



PLANNING COMMISSION WORK SESSION AGENDA

Monday, January 13, 2025 - 6:00 PM

City Hall, Council Chambers, 169 SW Coast Hwy, Newport, OR 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

Bill Branigan, Bob Berman, Jim Hanselman, Gary East, Braulio Escobar, John Updike, Robert Bare, Dustin Capri, and Greg Sutton.

2. NEW BUSINESS

2.A Update on City Plans to Modernize its Website (John Fuller).
[Memorandum](#)

2.B Discuss Land Use Related Legislative Concepts for 2025 Session.
[Memorandum](#)
[LC 0333– Middle Housing Amendments](#)
[LC 0333 – Anticipated Revisions](#)
[LC 0358 - Framework for Distribution of Housing Infrastructure Funding](#)
[DLCD SB 1537 Infrastructure Evaluation Considerations](#)
[LC 1066 - Goal 9 Health and Safety Industrial Siting Standards](#)
[LC 1153 - Modernize Statewide Planning Goal 1 Public Participation](#)

3. UNFINISHED BUSINESS

3.A Planning Commission Work Program Update.
[PC Work Program 1-8-2025](#)

4. ADJOURNMENT

Memorandum

To: Planning Commission/Commission Advisory Committee
From: Derrick Tokos, Community Development Director 
Date: January 8, 2025
Re: Update on City Plans to Modernize its Website

John Fuller, Communications Specialist, with the City of Newport will be attending the work session to provide the Planning Commission an update on steps the City is taking to modernize its web presence. Please take a moment before the meeting to review the City's webpage, including the Community Development Department tab, and come prepared to talk about what you would like to see changed and what needs to be retained.

Memorandum

To: Planning Commission/Commission Advisory Committee

From: Derrick Tokos, Community Development Director 

Date: January 8, 2025

Re: Discuss Land Use Related Legislative Concepts for 2025 Session (Round 1)

The 2025 Oregon Legislative Session will soon start, and a number of legislative concepts are being developed and vetted through the League of Oregon Cities (LOC) and other stakeholder groups before they are introduced as bills. This work session has been scheduled to provide the Commission an update on relevant concepts discussed to date, and to provide members an opportunity to discuss the topics and provide feedback to staff. The legislative concepts are a work in progress and this work session is a forum to talk about key considerations or concerns the City might want to convey to LOC.

LC 0333 is a new middle housing package that builds upon SB 1537 from the last session. Enclosed is a copy of the legislative concept and a table listing changes likely to be made based upon feedback received to date. Provisions intended to curtail a local governments ability to require traffic impact analysis and impose exactions is likely to be controversial.

LC 0358 outlines a framework for the distribution of housing infrastructure funding. The Governor’s proposed budget identifies \$100 million that would be set aside for this purpose. Paired with the legislative concept is a report that was prepared, per Section 16 of SB 1537, identifying potential metrics that can be used to identify candidate projects for funding. As currently drafted, funding would be limited to affordable housing projects, which is quite limiting.

LC 1066 is a legislative concept that would require local jurisdictions evaluate health and safety impacts before approving certain industrial projects. It is framed as more fully implementing Statewide Planning Goal 9, Economic Development. Attached is a primer summarizing the objectives of the bill and a copy of the legislative concept.

Lastly, attached is a primer and copy of a legislative concept that would require the Department of Land Conservation and Development initiate a process to modernize Statewide Planning Goal 1 related to public participation in land use matters. It has been a long time since attention has been given to Statewide Planning Goal 1 and the Oregon Legislature has significantly curtailed many of the traditional methods people used to influence land use decisions (particularly with respect to housing). One potential concern is whether or not DLCD has the bandwidth to take this on at this time.

I look forward to our discussion on Monday!

Attachments: LC 0333 – Middle Housing Amendments, LC 0333 – Anticipated Revisions, LC 0358 – Framework for Distributing Housing Infrastructure Funding, DLCD SB 1537 Infrastructure Evaluation Considerations, LC 1066 – Goal 9 Health and Safety Industrial Siting Standards, and LC 1153 – Modernize Statewide Planning Goal 1 Public Participation

D R A F T

SUMMARY

Digest: This Act allows for denser home building in cities and requires the LCDC to adopt rules. (Flesch Readability Score: 68.9).

Expands allowable middle housing and expands middle housing requirements to include urban unincorporated lands.

Expands allowable single room occupancies.

Makes retroactive the prohibition on private restrictions, including restrictions in governing documents of planned communities, that would limit middle housing, accessory dwelling units or housing density.

Limits a local government's ability to reduce density requirements or allowances within urban growth boundaries.

Reforms expedited land division provisions and makes such divisions land use decisions.

Allows for plats that consolidate a land division and a middle housing land division and requires review within 120 days.

Requires the Land Conservation and Development Commission to adopt rules by January 1, 2028, to promote housing development and implement various provisions of this Act.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

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Relating to land use; creating new provisions; amending ORS 34.020, 34.102, 92.031, 92.044, 92.325, 93.277, 94.776, 184.633, 197.015, 197.090, 197.200, 197.245, 197.360, 197.365, 197.625, 197.724, 197.794, 197.796, 197.825, 197A.015, 197A.200, 197A.400, 197A.420, 197A.430, 197A.465, 197A.470, 215.402, 215.416, 215.427, 215.429, 223.299, 227.160, 227.173, 227.178, 227.179, 227.184, 421.649 and 476.394 and sections 3 and 4, chapter 639, Oregon Laws 2019, and section 1, chapter 110, Oregon Laws 2024; repealing ORS 92.377, 197.370, 197.375, 197.380, 197.726 and 197.727; and declaring an

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 emergency.

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

3
4 **MIDDLE HOUSING**

5
6 **SECTION 1.** ORS 197A.420 is amended to read:

7 197A.420. (1) As used in this section:

8 (a) “City” [or] **includes land that is within a city’s urban unincor-**
9 **porated lands.**

10 (b) “City with a population of 25,000 or greater” includes, regardless of
11 size, any city within Tillamook County and the communities of
12 Barview/Twin Rocks/Watseco, Cloverdale, Hebo, Neahkahnie, Neskowin,
13 Netarts, Oceanside and Pacific City/Woods.

14 [(b) “Cottage clusters” means groupings of no fewer than four detached
15 housing units per acre with a footprint of less than 900 square feet each and
16 that include a common courtyard.]

17 [(c) “Middle housing” means:]

18 [(A) Duplexes;]

19 [(B) Triplexes;]

20 [(C) Quadplexes;]

21 [(D) Cottage clusters; and]

22 [(E) Townhouses.]

23 (c) “Cottage cluster” means a grouping of attached or detached
24 dwelling units in any configuration that includes a common courtyard
25 or other shared community amenity and in which each unit has a
26 small footprint.

27 (d) “Duplex” means two attached or detached dwellings in any
28 configuration on a lot or parcel, other than a lot or parcel created by
29 a middle housing land division.

30 (e)(A) “Middle housing” means housing that consists of duplexes,
31 triplexes, quadplexes, cottage clusters or townhouses.

1 **(B) “Middle housing” includes dwelling units that are:**

2 **(i) Additional units allowed under section 3 of this 2025 Act; and**

3 **(ii) Existing dwelling units to which additional units are added un-**
4 **der subsection (4) of this section.**

5 **(f) “Middle housing land division” has the meaning given that term**
6 **in ORS 92.031.**

7 **(g) “Quadplex” means four attached or detached dwellings in any**
8 **configuration on a lot or parcel, other than a lot or parcel created by**
9 **a middle housing land division.**

10 **[(d)] (h) [“Townhouses”] “Townhouse” means a dwelling unit constructed**
11 **in a row of two or more attached units, where each dwelling unit is located**
12 **on an individual lot or parcel and shares at least one common wall with an**
13 **adjacent unit.**

14 **(i) “Triplex” means three attached or detached dwellings in any**
15 **configuration on a lot or parcel, other than a lot or parcel created by**
16 **a middle housing land division.**

17 **(j) “Zoned for residential use” means land that:**

18 **(A) Is within an urban growth boundary;**

19 **(B) Has base zoning for residential uses;**

20 **(C) Allows the development of a detached single-unit dwelling; and**

21 **(D) Is not zoned primarily for commercial, industrial, agricultural**
22 **or public uses; and**

23 **(E) Is incorporated or:**

24 **(i) Has sufficient urban services, as defined in ORS 195.065; and**

25 **(ii) Is not zoned under an interim zoning designation that maintains**
26 **the land’s potential for planned urban development.**

27 **(2) Except as provided in subsection (4) of this section, each county,**
28 **each city with a population of 25,000 or greater, and each [county or] city**
29 **with a population of 1,000 or greater within [a metropolitan service**
30 **district] Metro, shall allow the development of:**

31 **(a) All middle housing types in areas zoned for residential use [that allow**

1 *for the development of detached single-family dwellings*]; and

2 (b) A duplex on each lot or parcel zoned for residential use [*that allows*
3 *for the development of detached single-family dwellings*].

4 (3) [*Except as provided in subsection (4) of this section,*] Each city not
5 within [*a metropolitan service district*] **Metro** with a population of 2,500 or
6 greater and less than 25,000 shall allow the development of a duplex on each
7 lot or parcel zoned for residential use [*that allows for the development of de-*
8 *tached single-family dwellings. Nothing in this subsection prohibits a local*
9 *government from allowing middle housing types in addition to duplexes*].

10 [(4)(a) *Except within Tillamook County, this section does not apply to:*]

11 [(A) *Cities with a population of 1,000 or fewer, except inside of Tillamook*
12 *County;*]

13 [(B) *Lands not within an urban growth boundary;*]

14 [(C) *Lands that are not incorporated and also lack sufficient urban services,*
15 *as defined in ORS 195.065; or*]

16 [(D) *Lands that are not incorporated and are zoned under an interim zon-*
17 *ing designation that maintains the land's potential for planned urban devel-*
18 *opment.*]

19 [(b) *This section does not apply to lands that are not zoned for residential*
20 *use, including lands zoned primarily for commercial, industrial, agricultural*
21 *or public uses.*]

22 **(4)(a) Each city required to allow middle housing under subsection**
23 **(2) or (3) of this section shall allow the lot or parcel to include existing**
24 **housing consisting of:**

25 **(A) One single-unit dwelling;**

26 **(B) One single-unit dwelling plus one accessory dwelling unit; or**

27 **(C) One duplex.**

28 **(b) The city may require only the new units, and not the existing**
29 **units, to comply with siting and design standards adopted under sub-**
30 **section (5) of this section.**

31 **(c) Existing units on the lot or parcel may be separated from the**

1 **new units by a middle housing land division and are considered a sin-**
2 **gle unit for the purposes of such division.**

3 (5) Local governments:

4 (a) May regulate siting and design of middle housing required to be per-
5 mitted under this section, provided that the regulations do not[,] individually
6 or cumulatively[,] discourage, **through unreasonable costs or delay**, the
7 development of all middle housing types permitted in the area [*through un-*
8 *reasonable costs or delay*].

9 (b) [*Local governments*] May regulate middle housing to comply with
10 protective measures adopted pursuant to statewide land use planning goals.

11 (c) **May not require a traffic impact analysis for, or attribute an**
12 **exaction based on traffic impacts to, middle housing developed on a**
13 **lot or parcel for residential infill or redevelopment.**

14 (6) This section does not prohibit local governments from permitting:

15 (a) [*Single-family*] **Single-unit** dwellings in areas zoned to allow for
16 [*single-family*] **single-unit** dwellings; or

17 (b) Middle housing in areas not required under this section.

18 (7) A local government that amends its comprehensive plan or land use
19 regulations relating to allowing additional middle housing is not required to
20 consider whether the amendments significantly affect an existing or planned
21 transportation facility.

22 **SECTION 2. Section 3 of this 2025 Act is added to and made a part**
23 **of ORS chapter 197A.**

24 **SECTION 3. (1) As used in this section:**

25 (a) **“Accessible homeownership unit” means a unit of housing that**
26 **complies with the “Type A” requirements applicable to units as set**
27 **forth in section 1103 of the December 2023 printing of the Standard for**
28 **Accessible and Usable Buildings and Facilities (ICC A117.1-2017) pub-**
29 **lished by the International Code Council.**

30 (b) **“Affordable homeownership unit” means a unit of housing that**
31 **is subject to an affordable housing covenant, as described in ORS**

1 456.270 to 456.295, that:

2 (A) Makes the unit available and affordable to purchase and to own
3 for families with incomes of 120 percent or less of the area median
4 income; and

5 (B) Is enforceable for a duration of not less than 10 years from the
6 date of the certificate of occupancy.

7 (2) On any lot, parcel or area on which middle housing may be sited
8 under ORS 197A.420 (2) or (3), if one or more of the units of middle
9 housing is an accessible or affordable homeownership unit, a city shall
10 allow the additional development of:

11 (a) For any allowable duplex or triplex, one additional attached or
12 detached dwelling unit.

13 (b) For any allowable townhouse, quadplex or cottage cluster, up
14 to two additional attached or detached dwelling units.

15 (3) The additional units under this section are subject to the regu-
16 lations under ORS 197A.420 (5), except that a city must allow
17 commensurate increases to the developable area, floor area, height or
18 density requirements to allow for the development of the units.

