phone: 541.574.0629
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mombetsu, japan, sister city

May 9, 2023

Chair Julie Fahey
House Committee on Rules
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

Dear Chair Fahey, Vice Chairs Breese-Iverson and Kropf, and Members of the Committee,

It is our understanding that your committee will hold a hearing this afternoon on -5 and -6 amendments to HB 3414, a bill introduced on behalf of Governor Kotek to promote housing construction by requiring cities approve variances/adjustments to certain land use standards. If you believe that this approach has merit and should advance, then we urge you to support the -5 amendments.

Our City Council has deep concerns with the variance/adjustment concept embedded in this bill. When a local government approves a variance/adjustment, it is authorizing someone to use their property in a manner that others cannot. This has always required there be justification to support such an action. Section 2 of the -6 amendments requires no justification. There is no requirement that a developer establish that a variance/adjustment will accelerate the pace of residential development, result in additional residential units, or enhance affordability. Section 2 of the -5 amendments, on the other hand, requires a developer demonstrate that these objectives will be achieved. If we are to be compelled to grant variances/adjustments to clear and objective land use standards that the City has taken pains to craft in a manner that meets community objectives, then it is imperative that we realize additional housing, or more affordable housing, as a result. Section 2 of the -5 amendments provides that assurance.

We here in Newport share your concerns about the lack of affordable housing, and we have taken tangible steps over the last 10-15 years to facilitate the construction of such housing in our community. More needs to be done, and we recognize that, and hope that the legislature will partner with us to achieve this shared objective. Thank you for your time and consideration.

A handwritten signature in blue ink that reads "Dean H. Sawyer".

Dean Sawyer, Mayor
City of Newport, Oregon

A handwritten signature in blue ink that reads "Spencer Nebel".

Spencer Nebel, City Manager
City of Newport, Oregon

xc Representative David Gomberg
Senator Dick Anderson

Sherri Marineau

From: Derrick Tokos
Sent: Monday, February 12, 2024 7:40 AM
To: Sherri Marineau
Subject: FW: SB 1537 Testimony
Attachments: Newport SB 1537 Testimony.pdf

Sherri... please distribute this to the Commission members and upload the document to tonight's meeting packet.

Derrick

From: Derrick Tokos <>
Sent: Friday, February 9, 2024 4:11 PM
To: City Council <CityCouncil@NewportOregon.gov>
Subject: SB 1537 Testimony

Attached is a letter submitted this afternoon as testimony on SB 1537, the Governor's Housing Bill. The hearing was held yesterday. The letter conveys the same theme as the City's previous testimony on HB 3414, which was a similar bill that narrowly failed in the 2023 legislative session.

Derrick I. Tokos, AICP
Community Development Director
City of Newport
169 SW Coast Highway
Newport, OR 97365
ph: 541.574.0626 fax: 541.574.0644
d.tokos@newportoregon.gov

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mombetsu, japan, sister city

February 9, 2024

The Honorable Kayse Jama, Chair
 Senate Committee on Housing and Development
 900 Court St. NE, S-409
 Salem, Oregon 97301

RE: Adjustment Provisions of SB 1537

Dear Chair Jama and members of the Committee,

The City of Newport would like to express its appreciation for the effort that has been made by the Governor's office to put together a comprehensive housing bill, with an eye toward accelerating statewide housing construction in the coming years. Unfortunately, we cannot support the adjustment provisions of the legislation, as drafted. If our City is to be compelled to grant adjustments to clear and objective land use and design standards that it has taken pains to craft in a manner that meets community objectives, then it is imperative that we realize additional housing, or more affordable housing. The adjustment provisions of the bill fall short in this regard, as the language fails to ensure that an applicant demonstrate the adjustment(s) they are seeking would actually create more housing units or make housing more affordable.

As a rural, tourist-oriented coastal community, Newport has long struggled with the challenges inherent to having a limited amount of available housing, and in particular affordable housing. The City has undertaken a number of tangible steps to promote housing construction, and those efforts are showing results. Over the last 10 years, the number of housing units built in Newport is more than 50% above what we are projected to need given our annual growth rate, and the average number of units over the last 5 years is 150% of our projected need. We are doing our part.

Unfortunately, the adjustment provisions of SB 1537 are more likely to complicate our efforts than help. We have worked closely with community partners to implement state guidance and model codes to support middle housing, and greater residential densities, and have seen positive results. With higher residential densities, it has become evident that requirements like lot coverage limitations and design standards are essential to promoting livable

communities that will thrive over the long run. We must be able to continue to utilize these tools, or risk losing community support for our efforts.

Most recently we completed multi-year comprehensive planning processes to produce a Housing Capacity Analysis and a Housing Production Strategy that were adopted by our City Council and approved by DLCD. The development of these plans involved considerable investment of our Community Development Department, community members, and stakeholders. We sincerely hope that Committee members take the time to review Newport's and other city's plans to understand our needs and strategies. Successful planning should recognize and build upon the efforts and successes already in place and should honor the efforts of our city governments, involved citizens and stakeholders.

We respectfully request that the adjustment provisions in SB 1537 be eliminated. If that is not possible, then we ask that you exempt jurisdictions where housing is being built at a pace that meets or exceeds their projected annual need. Alternatively, you might consider packaging the adjustment provisions as a set of tools that the new Housing Accountability and Production Office can use to help facilitate housing construction in circumstances where barriers are preventing it from happening.

Thank you for your time and consideration.

Sincerely,



Jan Kaplan, Mayor
City of Newport