19 **SECTION 4.** Section 3, chapter 639, Oregon Laws 2019, as amended by
20 section 21, chapter 223, Oregon Laws 2023, and section 3, chapter 283, Oregon
21 Laws 2023, is amended to read:

22 **Sec. 3.** (1) Notwithstanding ORS 197.646, a local government shall adopt
23 land use regulations or amend its comprehensive plan to implement ORS
24 [197.758] **197A.420** no later than:

25 (a) June 30, 2021, for each city subject to ORS 197.758 (3) (2021 Edition)
26 as in effect on **January 1, 2023**;

27 (b) June 30, 2022, for each local government subject to ORS [197.758 (2)]
28 **197A.420 (2)**, except as provided in [paragraph (d)] **paragraphs (d) and (e)**
29 of this subsection;

30 (c) June 30, 2025, for each city subject to ORS [197.758 (3), as amended
31 by section 20 of this 2023 Act] **197A.420 (3) but not included in paragraph**

1 **(a) of this subsection;** [*or*]

2 (d) July 1, 2025, for each city, as defined in ORS [*197.758*] **197A.420**, in
3 Tillamook County[.]; **or**

4 **(e) A date or dates established by the Land Conservation and De-**
5 **velopment Commission for cities to conform with section 3 of this 2025**
6 **Act or the amendments to ORS 197A.420 by section 1 of this 2025 Act**
7 **and any rules adopted under section 22 of this 2025 Act.**

8 (2) The [*Land Conservation and Development*] commission, with the as-
9 sistance of the Building Codes Division of the Department of Consumer and
10 Business Services, shall develop a model middle housing ordinance no later
11 than December 31, 2020.

12 (3) A local government that has not acted within the time provided under
13 subsection (1) of this section shall directly apply the model ordinance de-
14 veloped by the commission under subsection (2) of this section [*under*] **as**
15 **provided by** ORS 197.646 (3) until the local government acts as described in
16 subsection (1) of this section.

17 (4) In adopting regulations or amending a comprehensive plan under this
18 section, a local government shall consider ways to increase the affordability
19 of middle housing by considering ordinances and policies that include but
20 are not limited to:

21 (a) Waiving or deferring system development charges;

22 (b) Adopting or amending criteria for property tax exemptions under ORS
23 307.515 to 307.523, 307.540 to 307.548 or 307.651 to 307.687 or property tax
24 freezes under ORS 308.450 to 308.481; and

25 (c) Assessing a construction tax under ORS 320.192 and 320.195.

26 **SECTION 5.** Section 4, chapter 639, Oregon Laws 2019, as amended by
27 section 22, chapter 223, Oregon Laws 2023, is amended to read:

28 **Sec. 4.** (1) The Department of Land Conservation and Development may
29 grant to a local government that is subject to ORS [*197.758*] **197A.420** an
30 extension of the time allowed to adopt land use regulations or amend its
31 comprehensive plan under section 3, chapter 639, Oregon Laws 2019.

1 (2) An extension under this section may be applied only to specific areas
2 where the local government has identified water, sewer, storm drainage or
3 transportation services that are significantly deficient and for which the lo-
4 cal government has established a plan of actions that will remedy the defi-
5 ciency in those services that is approved by the department. The extension
6 may not extend beyond the date that the local government intends to correct
7 the deficiency under the plan.

8 (3) In areas where the extension under this section does not apply, the
9 local government shall apply its own land use regulations consistent with
10 section 3 (1), chapter 639, Oregon Laws 2019, or the model ordinance devel-
11 oped under section 3 (2), chapter 639, Oregon Laws 2019.

12 (4) A request for an extension by a local government must be filed with
13 the department no later than:

14 (a) December 31, 2020, for a city subject to ORS 197.758 (3) (2021
15 Edition), **as in effect on January 1, 2023.**

16 (b) June 30, 2021, for a local government subject to ORS [197.758 (2)]
17 **197A.420 (2).**

18 (c) June 30, 2024, for each city subject to ORS [197.758 (3), *as amended*
19 *by section 20 of this 2023 Act*] **197A.420 (3).**

20 **(d) December 31, 2026, only for unincorporated urban lands.**

21 (5) The department shall grant or deny a request for an extension under
22 this section:

23 (a) Within 90 days of receipt of a complete request from a city subject to
24 ORS [197.758 (3)] **197A.420 (3).**

25 (b) Within 120 days of receipt of a complete request from a local govern-
26 ment subject to ORS [197.758 (2)] **197A.420 (2).**

27 (6) The department shall adopt rules regarding the form and substance
28 of a local government's application for an extension under this section. The
29 department may include rules regarding:]

30 (a) Defining the affected areas;

31 (b) Calculating deficiencies of water, sewer, storm drainage or transpor-

1 tation services;

2 (c) Service deficiency levels required to qualify for the extension;

3 (d) The components and timing of a remediation plan necessary to qualify
4 for an extension;

5 (e) Standards for evaluating applications; and

6 (f) Establishing deadlines and components for the approval of a plan of
7 action.

8

9 **SINGLE ROOM OCCUPANCIES**

10

11 **SECTION 6.** ORS 197A.430 is amended to read:

12 197A.430. (1) As used in this section, “single room occupancy” means a
13 residential development with no fewer than four attached units that are in-
14 dependently rented and lockable and provide living and sleeping space for
15 the exclusive use of an occupant, but require that the occupant share sani-
16 tary or food preparation facilities with other units in the occupancy.

17 (2) Within an urban growth boundary, each local government shall allow
18 the development of a single room occupancy:

19 (a) With up to six units on each lot or parcel zoned to allow for the de-
20 velopment of a detached [*single-family*] **single-unit** dwelling; and

21 [*(b) With the number of units consistent with the density standards of a lot*
22 *or parcel zoned to allow for the development of residential dwellings with five*
23 *or more units.*]

24 **(b) With up to three times the number of units allowed by the**
25 **maximum density standards of a lot or parcel on which is allowed**
26 **multiunit housing with five or more dwelling units.**

27 **(3) For the purpose of any requirement establishing the maximum**
28 **or minimum number of parking spaces, a single room occupancy unit**
29 **may not be counted as more than one-third of a dwelling unit that is**
30 **not a single room occupancy unit.**

31

PROMOTING HOUSING DENSITY

SECTION 7. ORS 93.277 is amended to read:

93.277. A provision in a recorded instrument affecting real property is *[not enforceable if:]* **void and unenforceable, as being against the policy of this state of promoting housing availability and affordability and affirmatively furthering fair housing as defined in ORS 197A.100, if**

[(1)] the provision would allow the development of a single-family dwelling on the real property but would prohibit the development of, or the partitioning or subdividing of lands under ORS 92.031 for:

[(a)] **(1)** Middle housing, as defined in ORS 197A.420; or

[(b)] **(2)** An accessory dwelling unit allowed under ORS 197A.425 *[(1); and]*.

[(2)] *The instrument was executed on or after January 1, 2021.*

SECTION 8. ORS 93.277 applies to instruments executed before, on or after January 1, 2021.

SECTION 9. ORS 94.776 is amended to read:

94.776. (1) A provision in a governing document *[that is adopted or amended on or after January 1, 2020,]* is void and unenforceable, **as being against the policy of this state of promoting housing availability and affordability and affirmatively furthering fair housing as defined in ORS 197A.100**, to the extent that the provision would prohibit or have the effect of unreasonably restricting the development of, or the dividing of lands under ORS 92.031 for, housing, **including accessory dwelling units or middle housing**, that is otherwise allowable under the maximum density of the zoning for the land.

(2) Lots or parcels *[resulting]*, **as those terms are defined in ORS 92.010, that result** from the division of land in a planned community are subject to the governing documents of the planned community *[and]*. **Any resulting dwelling units** are allocated assessments and voting rights on the same basis as existing units.

1 **SECTION 10. ORS 94.766 applies to governing documents that were**
2 **adopted before, on or after January 1, 2020.**

3 **SECTION 11.** ORS 197A.200 is amended to read:

4 197A.200. (1) The availability of affordable, decent, safe and sanitary
5 housing opportunities for persons of lower, middle and fixed income, includ-
6 ing agriculture workforce housing, is a matter of statewide concern.

7 (2) Many persons of lower, middle and fixed income depend on government
8 assisted housing as a source of affordable, decent, safe and sanitary housing.

9 (3) A local government shall permit needed housing in one or more zoning
10 districts or in zones described by some comprehensive plans as overlay zones
11 with sufficient buildable land to satisfy that need.

12 **(4) Within an urban growth boundary, a city may not adopt a land**
13 **use regulation that decreases the overall allowable or required density**
14 **of residential development or creates additional limitations on allowed**
15 **housing types that effectively reduces the allowable or required den-**
16 **sity, except as necessary to comply with a statewide planning goal.**
17 **Regulations prohibited under this subsection include any regulation,**
18 **without an equivalent offsetting regulation to increase density, that:**

19 **(a) Limits allowable units per acre or per developable lot or parcel;**

20 **(b) Reduces allowable floor-area-ratio for dwelling units;**

21 **(c) Reduces allowable height;**

22 **(d) Limits or prohibits allowable higher density housing types, in-**
23 **cluding middle housing or multiunit housing;**

24 **(e) Increases minimum lot sizes; or**

25 **(f) Increases setbacks or otherwise limits the developable area of a**
26 **lot or parcel.**

27 **SECTION 12.** ORS 197A.400, as amended by section 3, chapter 111,
28 Oregon Laws 2024, is amended to read:

29 197A.400. (1) Except as provided in subsection (3) of this section, a local
30 government may adopt and apply only clear and objective standards, condi-
31 tions and procedures regulating the development of housing, *[including*

1 *needed housing,*] **or urban services, as defined in ORS 195.065, necessary**
2 **for the development of housing,** on land within an urban growth bound-
3 ary. The standards, conditions and procedures:

4 (a) May include, but are not limited to, [*one or more*] provisions regulat-
5 ing the density or height of a development.

6 (b) May not have the effect, either in themselves or cumulatively, of dis-
7 couraging needed housing through unreasonable cost or delay.

8 (c) May be contained in a comprehensive plan, land use regulation or an
9 ordinance relating to housing adopted by a city that adopts, including by
10 reference, a model ordinance adopted by the Land Conservation and Devel-
11 opment Commission that comports with any qualifications, conditions or
12 applicability of the model ordinance.

13 (2) The provisions of subsection (1) of this section do not apply to:

14 (a) An application or permit for residential development in an area iden-
15 tified in a formally adopted central city plan, or a regional center as defined
16 by Metro, in a city with a population of 500,000 or greater.

17 (b) An application or permit for residential development in historic areas
18 designated for protection under a land use planning goal protecting historic
19 areas.

20 (3) In addition to an approval process [*for needed housing based on clear*
21 *and objective standards, conditions and procedures as*] provided in subsection
22 (1) of this section, a local government may adopt and apply an alternative
23 approval process for applications and permits for residential development
24 based on approval criteria that are not clear and objective if:

25 (a) The applicant retains the option of proceeding under the approval
26 process that meets the requirements of subsection (1) of this section;

27 (b) The approval criteria for the alternative approval process comply with
28 applicable statewide land use planning goals and rules; and

29 (c) The approval criteria for the alternative approval process authorize a
30 density at or above the density level authorized in the zone under the ap-
31 proval process provided in subsection (1) of this section.

1 (4) Subject to subsection (1) of this section, this section does not infringe
2 on a local government's prerogative to:

3 (a) Set approval standards under which a particular housing type is per-
4 mitted outright;

5 (b) Impose special conditions upon approval of a specific development
6 proposal; or

7 (c) Establish approval procedures.

8 **SECTION 13.** ORS 197A.400, as amended by section 2, chapter 533,
9 Oregon Laws 2023, and section 4, chapter 111, Oregon Laws 2024, is amended
10 to read:

11 197A.400. (1) Except as provided in subsection (3) of this section, a local
12 government may adopt and apply only clear and objective standards, condi-
13 tions and procedures regulating the development of housing, [*including*
14 *needed housing,*] **or urban services, as defined in ORS 195.065, necessary**
15 **for the development of housing**, on land within an urban growth bound-
16 ary, unincorporated communities designated in a county's acknowledged
17 comprehensive plan after December 5, 1994, nonresource lands and areas
18 zoned for rural residential use as defined in ORS 215.501. The standards,
19 conditions and procedures:

20 (a) May include, but are not limited to, [*one or more*] provisions regulat-
21 ing the density or height of a development.

22 (b) May not have the effect, either in themselves or cumulatively, of dis-
23 couraging needed housing through unreasonable cost or delay.

24 (c) May be contained in a comprehensive plan, land use regulation or an
25 ordinance relating to housing adopted by a city that adopts, including by
26 reference, a model ordinance adopted by the Land Conservation and Devel-
27 opment Commission that comports with any qualifications, conditions or
28 applicability of the model ordinance.

29 (2) The provisions of subsection (1) of this section do not apply to:

30 (a) An application or permit for residential development in an area iden-
31 tified in a formally adopted central city plan, or a regional center as defined

1 by Metro, in a city with a population of 500,000 or greater.

2 (b) An application or permit for residential development in historic areas
3 designated for protection under a land use planning goal protecting historic
4 areas.

5 (3) In addition to an approval process [*for needed housing based on clear*
6 *and objective standards, conditions and procedures as*] provided in subsection
7 (1) of this section, a local government may adopt and apply an alternative
8 approval process for applications and permits for residential development
9 based on approval criteria that are not clear and objective if:

10 (a) The applicant retains the option of proceeding under the approval
11 process that meets the requirements of subsection (1) of this section;

12 (b) The approval criteria for the alternative approval process comply with
13 applicable statewide land use planning goals and rules; and

14 (c) The approval criteria for the alternative approval process authorize a
15 density at or above the density level authorized in the zone under the ap-
16 proval process provided in subsection (1) of this section.

17 (4) Subject to subsection (1) of this section, this section does not infringe
18 on a local government's prerogative to:

19 (a) Set approval standards under which a particular housing type is per-
20 mitted outright;

21 (b) Impose special conditions upon approval of a specific development
22 proposal; or

23 (c) Establish approval procedures.

24

25 **EXPEDITED AND MIDDLE HOUSING LAND DIVISIONS**

26

27 **SECTION 14.** ORS 92.031, as amended by section 10, chapter 102, Oregon
28 Laws 2024, is amended to read:

29 92.031. (1) As used in this section, "middle housing land division" means
30 a partition or subdivision of a lot or parcel on which the development of
31 middle housing is allowed under ORS 197A.420 (2) or (3) **or section 5 of this**

1 **2025 Act.**

2 (2) A city or county shall approve a tentative plan for a middle housing
3 land division if the application includes:

4 [(a) *A proposal for development of middle housing in compliance with the*
5 *Oregon residential specialty code and land use regulations applicable to the*
6 *original lot or parcel allowed under ORS 197A.420 (5);]*

7 [(b) *Separate utilities for each dwelling unit;*]

8 **(a) A proposal for one development of middle housing that complies**
9 **with the Oregon residential specialty code and land use regulations**
10 **under ORS 197A.420 (5) that are applicable to the original lot or parcel**
11 **and which may consist of:**

12 **(A) A single duplex, triplex, quadplex, cottage cluster or structure**
13 **containing townhouses; and**

14 **(B) Existing units allowed under ORS 197A.420 (4), if any;**

15 [(c) **(b)** Proposed easements necessary for each dwelling unit on the plan
16 for:

17 (A) Locating, accessing, replacing and servicing all utilities;

18 (B) Pedestrian access from each dwelling unit to a private or public road;

19 (C) Any common use areas or shared building elements;

20 (D) Any dedicated driveways or parking; and

21 (E) Any dedicated common area;

22 [(d) **(c)** Exactly one dwelling unit on each resulting lot or parcel, except
23 for:

24 **(A) Lots, parcels or tracts used as common areas; or**

25 **(B) Lots or parcels with a detached single-unit dwelling and acces-**
26 **sory dwelling unit or a duplex as allowed under ORS 197A.420 (4); and**

27 [(e) **(d)** Evidence demonstrating how buildings or structures on a result-
28 ing lot or parcel will comply with applicable building codes provisions re-
29 lating to new property lines and, notwithstanding the creation of new lots
30 or parcels, how structures or buildings located on the newly created lots or
31 parcels will comply with the Oregon residential specialty code.

1 (3) A city or county may add conditions to the approval of a tentative
2 plan for a middle housing land division to:

3 (a) **Subject to subsection (6) of this section**, prohibit the further divi-
4 sion of the resulting lots or parcels.

5 (b) Require that a notation appear on the final plat indicating that the
6 approval was given under this section.

7 (4) In reviewing an application for a middle housing land division, a city
8 or county:

9 (a) Shall apply the procedures [*under ORS 197.360 to 197.380*] **applicable**
10 **to an expedited land division under ORS 197.365.**

11 (b) May require street frontage improvements where a resulting lot or
12 parcel abuts the street consistent with land use regulations implementing
13 ORS 197A.420.

14 (c) May not subject an application to approval criteria except as provided
15 in this section, **or as provided by rule by the Land Conservation and**
16 **Development Commission**, including that a lot or parcel require
17 driveways, vehicle access, parking or minimum or maximum street frontage.

18 (d) May not subject the application to procedures, ordinances or regu-
19 lations adopted under ORS 92.044 or 92.046 that are inconsistent with this
20 section or ORS [*197.360 to 197.380*] **197.365.**

21 (e) [*May*] **Shall** allow the submission of an application for a middle
22 housing land division **before, after or** at the same time as the submission
23 of an application for building permits for the middle housing.

24 (f) May require the dedication of right of way if the original parcel did
25 not previously provide a dedication.

26 (g) **May require separate utilities for each dwelling unit.**

27 (h) **Shall allow any existing units allowed under ORS 197A.420 (4)**
28 **to be considered a single middle housing unit and allow for the unit**
29 **to be separated by the division.**

30 (5) The type of middle housing developed on the original parcel is not
31 altered by a middle housing land division.

1 *[(6) Notwithstanding ORS 197A.425 (1), a city or county is not required to*
2 *allow an accessory dwelling unit on a lot or parcel resulting from a middle*
3 *housing land division.]*

4 **(6) Notwithstanding ORS 197A.425 (1) and subsection (4)(d) and (e)**
5 **of this section, a city or county may prohibit or add approval criteria**
6 **to the allowance of a new accessory dwelling unit on, or a subsequent**
7 **middle housing land division of, a lot or parcel resulting from a middle**
8 **housing land division:**

9 **(a) To the extent allowed under this section and ORS 197A.420; and**

10 **(b) Provided that the middle housing land division lots or parcels**
11 **may be used to create housing that is at or above the minimum den-**
12 **sity for the zoning of the land.**

13 (7) Notwithstanding any other provision of ORS 92.010 to 92.192, within
14 the same calendar year as an original partition **that was not a middle**
15 **housing land division**, a city or county may allow one **or more** of the re-
16 sulting vacant parcels to be further *[divided]* **partitioned** into not more than
17 three parcels through a middle housing land division.*[, provided that:]*

18 *[(a) The original partition was not a middle housing land division; and]*

19 *[(b) The original parcel or parcels not divided will not be part of the re-*
20 *sulting partition plat for the middle housing land division.]*

21 (8) The tentative approval of a middle housing land division is void if and
22 only if a final subdivision or partition plat is not approved within three
23 years of the tentative approval. Nothing in this section *[or ORS 197.360 to*
24 *197.380]* prohibits a city or county from requiring a final plat before issuing
25 building permits.

26 **(9) The commission may adopt rules to interpret or implement this**
27 **section.**

28 **SECTION 15.** ORS 92.044 is amended to read:

29 92.044. (1)(a) The governing body of a county or a city shall, by regulation
30 or ordinance, adopt standards and procedures, in addition to those otherwise
31 provided by law, governing, in the area over which the county or the city

1 has jurisdiction under ORS 92.042, the submission and approval of tentative
2 plans and plats of subdivisions[,] **and** tentative plans and plats of partitions
3 [*in exclusive farm use zones established under ORS 215.203*].

4 (b) The standards [*shall*] **must** include, taking into consideration the lo-
5 cation and surrounding area of the proposed subdivisions or partitions, re-
6 quirements for:

7 (A) Placement of utilities subject to subsection (7) of this section, for the
8 width and location of streets or for minimum lot sizes and other require-
9 ments the governing body considers necessary for lessening congestion in the
10 streets;

11 (B) Securing safety from fire, flood, slides, pollution or other dangers;

12 (C) Providing adequate light and air, including protection and assurance
13 of access to incident solar radiation for potential future use;

14 (D) Preventing overcrowding of land;

15 (E) Facilitating adequate provision of transportation, water supply,
16 sewerage, drainage, education, recreation or other needs; and

17 (F) Protection and assurance of access to wind for potential electrical
18 generation or mechanical application.

19 (c) The [*ordinances or regulations shall establish*] **procedures must pro-**
20 **vide for:**

21 (A) The form and contents of tentative plans of partitions and subdi-
22 visions submitted for approval.

23 [(d)] (B) [*The procedures established by each ordinance or regulation shall*
24 *provide for*] The coordination in the review of the tentative plan of any
25 subdivision or partition with all affected city, county, state and federal
26 agencies and all affected special districts.

27 (C) **A method by which the city or county may approve a plan or**
28 **plat that includes further division of one or more of the resulting lots**
29 **or parcels via concurrently submitted applications for middle housing**
30 **land divisions under ORS 92.031, all to be approved within the timelines**
31 **provided under ORS 215.427 or 227.178.**

1 (2)(a) The governing body of a city or county may provide for the dele-
2 gation of any of its lawful functions with respect to subdivisions and parti-
3 tions to the planning commission of the city or county or to an official of
4 the city or county appointed by the governing body for such purpose.

5 (b) If an ordinance or regulation adopted under this section includes the
6 delegation to a planning commission or appointed official of the power to
7 take final action approving or disapproving a tentative plan for a subdivision
8 or partition, such ordinance or regulation may also provide for appeal to the
9 governing body from such approval or disapproval.

10 (c) The governing body may establish, by ordinance or regulation, a fee
11 to be charged for an appeal under ORS chapter 197, 197A, 215 or 227, except
12 for an appeal under ORS 197.805 to 197.855.

13 (3) The governing body may, by ordinance or regulation, prescribe fees
14 sufficient to defray the costs incurred in the review and investigation of and
15 action upon proposed subdivisions that are submitted for approval pursuant
16 to this section. As used in this subsection, “costs” does not include costs for
17 which fees are prescribed under ORS 92.100 and 205.350.

18 (4) The governing body may, by ordinance or regulation, prescribe fees
19 sufficient to defray the costs incurred in the review and investigation of and
20 action upon proposed partitions that are submitted for approval pursuant to
21 this section.

22 (5) Ordinances and regulations adopted under this section [*shall*] **must**
23 be adopted in accordance with ORS 92.048.

24 (6) Any ordinance or regulation adopted under this section [*shall*] **must**
25 comply with the comprehensive plan for the city or county adopting the or-
26 dinance or regulation.

27 (7) Unless specifically requested by a public or private utility provider,
28 the governing body of a city or county may not require a utility easement
29 except for a utility easement abutting a street. Utility infrastructure may
30 not be placed within one foot of a survey monument location noted on a
31 subdivision or partition plat. The governing body of a city or county may

1 not place additional restrictions or conditions on a utility easement granted
2 under this chapter.

3 (8) For the purposes of this section:

4 (a) “Incident solar radiation” means solar energy falling upon a given
5 surface area.

6 (b) “Wind” means the natural movement of air at an annual average speed
7 measured at a height of 10 meters of at least eight miles per hour.

8 **SECTION 16.** ORS 215.427, as amended by section 7, chapter 102, Oregon
9 Laws 2024, and section 8, chapter 110, Oregon Laws 2024, is amended to read:

10 215.427. *[(1) Except as provided in subsections (3), (5) and (10) of this sec-*
11 *tion, for land within an urban growth boundary and applications for mineral*
12 *aggregate extraction, the governing body of a county or its designee shall take*
13 *final action on an application for a permit, limited land use decision or zone*
14 *change, including resolution of all appeals under ORS 215.422, within 120*
15 *days after the application is deemed complete. The governing body of a county*
16 *or its designee shall take final action on all other applications for a permit,*
17 *limited land use decision or zone change, including resolution of all appeals*
18 *under ORS 215.422, within 150 days after the application is deemed complete,*
19 *except as provided in subsections (3), (5) and (10) of this section.]*

20 **(1) Except as provided in subsections (3), (5) and (10) of this section,**
21 **the governing body of a county or its designee shall take final action**
22 **on an application, including resolution of all appeals under ORS**
23 **215.422, within the shortest applicable period of the following periods,**
24 **all of which begin on the date that the application is deemed complete:**

25 **(a) 150 days;**

26 **(b) 120 days, for land within an urban growth boundary or for ap-**
27 **plications for mineral aggregate extraction;**

28 **(c) 100 days, for an application for the development of affordable**
29 **housing as provided in ORS 197A.470; or**

30 **(d) 63 days, for an expedited land division under ORS 197.365.**

31 **(2) If an application [for a permit, limited land use decision or zone**

1 *change*] is incomplete, the governing body or its designee shall notify the
2 applicant in writing of exactly what information is missing within 30 days
3 of receipt of the application and allow the applicant to submit the missing
4 information. The application [*shall be*] **is** deemed complete for the purpose
5 of subsection (1) of this section [*and ORS 197A.470*] upon receipt by the
6 governing body or its designee of:

7 (a) All of the missing information;

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

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

12 (3)(a) If the application was complete when first submitted or the appli-
13 cant submits additional information within 180 days of the date the applica-
14 tion was first submitted, approval or denial of the application 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 the re-
18 quest of the applicant, those standards and criteria that are operative at the
19 time of the request.

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

22 (A) For the purposes of this section, any applicable timelines for com-
23 pleteness review and final decisions restart as if a new application were
24 submitted on the date of the request;

25 (B) For the purposes of this section, [*and ORS 197A.470*] the application
26 is not deemed complete until:

27 (i) The county determines that additional information is not required un-
28 der subsection (2) of this section; or

29 (ii) The applicant makes a submission under subsection (2) of this section
30 in response to a county's request;

31 (C) A county may deny a request under paragraph (a)(B) of this sub-

1 section if:

2 (i) The county has issued a public notice of the application; or

3 (ii) A request under paragraph (a)(B) of this subsection was previously
4 made; and

5 (D) The county may not require that the applicant:

6 (i) Pay a fee, except to cover additional costs incurred by the county to
7 accommodate the request;

8 (ii) Submit a new application or duplicative information, unless informa-
9 tion resubmittal is required because the request affects or changes informa-
10 tion in other locations in the application or additional narrative is required
11 to understand the request in context; or

12 (iii) Repeat redundant processes or hearings that are inapplicable to the
13 change in standards or criteria.

14 (4) On the 181st day after first being submitted, the application is void
15 if the applicant has been notified of the missing information as required
16 under subsection (2) of this section and has not submitted:

17 (a) All of the missing information;

18 (b) Some of the missing information and written notice that no other in-
19 formation will be provided; or

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

21 (5) The period set in subsection (1) of this section [*or the 100-day period*
22 *set in ORS 197A.470*] may be extended for a specified period of time at the
23 written request of the applicant. The total of all extensions, except as pro-
24 vided in subsection (10) of this section for mediation, may not exceed 215
25 days.

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

27 (a) Only to decisions wholly within the authority and control of the gov-
28 erning body of the county; and

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

31 (7) Notwithstanding subsection (6) of this section, the period set in sub-

1 section (1) of this section [*and the 100-day period set in ORS 197A.470 do*]
2 **does** not apply to:

3 (a) A decision of the county making a change to an acknowledged com-
4 prehensive plan or a land use regulation that is submitted to the Director
5 of the Department of Land Conservation and Development under ORS
6 197.610; or

7 (b) A decision of a county involving an application for the development
8 of residential structures within an urban growth boundary, where the county
9 has tentatively approved the application and extends these periods by no
10 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)*
12 *of this section,*] If the governing body of the county or its designee does not
13 take final action on an application [*for a permit, limited land use decision*
14 *or zone change within 120 days or 150 days, as applicable, after the application*
15 *is deemed complete,*] **within the applicable periods allowed under sub-**
16 **sections (1) and (5) of this section,** the county shall refund to the appli-
17 cant either the unexpended portion of any application fees or deposits
18 previously paid or 50 percent of the total amount of such fees or deposits,
19 whichever is greater. The applicant is not liable for additional governmental
20 fees incurred subsequent to the payment of such fees or deposits. However,
21 the applicant is responsible for the costs of providing sufficient additional
22 information to address relevant issues identified in the consideration of the
23 application.

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

30 (10) The periods set forth in subsections (1) and (5) of this section [*and*
31 *ORS 197A.470*] may be extended by up to 90 additional days, if the applicant

1 and the county agree that a dispute concerning the application will be me-
2 diated.

3 **(11) As used in this section, “application” means an application for:**

4 **(a) A permit;**

5 **(b) A limited land use decision;**

6 **(c) A zone change;**

7 **(d) A consolidated zone change and permit described under ORS**
8 **215.416;**

9 **(e) An expedited land division under ORS 197.365; or**

10 **(f) A plat consisting of a land division and middle housing land di-**
11 **vision as described in ORS 92.044 (1)(c)(C).**

12 **SECTION 17.** ORS 227.178, as amended by section 8, chapter 102, Oregon
13 Laws 2024, and section 9, chapter 110, Oregon Laws 2024, is amended to read:

14 227.178. (1) Except as provided in subsections (3), (5) and (11) of this sec-
15 tion, the governing body of a city or its designee shall take final action on
16 an application [*for a permit, limited land use decision or zone change*], in-
17 cluding resolution of all appeals under ORS 227.180, within [*120 days after*]
18 **the shortest applicable period of the following periods, all of which**
19 **begin on the date that** the application is deemed complete[.]:

20 **(a) 120 days;**

21 **(b) 100 days, for an application for the development of affordable**
22 **housing as provided in ORS 197A.470; or**

23 **(c) 63 days, for an expedited land division under ORS 197.365.**

24 (2) If an application [*for a permit, limited land use decision or zone*
25 *change*] is incomplete, the governing body or its designee shall notify the
26 applicant in writing of exactly what information is missing within 30 days
27 of receipt of the application and allow the applicant to submit the missing
28 information. The application [*shall be*] **is** deemed complete for the purpose
29 of subsection (1) of this section [*or ORS 197A.470*] upon receipt by the gov-
30 erning body or its designee of:

31 (a) All of the missing information;

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

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

5 (3)(a) If the application was complete when first submitted or the appli-
6 cant submits the requested additional information within 180 days of the date
7 the application was first submitted, approval or denial of the application
8 must be based:

9 (A) Upon the standards and criteria that were applicable at the time the
10 application was first submitted; or

11 (B) For an application relating to development of housing, upon the re-
12 quest of the applicant, those standards and criteria that are operative at the
13 time of the request.

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

16 (A) For the purposes of this section, any applicable timelines for com-
17 pleteness review and final decisions restart as if a new application were
18 submitted on the date of the request;

19 (B) For the purposes of this section, [*and ORS 197A.470*] the application
20 is not deemed complete until:

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

23 (ii) The applicant makes a submission under subsection (2) of this section
24 in response to a city's request;

25 (C) A city may deny a request under paragraph (a)(B) of this subsection
26 if:

27 (i) The city has issued a public notice of the application; or

28 (ii) A request under paragraph (a)(B) of this subsection was previously
29 made; and

30 (D) The city may not require that the applicant:

31 (i) Pay a fee, except to cover additional costs incurred by the city to ac-

1 commodate the request;

2 (ii) Submit a new application or duplicative information, unless informa-
3 tion resubmittal is required because the request affects or changes informa-
4 tion in other locations in the application or additional narrative is required
5 to understand the request in context; or

6 (iii) Repeat redundant processes or hearings that are inapplicable to the
7 change in standards or criteria.

8 (4) On the 181st day after first being submitted, the application is void
9 if the applicant has been notified of the missing information as required
10 under subsection (2) of this section and has not submitted:

11 (a) All of the missing information;

12 (b) Some of the missing information and written notice that no other in-
13 formation will be provided; or

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

15 (5) The [*120-day*] period set in subsection (1) of this section [*or the 100-day*
16 *period set in ORS 197A.470*] may be extended for a specified period of time
17 at the written request of the applicant. The total of all extensions, except
18 as provided in subsection (11) of this section for mediation, may not exceed
19 245 days.

20 (6) The [*120-day*] period set in subsection (1) of this section applies:

21 (a) Only to decisions wholly within the authority and control of the gov-
22 erning body of the city; and

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

25 (7) Notwithstanding subsection (6) of this section, the [*120-day*] period set
26 in subsection (1) of this section [*and the 100-day period set in ORS 197A.470*
27 *do*] **does** not apply to:

28 (a) A decision of the city making a change to an acknowledged compre-
29 hensive plan or a land use regulation that is submitted to the Director of the
30 Department of Land Conservation and Development under ORS 197.610; or

31 (b) A decision of a city involving an application for the development of

1 residential structures within an urban growth boundary, where the city has
2 tentatively approved the application and extends these periods by no more
3 than seven days in order to assure the sufficiency of its final order.

4 (8) [*Except when an applicant requests an extension under subsection (5)*
5 *of this section,*] If the governing body of the city or its designee does not take
6 final action on an application [*for a permit, limited land use decision or zone*
7 *change within 120 days after the application is deemed complete*] **within the**
8 **period set in subsection (1) of this section**, the city shall refund to the
9 applicant, subject to the provisions of subsection (9) of this section, either
10 the unexpended portion of any application fees or deposits previously paid
11 or 50 percent of the total amount of such fees or deposits, whichever is
12 greater. The applicant is not liable for additional governmental fees incurred
13 subsequent to the payment of such fees or deposits. However, the applicant
14 is responsible for the costs of providing sufficient additional information to
15 address relevant issues identified in the consideration of the application.

16 (9)(a) To obtain a refund under subsection (8) of this section, the appli-
17 cant may either:

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

20 (B) Include the amount claimed in a mandamus petition filed under ORS
21 227.179. The court shall award an amount owed under this section in its final
22 order on the petition.

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

29 (c) If payment due under paragraph (b) of this subsection is not paid
30 within 120 days after the city or its designee receives the refund request, the
31 applicant may file an action for recovery of the unpaid refund. In an action

1 brought by a person under this paragraph, the court shall award to a pre-
2 vailing applicant, in addition to the relief provided in this section, reason-
3 able attorney fees and costs at trial and on appeal. If the city or its designee
4 prevails, the court shall award reasonable attorney fees and costs at trial
5 and on appeal if the court finds the petition to be frivolous.

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

12 (11) The periods set forth in subsections (1) and (5) of this section [and
13 ORS 197A.470] may be extended by up to 90 additional days, if the applicant
14 and the city agree that a dispute concerning the application will be medi-
15 ated.

16 (12) As used in this section, “application” means an application for:

17 (a) A permit;

18 (b) A limited land use decision;

19 (c) A zone change;

20 (d) A consolidated zone change and permit described under ORS
21 227.175;

22 (e) An expedited land division under ORS 197.365; or

23 (f) A plat consisting of a land division and middle housing land di-
24 vision as described in ORS 92.044 (1)(c)(C).

25 **SECTION 18.** ORS 197.360 and 197.365 are added to and made a part
26 of ORS chapter 197A.

27 **SECTION 19.** ORS 197.360 is amended to read:

28 197.360. (1) [As used in this section:]

29 [(a) “Expedited land division” means a division of land] **Unless the ap-**
30 **plicant requests to use the procedure set forth in a comprehensive plan**
31 **and land use regulations, a local government shall approve a partition**

1 **or subdivision made** under ORS 92.010 to 92.192, 92.205 to 92.245 or 92.830
2 to 92.845 [*by a local government that*] **as an expedited land division under**
3 **ORS 197.365 if the division:**

4 [(A)] **(a)** Includes only land that is zoned for residential uses and is
5 within an urban growth boundary.

6 [(B)] **(b)** Is solely for the purposes of residential use, including recre-
7 ational or open space uses accessory to residential use.

8 [(C)] **(c)** Does not provide for dwellings or accessory buildings to be lo-
9 cated on land that is specifically mapped and designated in the comprehen-
10 sive plan and land use regulations for full or partial protection of natural
11 features under the statewide planning goals that protect:

12 [(i)] **(A)** Open spaces, scenic and historic areas and natural resources;

13 [(ii)] **(B)** The Willamette River Greenway;

14 [(iii)] **(C)** Estuarine resources;

15 [(iv)] **(D)** Coastal shorelands; and

16 [(v)] **(E)** Beaches and dunes.

17 [(D)] **(d)** Satisfies minimum street or other right-of-way connectivity
18 standards established by acknowledged land use regulations or, if such
19 standards are not contained in the applicable regulations, as required by
20 statewide planning goals or rules.

21 [(E)] **(e)** Will result in development that either:

22 [(i)] **(A)** Creates enough lots or parcels to allow building residential units
23 at 80 percent or more of the maximum net density permitted by the zoning
24 designation of the site; or

25 [(ii)] **(B)** Will be sold or rented to households with incomes below 120
26 percent of the median family income for the county in which the project is
27 built.

28 [(b) "*Expedited land division*" includes land divisions that create three or
29 fewer parcels under ORS 92.010 to 92.192 and meet the criteria set forth in
30 paragraph (a) of this subsection].

31 [(2) *An expedited land division as described in this section is not a land*

1 *use decision or a limited land use decision under ORS 197.015 or a permit*
2 *under ORS 215.402 or 227.160.]*

3 [(3)] **(2)** [*The provisions of ORS 197.360 to 197.380 apply*] **ORS 197.365**
4 **applies** to all elements of a local government comprehensive plan and land
5 use regulations applicable to a land division, including any planned unit
6 development standards and any procedures designed to regulate:

7 (a) The physical characteristics of permitted uses;

8 (b) The dimensions of the lots or parcels to be created; or

9 (c) Transportation, sewer, water, drainage and other facilities or services
10 necessary for the proposed development, including but not limited to right-
11 of-way standards, facility dimensions and on-site and off-site improvements.

12 [(4)] **(3)** An application [*for an expedited land division submitted to a local*
13 *government shall*] **under this section must** describe the manner in which
14 the proposed division complies with each of the provisions of subsection (1)
15 of this section.

16 **SECTION 20.** ORS 197.365 is amended to read:

17 197.365. [*Unless the applicant requests to use the procedure set forth in a*
18 *comprehensive plan and land use regulations, a local government shall use the*
19 *following procedure for an expedited land division, as described in ORS*
20 *197.360, or a middle housing land division under ORS 92.031:]*

21 [(1)(a) *If the application for a land division is incomplete, the local gov-*
22 *ernment shall notify the applicant of exactly what information is missing*
23 *within 21 days of receipt of the application and allow the applicant to submit*
24 *the missing information. For purposes of computation of time under this sec-*
25 *tion, the application shall be deemed complete on the date the applicant sub-*
26 *mits the requested information or refuses in writing to submit it.]*

27 [(b) *If the application was complete when first submitted or the applicant*
28 *submits the requested additional information within 180 days of the date the*
29 *application was first submitted, approval or denial of the application shall be*
30 *based upon the standards and criteria that were applicable at the time the*
31 *application was first submitted.]*

1 *[(2) The local government shall provide written notice of the receipt of the*
2 *completed application for a land division to any state agency, local government*
3 *or special district responsible for providing public facilities or services to the*
4 *development and to owners of property within 100 feet of the entire contiguous*
5 *site for which the application is made. The notification list shall be compiled*
6 *from the most recent property tax assessment roll. For purposes of appeal to*
7 *the referee under ORS 197.375, this requirement shall be deemed met when the*
8 *local government can provide an affidavit or other certification that such notice*
9 *was given. Notice shall also be provided to any neighborhood or community*
10 *planning organization recognized by the governing body and whose boundaries*
11 *include the site.]*

12 *[(3) The notice required under subsection (2) of this section shall:]*

13 *[(a) State:]*

14 *[(A) The deadline for submitting written comments,]*

15 *[(B) That issues that may provide the basis for an appeal to the referee*
16 *must be raised in writing prior to the expiration of the comment period; and]*

17 *[(C) That issues must be raised with sufficient specificity to enable the local*
18 *government to respond to the issue.]*

19 *[(b) Set forth, by commonly used citation, the applicable criteria for the*
20 *decision.]*

21 *[(c) Set forth the street address or other easily understood geographical*
22 *reference to the subject property.]*

23 *[(d) State the place, date and time that comments are due.]*

24 *[(e) State a time and place where copies of all evidence submitted by the*
25 *applicant will be available for review.]*

26 *[(f) Include the name and telephone number of a local government contact*
27 *person.]*

28 *[(g) Briefly summarize the local decision-making process for the land divi-*
29 *sion decision being made.]*

30 *[(4) After notice under subsections (2) and (3) of this section, the local*
31 *government shall:]*

1 *[(a) Provide a 14-day period for submission of written comments prior to the*
2 *decision.]*

3 **Notwithstanding any other requirement applicable to a land use**
4 **decision under ORS chapter 197 or 197A, for an application reviewed**
5 **as an expedited land division, a local government:**

6 *[(b)] (1) Shall* make a decision to approve or deny the application within
7 63 days of receiving a completed application **as described in ORS 215.246**
8 **or 227.178**, based on whether *[it]* **the application** satisfies the substantive
9 requirements of the applicable land use regulations. An approval may include
10 conditions to ensure that the application meets the applicable land use reg-
11 ulations. *[For applications subject to this section, the local government:]*

12 *[(A)] (2) [Shall] May* not hold a hearing on the application~~;~~ *and]*.

13 *[(B)] (3) Shall* issue a written determination of compliance or noncompli-
14 ance with applicable land use regulations that includes a summary statement
15 explaining the determination. The summary statement may be in any form
16 reasonably intended to communicate the local government's basis for the
17 determination.

18 *[(c) Provide notice of the decision to the applicant and to those who received*
19 *notice under subsection (2) of this section within 63 days of the date of a*
20 *completed application. The notice of decision shall include:]*

21 *[(A) The summary statement described in paragraph (b)(B) of this sub-*
22 *section; and]*

23 *[(B) An explanation of appeal rights under ORS 197.375.]*

24 **(4) Shall provide notice of the decision to the applicant but may not**
25 **require that notice be given to any other person.**

26 **(5) May assess an application fee calculated to recover the esti-**
27 **imated full cost of processing an application based on the estimated**
28 **average cost of such applications. Within one year of establishing a**
29 **fee under this section, the city or county shall review and revise the**
30 **fee, if necessary, to reflect actual experience in processing expedited**
31 **land decisions.**

1 **housing capacity under ORS 197A.270, 197A.280 and 197A.350.**

2 **(2) In adopting rules under this section, the commission shall:**

3 **(a) Emphasize improving the efficiency of the development process**
4 **with a focus on increasing housing production, availability and**
5 **affordability, especially that of middle housing, accessory dwelling**
6 **units and single room occupancies; and**

7 **(b) To the extent practicable, implement recommendations in the**
8 **reports produced under section 5 (1) to (3), chapter 110, Oregon Laws**
9 **2024.**

10
11 **CONFORMING AMENDMENTS**
12

13 **SECTION 23.** ORS 34.020 is amended to read:

14 34.020. Except for a proceeding resulting in a land use decision or limited
15 land use decision as defined in ORS 197.015, for which review is provided in
16 ORS 197.830 to 197.845, [*or an expedited land division as described in ORS*
17 *197.360, for which review is provided in ORS 197.375 (8),*] any party to any
18 process or proceeding before or by any inferior court, officer, or tribunal may
19 have the decision or determination thereof reviewed for errors, as provided
20 in ORS 34.010 to 34.100, and not otherwise. Upon a review, the court may
21 review any intermediate order involving the merits and necessarily affecting
22 the decision or determination sought to be reviewed.

23 **SECTION 24.** ORS 34.102 is amended to read:

24 34.102. (1) As used in this section, “municipal corporation” means a
25 county, city, district or other municipal corporation or public corporation
26 organized for a public purpose, including a cooperative body formed between
27 municipal corporations.

28 (2) Except for a proceeding resulting in a land use decision or limited
29 land use decision as defined in ORS 197.015, for which review is provided in
30 ORS 197.830 to 197.845, [*or an expedited land division as described in ORS*
31 *197.360, for which review is provided in ORS 197.375 (8),*] the decisions of the

1 governing body of a municipal corporation acting in a judicial or quasi-
2 judicial capacity and made in the transaction of municipal corporation
3 business shall be reviewed only as provided in ORS 34.010 to 34.100, and not
4 otherwise.

5 (3) A petition for writ of review filed in the circuit court and requesting
6 review of a land use decision or limited land use decision as defined in ORS
7 197.015 of a municipal corporation shall be transferred to the Land Use
8 Board of Appeals and treated as a notice of intent to appeal if the petition
9 was filed within the time allowed for filing a notice of intent to appeal
10 pursuant to ORS 197.830. If the petition was not filed within the time allowed
11 by ORS 197.830, the court shall dismiss the petition.

12 (4) A notice of intent to appeal filed with the Land Use Board of Appeals
13 pursuant to ORS 197.830 and requesting review of a decision of a municipal
14 corporation made in the transaction of municipal corporation business that
15 is not reviewable as a land use decision or limited land use decision as de-
16 fined in ORS 197.015 shall be transferred to the circuit court and treated as
17 a petition for writ of review. If the notice was not filed with the board
18 within the time allowed for filing a petition for writ of review pursuant to
19 ORS 34.010 to 34.100, the court shall dismiss the petition.

20 (5) In any case in which the Land Use Board of Appeals or circuit court
21 to which a petition or notice is transferred under subsection (3) or (4) of this
22 section disputes whether it has authority to review the decision with which
23 the petition or notice is concerned, the board or court before which the
24 matter is pending shall refer the question of whether the board or court has
25 authority to review to the Court of Appeals, which shall decide the question
26 in a summary manner.

27 **SECTION 25.** ORS 92.325, as amended by section 11, chapter 102, Oregon
28 Laws 2024, is amended to read:

29 92.325. A person may not sell or lease any subdivided lands or series
30 partitioned lands without having complied with all the applicable provisions
31 of ORS 92.305 to 92.495 except that:

- 1 (1) ORS 92.305 to 92.495 do not apply to the sale or leasing of:
2 (a) Apartments or similar space within an apartment building;
3 (b) Cemetery lots, parcels or units in Oregon;
4 (c) Subdivided lands and series partitioned lands in Oregon that are not
5 in unit ownership or being developed as unit ownerships created under ORS
6 chapter 100, to be used for residential purposes and that qualify under ORS
7 92.337;
8 (d) Property submitted to the provisions of ORS chapter 100;
9 (e) Subdivided lands and series partitioned lands in Oregon expressly
10 zoned for and limited in use to nonresidential industrial or nonresidential
11 commercial purposes;
12 (f) Lands in this state sold by lots or parcels of not less than 160 acres
13 each;
14 (g) Timeshares regulated or otherwise exempt under ORS 94.803 and 94.807
15 to 94.945;
16 (h) Mobile home or manufactured dwelling parks, as defined in ORS
17 446.003, located in Oregon;
18 (i) Planned community subdivision of manufactured dwellings or mobile
19 homes created under ORS 92.830 to 92.845;
20 (j) Lots or parcels created [*from an expedited land division*] under ORS
21 197.360; or
22 (k) Lots or parcels created from a middle housing land division under
23 ORS 92.031 **or 92.044 (1)(c)(C)**.
24 (2) The subdivider or series partitioner of subdivided and series parti-
25 tioned lands in a city or county which, at the time tentative approval of a
26 subdivision plat and each partition map for those lands is given under ORS
27 92.040 or an ordinance adopted under ORS 92.046, has a comprehensive plan
28 and implementing ordinances that have been acknowledged under ORS
29 197.251 must only comply with ORS 92.425, 92.427, 92.430, 92.433, 92.460 and
30 92.485 in the sale or leasing of such lands.

31 **SECTION 26.** ORS 184.633 is amended to read:

1 184.633. (1) Subject to policy direction by the Oregon Transportation
2 Commission, the Director of Transportation shall:

3 (a) Be the administrative head of the Department of Transportation;

4 (b) Have power, within applicable budgetary limitations, and in accord-
5 ance with ORS chapter 240, to hire, assign, reassign and coordinate person-
6 nel of the department and prescribe their duties and fix their compensation,
7 subject to the State Personnel Relations Law;

8 (c) Administer the laws of the state concerning transportation;

9 (d) Intervene, as authorized by the commission, pursuant to the rules of
10 practice and procedure, in the proceedings of state and federal agencies
11 which may substantially affect the interest of the consumers and providers
12 of transportation within Oregon; and

13 (e) Construct, coordinate and promote an integrated transportation system
14 in cooperation with any city, county, district, port or private entity, as de-
15 fined in ORS 367.802.

16 (2) In addition to duties otherwise required by law, the director shall
17 prescribe regulations for the government of the department, the conduct of
18 its employees, the assignment and performance of its business and the cus-
19 tody, use and preservation of its records, papers and property in a manner
20 consistent with applicable law.

21 (3) The director may delegate to any of the employees of the department
22 the exercise or discharge in the director's name of any power, duty or func-
23 tion of whatever character, vested in or imposed by law upon the director,
24 including powers, duties or functions delegated to the director by the com-
25 mission pursuant to ORS 184.635. The official act of any such person so
26 acting in the director's name and by the authority of the director shall be
27 considered to be an official act of the director.

28 (4) The director shall have authority to require a fidelity bond of any
29 officer or employee of the department who has charge of, handles or has ac-
30 cess to any state money or property, and who is not otherwise required by
31 law to give a bond. The amounts of the bond shall be fixed by the director,

1 except as otherwise provided by law, and the sureties shall be approved by
2 the director. The department shall pay the premiums on the bonds.

3 (5)(a) Subject to local government requirements and the provisions of ORS
4 197.830 to 197.845, the director may participate in and seek review of a land
5 use decision or limited land use decision as defined in ORS 197.015[, *or an*
6 *expedited land division as defined in ORS 197.360*]. The director shall report
7 to the commission on each case in which the department participates and
8 on the positions taken by the director in each case.

9 (b) If a meeting of the commission is scheduled prior to the close of the
10 period for seeking review of a land use decision[, *expedited land division*] or
11 limited land use decision, the director shall obtain formal approval from the
12 commission prior to seeking review of the decision. However, if the land use
13 decision[, *expedited land division*] or limited land use decision becomes final
14 less than 15 days before a meeting of the commission, the director shall
15 proceed as provided in paragraph (c) of this subsection. If the director re-
16 quests approval from the commission, the applicant and the affected local
17 government shall be notified in writing that the director is seeking commis-
18 sion approval. The director, the applicant and the affected local government
19 shall be given reasonable time to address the commission regarding the
20 director's request for approval to seek review. No other testimony shall be
21 taken by the commission.

22 (c) If a meeting of the commission is not scheduled prior to the close of
23 the period for seeking review of a land use decision[, *expedited land*
24 *division*] or limited land use decision, at the next commission meeting the
25 director shall report to the commission on each case for which the depart-
26 ment has sought review. The director shall request formal approval to pro-
27 ceed with each appeal. The applicant and the affected local government shall
28 be notified of the commission meeting in writing by the director. The di-
29 rector, the applicant and the affected local government shall be given rea-
30 sonable time to address the commission regarding the director's request for
31 approval to proceed with the appeal. No other testimony shall be taken by

1 the commission. If the commission does not formally approve an appeal, the
2 director shall file a motion with the appropriate tribunal to dismiss the ap-
3 peal.

4 (d) A decision by the commission under this subsection is not subject to
5 appeal.

6 (e) For purposes of this subsection, “applicant” means a person seeking
7 approval of [*a permit, as defined in ORS 215.402 or 227.160, expedited land*
8 *division or limited land use decision*] **an application as defined in ORS**
9 **215.427 or 227.178.**

10 (6) The director may intervene in an appeal of a land use decision brought
11 by another person in the manner provided for an appeal by the director un-
12 der subsection (5) of this section.

13 **SECTION 27.** ORS 197.015, as amended by section 44, chapter 110, Oregon
14 Laws 2024, is amended to read:

15 197.015. As used in ORS chapters 195, 196, 197 and 197A, unless the con-
16 text requires otherwise:

17 (1) “Acknowledgment” means a commission order that certifies that a
18 comprehensive plan and land use regulations, land use regulation or plan or
19 regulation amendment complies with the goals or certifies that Metro land
20 use planning goals and objectives, Metro regional framework plan, amend-
21 ments to Metro planning goals and objectives or amendments to the Metro
22 regional framework plan comply with the goals.

23 (2) “Board” means the Land Use Board of Appeals.

24 (3) “Carport” means a stationary structure consisting of a roof with its
25 supports and not more than one wall, or storage cabinet substituting for a
26 wall, and used for sheltering a motor vehicle.

27 (4) “Commission” means the Land Conservation and Development Com-
28 mission.

29 (5) “Comprehensive plan” means a generalized, coordinated land use map
30 and policy statement of the governing body of a local government that
31 interrelates all functional and natural systems and activities relating to the

1 use of lands, including but not limited to sewer and water systems, trans-
2 portation systems, educational facilities, recreational facilities, and natural
3 resources and air and water quality management programs.

4 “Comprehensive” means all-inclusive, both in terms of the geographic area
5 covered and functional and natural activities and systems occurring in the
6 area covered by the plan. “General nature” means a summary of policies and
7 proposals in broad categories and does not necessarily indicate specific lo-
8 cations of any area, activity or use. A plan is “coordinated” when the needs
9 of all levels of governments, semipublic and private agencies and the citizens
10 of Oregon have been considered and accommodated as much as possible.
11 “Land” includes water, both surface and subsurface, and the air.

12 (6) “Department” means the Department of Land Conservation and De-
13 velopment.

14 (7) “Director” means the Director of the Department of Land Conserva-
15 tion and Development.

16 (8) “Goals” means the mandatory statewide land use planning standards
17 adopted by the commission pursuant to ORS chapters 195, 196, 197 and 197A.

18 (9) “Guidelines” means suggested approaches designed to aid cities and
19 counties in preparation, adoption and implementation of comprehensive plans
20 in compliance with goals and to aid state agencies and special districts in
21 the preparation, adoption and implementation of plans, programs and regu-
22 lations in compliance with goals. Guidelines are advisory and do not limit
23 state agencies, cities, counties and special districts to a single approach.

24 (10) “Land use decision”:

25 (a) Includes:

26 (A) A final decision or determination made by a local government or
27 special district that concerns the adoption, amendment or application of:

28 (i) The goals;

29 (ii) A comprehensive plan provision;

30 (iii) A land use regulation; or

31 (iv) A new land use regulation;

1 (B) A final decision or determination of a state agency other than the
2 commission with respect to which the agency is required to apply the goals;
3 [or]

4 (C) A decision of a county planning commission made under ORS 433.763;
5 **or**

6 **(D) An expedited land division under ORS 197.365;**

7 (b) Does not include a decision of a local government:

8 (A) That is made under land use standards that do not require interpre-
9 tation or the exercise of policy or legal judgment;

10 (B) That approves or denies a building permit issued under clear and ob-
11 jective land use standards;

12 (C) That is a limited land use decision;

13 (D) That determines final engineering design, construction, operation,
14 maintenance, repair or preservation of a transportation facility that is oth-
15 erwise authorized by and consistent with the comprehensive plan and land
16 use regulations;

17 [(E) *That is an expedited land division as described in ORS 197.360;*]

18 [(F)] **(E)** That approves, pursuant to ORS 480.450 (7), the siting, installa-
19 tion, maintenance or removal of a liquefied petroleum gas container or re-
20 ceptacle regulated exclusively by the State Fire Marshal under ORS 480.410
21 to 480.460;

22 [(G)] **(F)** That approves or denies approval of a final subdivision or par-
23 tition plat or that determines whether a final subdivision or partition plat
24 substantially conforms to the tentative subdivision or partition plan; or

25 [(H)] **(G)** That a proposed state agency action subject to ORS 197.180 (1)
26 is compatible with the acknowledged comprehensive plan and land use reg-
27 ulations implementing the plan, if:

28 (i) The local government has already made a land use decision authorizing
29 a use or activity that encompasses the proposed state agency action;

30 (ii) The use or activity that would be authorized, funded or undertaken
31 by the proposed state agency action is allowed without review under the

1 acknowledged comprehensive plan and land use regulations implementing the
2 plan; or

3 (iii) The use or activity that would be authorized, funded or undertaken
4 by the proposed state agency action requires a future land use review under
5 the acknowledged comprehensive plan and land use regulations implementing
6 the plan;

7 (c) Does not include a decision by a school district to close a school;

8 (d) Does not include, except as provided in ORS 215.213 (13)(c) or 215.283
9 (6)(c), authorization of an outdoor mass gathering as defined in ORS 433.735,
10 or other gathering of fewer than 3,000 persons that is not anticipated to
11 continue for more than 120 hours in any three-month period; and

12 (e) Does not include:

13 (A) A writ of mandamus issued by a circuit court in accordance with ORS
14 215.429 or 227.179;

15 (B) Any local decision or action taken on an application subject to ORS
16 215.427 or 227.178 after a petition for a writ of mandamus has been filed
17 under ORS 215.429 or 227.179; or

18 (C) A state agency action subject to ORS 197.180 (1), if:

19 (i) The local government with land use jurisdiction over a use or activity
20 that would be authorized, funded or undertaken by the state agency as a
21 result of the state agency action has already made a land use decision ap-
22 proving the use or activity; or

23 (ii) A use or activity that would be authorized, funded or undertaken by
24 the state agency as a result of the state agency action is allowed without
25 review under the acknowledged comprehensive plan and land use regulations
26 implementing the plan.

27 (11) “Land use regulation” means any local government zoning ordinance,
28 land division ordinance adopted under ORS 92.044 or 92.046 or similar gen-
29 eral ordinance establishing standards for implementing a comprehensive
30 plan.

31 (12)(a) “Limited land use decision” means a final decision or determi-

1 nation made by a local government pertaining to a site within an urban
2 growth boundary that concerns:

3 (A) The approval or denial of a tentative subdivision or partition plan,
4 as described in ORS 92.040 (1).

5 (B) The approval or denial of an application based on discretionary stan-
6 dards designed to regulate the physical characteristics of a use permitted
7 outright, including but not limited to site review and design review.

8 (C) The approval or denial of an application for a replat.

9 (D) The approval or denial of an application for a property line adjust-
10 ment.

11 (E) The approval or denial of an application for an extension, alteration
12 or expansion of a nonconforming use.

13 (b) “Limited land use decision” does not mean a final decision made by
14 a local government pertaining to a site within an urban growth boundary
15 that concerns approval or denial of a final subdivision or partition plat or
16 that determines whether a final subdivision or partition plat substantially
17 conforms to the tentative subdivision or partition plan.

18 (13) “Local government” means any city, county or Metro or an associ-
19 ation of local governments performing land use planning functions under
20 ORS 195.025.

21 (14) “Metro” means a metropolitan service district organized under ORS
22 chapter 268.

23 (15) “Metro planning goals and objectives” means the land use goals and
24 objectives that Metro may adopt under ORS 268.380 (1)(a). The goals and
25 objectives do not constitute a comprehensive plan.

26 (16) “Metro regional framework plan” means the regional framework plan
27 required by the 1992 Metro Charter or its separate components. Neither the
28 regional framework plan nor its individual components constitute a compre-
29 hensive plan.

30 (17) “New land use regulation” means a land use regulation other than
31 an amendment to an acknowledged land use regulation adopted by a local

1 government that already has a comprehensive plan and land regulations ac-
2 knowledged under ORS 197.251.

3 (18) “Person” means any individual, partnership, corporation, association,
4 governmental subdivision or agency or public or private organization of any
5 kind. The Land Conservation and Development Commission or its designee
6 is considered a person for purposes of appeal under ORS chapters 195, 197
7 and 197A.

8 (19) “Special district” means any unit of local government, other than a
9 city, county, Metro or an association of local governments performing land
10 use planning functions under ORS 195.025, authorized and regulated by
11 statute and includes but is not limited to water control districts, domestic
12 water associations and water cooperatives, irrigation districts, port districts,
13 regional air quality control authorities, fire districts, school districts, hos-
14 pital districts, mass transit districts and sanitary districts.

15 (20) “Urban growth boundary” means an acknowledged urban growth
16 boundary contained in a city or county comprehensive plan or adopted by
17 Metro under ORS 268.390 (3).

18 (21) “Urban unincorporated community” means an area designated in a
19 county’s acknowledged comprehensive plan as an urban unincorporated
20 community after December 5, 1994.

21 (22) “Voluntary association of local governments” means a regional
22 planning agency in this state officially designated by the Governor pursuant
23 to the federal Office of Management and Budget Circular A-95 as a regional
24 clearinghouse.

25 (23) “Wetlands” means those areas that are inundated or saturated by
26 surface or ground water at a frequency and duration that are sufficient to
27 support, and that under normal circumstances do support, a prevalence of
28 vegetation typically adapted for life in saturated soil conditions.

29 **SECTION 28.** ORS 197.090 is amended to read:

30 197.090. (1) Subject to policies adopted by the Land Conservation and
31 Development Commission, the Director of the Department of Land Conser-

1 vation and Development shall:

2 (a) Be the administrative head of the Department of Land Conservation
3 and Development.

4 (b) Coordinate the activities of the department in its land conservation
5 and development functions with such functions of federal agencies, other
6 state agencies, local governments and special districts.

7 (c) Appoint, reappoint, assign and reassign all subordinate officers and
8 employees of the department, prescribe their duties and fix their compen-
9 sation, subject to the State Personnel Relations Law.

10 (d) Represent this state before any agency of this state, any other state
11 or the United States with respect to land conservation and development
12 within this state.

13 (2)(a) Subject to local government requirements and the provisions of ORS
14 197.830 to 197.845, the director may participate in and seek review of:

15 (A) A land use decision[, *expedited land division*] or limited land use de-
16 cision involving the goals or involving an acknowledged comprehensive plan
17 and land use regulations implementing the plan; or

18 (B) Any other matter within the statutory authority of the department
19 or commission under ORS chapters 195, 196, 197 and 197A.

20 (b) The director shall report to the commission on each case in which the
21 department participates and on the positions taken by the director in each
22 case.

23 (c) If a meeting of the commission is scheduled prior to the close of the
24 period for seeking review of a land use decision[, *expedited land division*] or
25 limited land use decision, the director shall obtain formal approval from the
26 commission prior to seeking review of the decision. However, if the land use
27 decision[, *expedited land division*] or limited land use decision becomes final
28 less than 15 days before a meeting of the commission, the director shall
29 proceed as provided in paragraph (d) of this subsection. If the director re-
30 quests approval from the commission, the applicant and the affected local
31 government shall be notified in writing that the director is seeking commis-

1 sion approval. The director, the applicant and the affected local government
2 shall be given reasonable time to address the commission regarding the
3 director's request for approval to seek review. The parties shall limit their
4 testimony to the factors established under subsection (3) of this section. No
5 other testimony shall be taken by the commission.

6 (d) If a meeting of the commission is not scheduled prior to the close of
7 the period for seeking review of a land use decision[, *expedited land*
8 *division*] or limited land use decision, at the next commission meeting the
9 director shall report to the commission on each case for which the depart-
10 ment has sought review. The director shall request formal approval to pro-
11 ceed with each appeal. The applicant and the affected local government shall
12 be notified of the commission meeting in writing by the director. The di-
13 rector, the applicant and the affected local government shall be given rea-
14 sonable time to address the commission regarding the director's request for
15 approval to proceed with the appeal. The parties shall limit their testimony
16 to the factors established under subsection (3) of this section. No other tes-
17 timony shall be taken by the commission. If the commission does not
18 formally approve an appeal, the director shall file a motion with the appro-
19 priate tribunal to dismiss the appeal.

20 (e) A decision by the commission under this subsection is not subject to
21 appeal.

22 (f) For purposes of this subsection, "applicant" means a person seeking
23 approval of a permit, as defined in ORS 215.402 or 227.160, [*expedited land*
24 *division*] or limited land use decision.

25 (3) The commission by rule shall adopt a set of factors for the commission
26 to consider when determining whether to appeal or intervene in the appeal
27 of a land use decision[, *expedited land division*] or limited land use decision
28 that involves the application of the goals, acknowledged comprehensive plan,
29 land use regulation or other matter within the authority of the department
30 or commission under ORS chapters 195, 196, 197 and 197A.

31 (4) The director may intervene in an appeal of a land use decision[, *ex-*

1 *pedited land division*] or limited land use decision brought by another person
2 in the manner provided for an appeal by the director under subsection (2)(c)
3 and (d) of this section.

4 **SECTION 29.** ORS 197.200 is amended to read:

5 197.200. (1) A local government may convene a land use proceeding to
6 adopt a refinement plan for a neighborhood or community within its juris-
7 diction and inside the urban growth boundary as provided in this section.

8 (2) A refinement plan is more detailed than a comprehensive plan and
9 applies to a specific geographic area. A refinement plan shall:

10 (a) Establish efficient density ranges, including a minimum and a maxi-
11 mum density for residential land uses;

12 (b) Establish minimum and maximum floor area ratios or site coverage
13 requirements for nonresidential uses;

14 (c) Be based on a planning process meeting statewide planning goals; and

15 (d) Include land use regulations to implement the plan.

16 (3) A refinement plan and associated land use regulations adopted prior
17 to September 9, 1995, may qualify as a refinement plan if the local govern-
18 ment holds a public hearing to gather public comment and decides to adopt
19 the plan as a refinement plan under this section.

20 (4) A local government shall apply the procedures for expedited land di-
21 visions described in ORS [197.360 to 197.380] **197.365** to all applications for
22 land division and site or design review located in any area subject to an
23 acknowledged refinement plan. The review shall include:

24 (a) All elements of a local government comprehensive plan and land use
25 regulations that must be applied in order to approve or deny any such ap-
26 plication; and

27 (b) Any planned unit development standards and any procedures designed
28 to regulate:

29 (A) The physical characteristics of permitted uses;

30 (B) The dimensions of the lots **or parcels** to be created; or

31 (C) Transportation, sewer, water, drainage and other facilities or services

1 necessary for the proposed development.

2 [(5) Any decision made on a refinement plan described in subsection (3) of
3 this section shall be appealed only as provided for appeals of expedited land
4 division decisions in ORS 197.375.]

5 [(6)] (5) Refinement plans and implementing ordinances may be adopted
6 through the post-acknowledgment or periodic review process.

7 **SECTION 30.** ORS 197.245 is amended to read:

8 197.245. The Land Conservation and Development Commission may peri-
9 odically amend the initial goals and guidelines adopted under ORS 197.240
10 and adopt new goals and guidelines. The adoption of amendments to or of
11 new goals shall be done in the manner provided in ORS 197.235 and 197.240
12 and shall specify with particularity those goal provisions that are applicable
13 to land use decisions[, *expedited land divisions*] and limited land use deci-
14 sions before plan revision. The commission shall establish the effective date
15 for application of a new or amended goal. Absent a compelling reason, the
16 commission shall not require a comprehensive plan, new or amended land
17 use regulation, land use decision[, *expedited land division*] or limited land
18 use decision to be consistent with a new or amended goal until one year after
19 the date of adoption.

20 **SECTION 31.** ORS 197.625 is amended to read:

21 197.625. (1) A local decision adopting a change to an acknowledged com-
22 prehensive plan or a land use regulation is deemed to be acknowledged when
23 the local government has complied with the requirements of ORS 197.610 and
24 197.615 and either:

25 (a) The 21-day appeal period set out in ORS 197.830 (9) has expired and
26 a notice of intent to appeal has not been filed; or

27 (b) If an appeal has been timely filed, the Land Use Board of Appeals
28 affirms the local decision or, if an appeal of the decision of the board is
29 timely filed, an appellate court affirms the decision.

30 (2) If the local decision adopting a change to an acknowledged compre-
31 hensive plan or a land use regulation is affirmed on appeal under ORS

1 197.830 to 197.855, the comprehensive plan or the land use regulation, as
2 modified, is deemed to be acknowledged upon the date the decision of the
3 board or the decision of an appellate court becomes final.

4 (3) Prior to acknowledgment of a change to an acknowledged comprehen-
5 sive plan or a land use regulation:

6 (a) The change is effective at the time specified by local government
7 charter or ordinance; and

8 (b) If the change was adopted in substantial compliance with ORS 197.610
9 and 197.615, the local government shall apply the change to land use
10 decisions[, *expedited land divisions*] and limited land use decisions unless a
11 stay is granted under ORS 197.845.

12 (4) Approval of a land use decision[, *expedited land division*] or limited
13 land use decision that is subject to an effective but unacknowledged pro-
14 vision of a comprehensive plan or a land use regulation must include
15 findings of compliance with land use statutes, statewide land use planning
16 goals and administrative rules of the Land Conservation and Development
17 Commission implementing the statutes or goals that apply to the decision
18 and that the unacknowledged provision implements.

19 (5) If an effective but unacknowledged provision of a comprehensive plan
20 or a land use regulation fails to gain acknowledgment, a permit or zone
21 change approved, in whole or in part, on the basis of the change does not
22 justify retention of the improvements that were authorized by the permit or
23 zone change.

24 (6) If requested by a local government, the Director of the Department
25 of Land Conservation and Development shall issue certification of the ac-
26 knowledgment upon receipt of an affidavit from:

27 (a) The local government, attesting that the change to the acknowledged
28 comprehensive plan or the land use regulation was accomplished in compli-
29 ance with ORS 197.610 and 197.615; and

30 (b) The Land Use Board of Appeals, stating either:

31 (A) That no notice of appeal was filed within the 21 days allowed under

1 ORS 197.830 (9); or

2 (B) The date the decision of the board or the decision of an appellate
3 court affirming the change to the acknowledged comprehensive plan or the
4 land use regulation became final.

5 (7) The board shall issue an affidavit for the purposes of subsection (6)
6 of this section within five days after receiving a valid request from the local
7 government.

8 **SECTION 32.** ORS 197.724 is amended to read:

9 197.724. (1) An applicant for a new industrial use or the expansion of an
10 existing industrial use located within a regionally significant industrial area
11 may request that an application for a land use permit be reviewed as an
12 application for an expedited industrial land use permit under this section if
13 the proposed use does not require:

14 (a) An exception taken under ORS 197.732 to a statewide land use plan-
15 ning goal;

16 (b) A change to the acknowledged comprehensive plan or land use regu-
17 lations of the local government within whose land use jurisdiction the new
18 or expanded industrial use would occur; or

19 (c) A federal environmental impact statement under the National Envi-
20 ronmental Policy Act.

21 (2) If the applicant makes a request that complies with subsection (1) of
22 this section, the local government shall review the applications for land use
23 permits for the proposed industrial use by applying the standards and crite-
24 ria that otherwise apply to the review and by using the procedures set forth
25 for review of an expedited land division in ORS 197.365 [*and 197.370*].

26 **SECTION 33.** ORS 197.794 is amended to read:

27 197.794. (1) As used in this section, “railroad company” has the meaning
28 given that term in ORS 824.200.

29 (2) If a railroad-highway crossing provides or will provide the only access
30 to land that is the subject of an application for a land use decision[,] **or** a
31 limited land use decision [*or an expedited land division*], the applicant must

1 indicate that fact in the application submitted to the decision maker.

2 (3) The decision maker shall provide notice to the Department of Trans-
3 portation and the railroad company whenever the decision maker receives
4 the information described under subsection (2) of this section.

5 **SECTION 34.** ORS 197.796 is amended to read:

6 197.796. (1) An applicant [*for a land use decision, limited land use decision*
7 *or expedited land division or for a permit*] under ORS 215.427 or 227.178 may
8 accept a condition of approval imposed under ORS 215.416 or 227.175 and file
9 a challenge to the condition under this section. Acceptance by an applicant
10 [*for a land use decision, limited land use decision, expedited land division or*
11 *permit*] under ORS 215.427 or 227.178 of a condition of approval imposed un-
12 der ORS 215.416 or 227.175 does not constitute a waiver of the right to
13 challenge the condition of approval. Acceptance of a condition may include
14 but is not limited to paying a fee, performing an act or providing satisfactory
15 evidence of arrangements to pay the fee or to ensure compliance with the
16 condition.

17 (2) Any action for damages under this section shall be filed in the circuit
18 court of the county in which the application was submitted within 180 days
19 of the date of the decision.

20 (3)(a) A challenge filed pursuant to this section may not be dismissed on
21 the basis that the applicant did not request a variance to the condition of
22 approval or any other available form of reconsideration of the challenged
23 condition. However, an applicant shall comply with ORS 197.797 (1) prior to
24 appealing to the Land Use Board of Appeals or bringing an action for dam-
25 ages in circuit court and must exhaust all local appeals provided in the local
26 comprehensive plan and land use regulations before proceeding under this
27 section.

28 (b) In addition to the requirements of ORS 197.797 (5), at the commence-
29 ment of the initial public hearing, a statement shall be made to the applicant
30 that the failure of the applicant to raise constitutional or other issues re-
31 lating to proposed conditions of approval with sufficient specificity to allow

1 the local government or its designee to respond to the issue precludes an
2 action for damages in circuit court.

3 (c) An applicant is not required to raise an issue under this subsection
4 unless the condition of approval is stated with sufficient specificity to enable
5 the applicant to respond to the condition prior to the close of the final local
6 hearing.

7 (4) In any challenge to a condition of approval that is subject to the
8 Takings Clause of the Fifth Amendment to the United States Constitution,
9 the local government shall have the burden of demonstrating compliance
10 with the constitutional requirements for imposing the condition.

11 (5) In a proceeding in circuit court under this section, the court shall
12 award costs and reasonable attorney fees to a prevailing party. Notwith-
13 standing ORS 197.830 (15), in a proceeding before the Land Use Board of
14 Appeals under this section, the board shall award costs and reasonable at-
15 torney fees to a prevailing party.

16 (6) This section applies to appeals by the applicant of a condition of ap-
17 proval and claims filed in state court seeking damages for the unlawful im-
18 position of conditions of approval [*in a land use decision, limited land use*
19 *decision, expedited land division or permit*] **of an application made** under
20 ORS 215.427 or 227.178.

21 **SECTION 35.** ORS 197.825 is amended to read:

22 197.825. (1) Except as provided in ORS 197.320 and subsections (2) and (3)
23 of this section, the Land Use Board of Appeals shall have exclusive juris-
24 diction to review any land use decision or limited land use decision of a local
25 government, special district or a state agency in the manner provided in ORS
26 197.830 to 197.845.

27 (2) The jurisdiction of the board:

28 (a) Is limited to those cases in which the petitioner has exhausted all
29 remedies available by right before petitioning the board for review;

30 (b) Is subject to the provisions of ORS 197.850 relating to judicial review
31 by the Court of Appeals;

1 (c) Does not include a local government decision that is:

2 (A) Submitted to the Department of Land Conservation and Development
3 for acknowledgment under ORS 197.251, 197.626 or 197.628 to 197.651 or a
4 matter arising out of a local government decision submitted to the depart-
5 ment for acknowledgment, unless the Director of the Department of Land
6 Conservation and Development, in the director's sole discretion, transfers the
7 matter to the board; or

8 (B) Subject to the review authority of the department under ORS 197.412,
9 197.445, 197.450 or 197.455 or a matter related to a local government decision
10 subject to the review authority of the department under ORS 197.412, 197.445,
11 197.450 or 197.455;

12 (d) Does not include those land use decisions of a state agency over which
13 the Court of Appeals has jurisdiction for initial judicial review under ORS
14 183.400, 183.482 or other statutory provisions;

15 (e) Does not include any rules, programs, decisions, determinations or
16 activities carried out under ORS 527.610 to 527.770, 527.990 (1) and 527.992;
17 **and**

18 (f) Is subject to ORS 196.115 for any county land use decision that may
19 be reviewed by the Columbia River Gorge Commission pursuant to sections
20 10(c) or 15(a)(2) of the Columbia River Gorge National Scenic Area Act, P.L.
21 99-663[; *and*].

22 [*(g) Does not include review of expedited land divisions under ORS*
23 *197.360.*]

24 (3) Notwithstanding subsection (1) of this section, the circuit courts of
25 this state retain jurisdiction:

26 (a) To grant declaratory, injunctive or mandatory relief in proceedings
27 arising from decisions described in ORS 197.015 (10)(b) or proceedings
28 brought to enforce the provisions of an adopted comprehensive plan or land
29 use regulations; and

30 (b) To enforce orders of the board in appropriate proceedings brought by
31 the board or a party to the board proceeding resulting in the order.

1 **SECTION 36.** ORS 197A.015, as amended by section 1, chapter 102,
2 Oregon Laws 2024, is amended to read:

3 197A.015. As used in this chapter:

4 (1) “Allocated housing need” means the housing need allocated to a city
5 under ORS 184.453 (2) as segmented by income level under ORS 184.453 (4).

6 (2) “Buildable lands” means lands in urban and urbanizable areas that are
7 suitable, available and necessary for the development of needed housing over
8 a 20-year planning period, including both vacant land and developed land
9 likely to be redeveloped.

10 (3) “City” and “city with a population of 10,000 or greater” includes, re-
11 gardless of size:

12 (a) Any city within Tillamook County and the communities of
13 Barview/Twin Rocks/Watseco, Cloverdale, Hebo, Neahkahnie, Neskowin,
14 Netarts, Oceanside and Pacific City/Woods; and

15 (b) A county with respect to its jurisdiction over Metro urban unincor-
16 porated lands.

17 (4) “Development-ready lands” means buildable lands that are likely to
18 support the production of housing during the period of their housing pro-
19 duction target under ORS 184.455 (1) because the lands are:

20 (a) Currently annexed and zoned to allow housing through clear and ob-
21 jective standards and procedures;

22 (b) Readily served through adjacent public facilities or identified for the
23 near-term provision of public facilities through an adopted capital improve-
24 ment plan; and

25 (c) Not encumbered by any applicable local, state or federal protective
26 regulations or have appropriate entitlements to prepare the land for devel-
27 opment.

28 (5) “Government assisted housing” means housing that is financed in
29 whole or part by either a federal or state housing agency or a housing au-
30 thority as defined in ORS 456.005, or housing that is occupied by a tenant
31 or tenants who benefit from rent supplements or housing vouchers provided

1 by either a federal or state housing agency or a local housing authority.

2 (6) “Housing capacity” means the number of needed housing units that
3 can be developed on buildable lands within the 20-year planning period based
4 on the land’s comprehensive plan designation and capacity for housing de-
5 velopment and redevelopment.

6 (7) “Housing production strategy” means a strategy adopted by a local
7 government to promote housing production under ORS 197A.100.

8 (8) “Manufactured dwelling,” “manufactured dwelling park,” “manufac-
9 tured home” and “mobile home park” have the meanings given those terms
10 in ORS 446.003.

11 (9) “Metro urban unincorporated lands” means [*lands*] **urban unincor-**
12 **porated lands** within the Metro urban growth boundary. [*that are identified*
13 *by the county as:*]

14 [(a) *Not within a city;*]

15 [(b) *Zoned for urban development;*]

16 [(c) *Within the boundaries of a sanitary district or sanitary authority*
17 *formed under ORS chapter 450 or a district formed for the purposes of sewage*
18 *works under ORS chapter 451;*]

19 [(d) *Within the service boundaries of a water provider with a water system*
20 *subject to regulation as described in ORS 448.119; and*]

21 [(e) *Not zoned with a designation that maintains the land’s potential for*
22 *future urbanization.*]

23 (10) “Periodic review” means the process and procedures as set forth in
24 ORS 197.628 to 197.651.

25 (11) “Prefabricated structure” means a prefabricated structure, as defined
26 in ORS 455.010, that is relocatable, more than eight and one-half feet wide
27 and designed for use as a single-family dwelling.

28 (12) “Urban unincorporated lands” means lands within an urban
29 growth boundary that are identified by the county as:

30 (a) **Not within a city;**

31 (b) **Zoned for urban development;**

1 (c) Within the boundaries of a sanitary district or sanitary author-
2 ity formed under ORS chapter 450 or a district formed for the purposes
3 of sewage works under ORS chapter 451;

4 (d) Within the service boundaries of a water provider with a water
5 system subject to regulation as described in ORS 448.119; and

6 (e) Not zoned with a designation that maintains the land's potential
7 for future urbanization.

8 **SECTION 37.** ORS 197A.465 is amended to read:

9 197A.465. (1) As used in this section:

10 (a) "Affordable housing" means housing that is affordable to households
11 with incomes equal to or higher than 80 percent of the median family income
12 for the county in which the housing is built.

13 (b) "Multifamily structure" means a structure that contains three or more
14 housing units sharing at least one wall, floor or ceiling surface in common
15 with another unit within the same structure.

16 (2) Except as provided in subsection (3) of this section, a metropolitan
17 service district may not adopt a land use regulation or functional plan pro-
18 vision, or impose as a condition for approving [*a permit*] **an application**
19 under ORS 215.427 or 227.178 a requirement, that has the effect of estab-
20 lishing the sales or rental price for a housing unit or residential building lot
21 or parcel, or that requires a housing unit or residential building lot or parcel
22 to be designated for sale or rent to a particular class or group of purchasers
23 or renters.

24 (3) The provisions of subsection (2) of this section do not limit the au-
25 thority of a metropolitan service district to:

26 (a) Adopt or enforce a use regulation, provision or requirement creating
27 or implementing an incentive, contract commitment, density bonus or other
28 voluntary regulation, provision or requirement designed to increase the sup-
29 ply of moderate or lower cost housing units; or

30 (b) Enter into an affordable housing covenant as provided in ORS 456.270
31 to 456.295.

1 (4) Notwithstanding ORS 91.225, a city or county may adopt a land use
2 regulation or functional plan provision, or impose as a condition for ap-
3 proving [*a permit*] **an application** under ORS 215.427 or 227.178 a require-
4 ment, that has the effect of establishing the sales or rental price for a new
5 multifamily structure, or that requires a new multifamily structure to be
6 designated for sale or rent as affordable housing.

7 (5) A regulation, provision or requirement adopted or imposed under
8 subsection (4) of this section:

9 (a) May not require more than 20 percent of housing units within a
10 multifamily structure to be sold or rented as affordable housing.

11 (b) May apply only to multifamily structures containing at least 20
12 housing units.

13 (c) Must provide developers the option to pay an in-lieu fee, in an amount
14 determined by the city or county, in exchange for providing the requisite
15 number of housing units within the multifamily structure to be sold or
16 rented at below-market rates.

17 (d) Must require the city or county to offer a developer of multifamily
18 structures, other than a developer that elects to pay an in-lieu fee pursuant
19 to paragraph (c) of this subsection, at least one of the following incentives:

20 (A) Whole or partial fee waivers or reductions.

21 (B) Whole or partial waivers of system development charges or impact
22 fees set by the city or county.

23 (C) Finance-based incentives.

24 (D) Full or partial exemption from ad valorem property taxes on the terms
25 described in this subparagraph. For purposes of any statute granting a full
26 or partial exemption from ad valorem property taxes that uses a definition
27 of “low income” to mean income at or below 60 percent of the area median
28 income and for which the multifamily structure is otherwise eligible, the city
29 or county shall allow the multifamily structure of the developer to qualify
30 using a definition of “low income” to mean income at or below 80 percent
31 of the area median income.

1 (e) Does not apply to a CCRC, as defined in ORS 101.020, that executes
2 and records a covenant with the applicable city or county in which the
3 CCRC agrees to operate all units within its structure as a CCRC. Units
4 within a CCRC that are offered or converted into residential units that are
5 for sale or rent and are not subject to ORS chapter 101 must comply with
6 regulations, provisions or requirements adopted by the city or county that
7 are consistent with those applicable to a new multifamily structure under
8 subsection (3) or (4) of this section.

9 (6) A regulation, provision or requirement adopted or imposed under
10 subsection (4) of this section may offer developers one or more of the fol-
11 lowing incentives:

12 (a) Density adjustments.

13 (b) Expedited service for local permitting processes.

14 (c) Modification of height, floor area or other site-specific requirements.

15 (d) Other incentives as determined by the city or county.

16 (7) Subsection (4) of this section does not restrict the authority of a city
17 or county to offer developers voluntary incentives, including incentives to:

18 (a) Increase the number of affordable housing units in a development.

19 (b) Decrease the sale or rental price of affordable housing units in a de-
20 velopment.

21 (c) Build affordable housing units that are affordable to households with
22 incomes equal to or lower than 80 percent of the median family income for
23 the county in which the housing is built.

24 (8)(a) A city or county that adopts or imposes a regulation, provision or
25 requirement described in subsection (4) of this section may not apply the
26 regulation, provision or requirement to any multifamily structure for which
27 an application for a permit, as defined in ORS 215.402 or 227.160, has been
28 submitted as provided in ORS 215.416 or 227.178 (3), or, if such a permit is
29 not required, a building permit application has been submitted to the city
30 or county prior to the effective date of the regulation, provision or require-
31 ment.

1 (b) If a multifamily structure described in paragraph (a) of this subsection
2 has not been completed within the period required by the permit issued by
3 the city or county, the developer of the multifamily structure shall resubmit
4 an application for a permit, as defined in ORS 215.402 or 227.160, as provided
5 in ORS 215.416 or 227.178 (3), or, if such a permit is not required, a building
6 permit application under the regulation, provision or requirement adopted
7 by the city or county under subsection (4) of this section.

8 (9)(a) A city or county that adopts or imposes a regulation, provision or
9 requirement under subsection (4) of this section shall adopt and apply only
10 clear and objective standards, conditions and procedures regulating the de-
11 velopment of affordable housing units within its jurisdiction. The standards,
12 conditions and procedures may not have the effect, either individually or
13 cumulatively, of discouraging development of affordable housing units
14 through unreasonable cost or delay.

15 (b) Paragraph (a) of this subsection does not apply to:

16 (A) An application or permit for residential development in an area
17 identified in a formally adopted central city plan, or a regional center as
18 defined by Metro, in a city with a population of 500,000 or more.

19 (B) An application or permit for residential development in historic areas
20 designated for protection under a land use planning goal protecting historic
21 areas.

22 (c) In addition to an approval process for affordable housing based on
23 clear and objective standards, conditions and procedures as provided in par-
24 agraph (a) of this subsection, a city or county may adopt and apply an al-
25 ternative approval process for applications and permits for residential
26 development based on approval criteria regulating, in whole or in part, ap-
27 pearance or aesthetics that are not clear and objective if:

28 (A) The developer retains the option of proceeding under the approval
29 process that meets the requirements of paragraph (a) of this subsection;

30 (B) The approval criteria for the alternative approval process comply with
31 applicable statewide land use planning goals and rules; and

1 (C) The approval criteria for the alternative approval process authorize
2 a density at or above the density level authorized in the zone under the ap-
3 proval process provided in paragraph (a) of this subsection.

4 (10) If a regulation, provision or requirement adopted or imposed by a city
5 or county under subsection (4) of this section requires that a percentage of
6 housing units in a new multifamily structure be designated as affordable
7 housing, any incentives offered under subsection (5)(d) or (6) of this section
8 shall be related in a manner determined by the city or county to the required
9 percentage of affordable housing units.

10 **SECTION 38.** ORS 197A.470 is amended to read:

11 197A.470. (1) As used in this section:

12 (a) “Affordable housing” means housing that is affordable to households
13 with incomes equal to or less than 60 percent of the median family income
14 for the county in which the development is built or for the state, whichever
15 is greater, that is subject to an affordable housing covenant, as provided in
16 ORS 456.270 to 456.295, that maintains the affordability for a period of not
17 less than 60 years from the date of the certificate of occupancy.

18 (b) “Multifamily residential building” means a building in which three
19 or more residential units each have space for eating, living and sleeping and
20 permanent provisions for cooking and sanitation.

21 (2) [*Notwithstanding ORS 215.427 (1) or 227.178 (1),*] A city with a popu-
22 lation greater than 5,000 or a county with a population greater than 25,000
23 shall take final action on an application qualifying under subsection (3) of
24 this section[, *including resolution of all local appeals under ORS 215.422 or*
25 *227.180,*] within 100 days after the application is deemed complete **as pro-**
26 **vided in ORS 215.427 or 227.178.**

27 (3) An application qualifies for final action within the timeline described
28 in subsection (2) of this section if:

29 (a) The application is submitted to the city or the county under ORS
30 215.416 or 227.175;

31 (b) The application is for development of a multifamily residential build-

1 ing containing five or more residential units within the urban growth
2 boundary; and

3 (c) At least 50 percent of the residential units included in the development
4 will be sold or rented as affordable housing.

5 (4) A city or a county shall take final action within the time allowed
6 under ORS 215.427 or 227.178 on any application [*for a permit, limited land*
7 *use decision or zone change*] that does not qualify for review and decision
8 under subsection (3) of this section, including resolution of all appeals under
9 ORS 215.422 or 227.180, as provided by ORS 215.427 and 215.435 or by ORS
10 227.178 and 227.181.

11 (5) With respect to property within an urban growth boundary owned by
12 a nonprofit corporation organized as a religious corporation, a local gov-
13 ernment:

14 (a) May apply only restrictions or conditions of approval to the develop-
15 ment of affordable housing that are, notwithstanding ORS 197A.400 (2) or
16 statewide land use planning goals relating to protections for historic areas:

17 (A) Clear and objective as described in ORS 197A.400 (1); or

18 (B) Discretionary standards related to health, safety, habitability or
19 infrastructure.

20 (b) Shall approve the development of affordable housing on property not
21 zoned for housing if:

22 (A) The property is not zoned for industrial uses; and

23 (B) The property is contiguous to property zoned to allow residential uses.

24 (6) Affordable housing allowed under subsection (5)(b) of this section may
25 be subject only to the restrictions applicable to the contiguously zoned resi-
26 dential property as limited by subsection (5)(a) of this section and without
27 requiring that the property be rezoned for residential uses. If there is more
28 than one contiguous residential property, the zoning of the property with the
29 greatest density applies.

30 **SECTION 39.** ORS 215.402 is amended to read:

31 215.402. As used in ORS 215.402 to 215.438 and 215.700 to 215.780 unless

1 the context requires otherwise:

2 (1) “Contested case” means a proceeding in which the legal rights, duties
3 or privileges of specific parties under general rules or policies provided un-
4 der ORS 215.010 to 215.311, 215.317, 215.327, 215.402 to 215.438 and 215.700 to
5 215.780, or any ordinance, rule or regulation adopted pursuant thereto, are
6 required to be determined only after a hearing at which specific parties are
7 entitled to appear and be heard.

8 (2) “Hearing” means a quasi-judicial hearing, authorized or required by
9 the ordinances and regulations of a county adopted pursuant to ORS 215.010
10 to 215.311, 215.317, 215.327, 215.402 to 215.438 and 215.700 to 215.780:

11 (a) To determine in accordance with such ordinances and regulations if
12 a permit shall be granted or denied; or

13 (b) To determine a contested case.

14 (3) “Hearings officer” means a planning and zoning hearings officer ap-
15 pointed or designated by the governing body of a county under ORS 215.406.

16 (4) “Permit” means discretionary approval of a proposed development of
17 land under ORS 215.010 to 215.311, 215.317, 215.327 and 215.402 to 215.438 and
18 215.700 to 215.780 or county legislation or regulation adopted pursuant
19 thereto. “Permit” does not include:

20 (a) A limited land use decision as defined in ORS 197.015;

21 (b) A decision which determines the appropriate zoning classification for
22 a particular use by applying criteria or performance standards defining the
23 uses permitted within the zone, and the determination applies only to land
24 within an urban growth boundary;

25 (c) A decision which determines final engineering design, construction,
26 operation, maintenance, repair or preservation of a transportation facility
27 which is otherwise authorized by and consistent with the comprehensive plan
28 and land use regulations; or

29 (d) An expedited land division, as described in ORS [197.360] **197.365**.

30 **SECTION 40.** ORS 215.416 is amended to read:

31 215.416. (1) When required or authorized by the ordinances, rules and

1 regulations of a county, an owner of land may apply in writing to such per-
2 sons as the governing body designates, for a permit, in the manner prescribed
3 by the governing body. The governing body shall establish fees charged for
4 processing permits at an amount no more than the actual or average cost
5 of providing that service.

6 (2) The governing body shall establish a consolidated procedure by which
7 an applicant may apply at one time for all permits or zone changes needed
8 for a development project. The consolidated procedure shall be subject to the
9 time limitations set out in ORS 215.427. The consolidated procedure shall be
10 available for use at the option of the applicant no later than the time of the
11 first periodic review of the comprehensive plan and land use regulations.

12 (3) Except as provided in subsection (11) of this section, the hearings of-
13 ficer shall hold at least one public hearing on the application.

14 (4)(a) A county may not approve an application if the proposed use of land
15 is found to be in conflict with the comprehensive plan of the county and
16 other applicable land use regulation or ordinance provisions. The approval
17 may include such conditions as are authorized by statute or county legis-
18 lation.

19 (b)(A) A county may not deny an application for a housing development
20 located within the urban growth boundary if the development complies with
21 clear and objective standards, including but not limited to clear and objec-
22 tive design standards contained in the county comprehensive plan or land
23 use regulations.

24 (B) This paragraph does not apply to:

25 (i) Applications or permits for residential development in areas described
26 in ORS 197A.400 (2); or

27 (ii) Applications or permits reviewed under an alternative approval pro-
28 cess adopted under ORS 197A.400 (3).

29 (c) A county may not condition an application for a housing development
30 on a reduction in density if:

31 (A) The density applied for is at or below the authorized density level

1 under the local land use regulations; and

2 (B) At least 75 percent of the floor area applied for is reserved for hous-
3 ing.

4 (d) A county may not condition an application for a housing development
5 on a reduction in height if:

6 (A) The height applied for is at or below the authorized height level under
7 the local land use regulations;

8 (B) At least 75 percent of the floor area applied for is reserved for hous-
9 ing; and

10 (C) Reducing the height has the effect of reducing the authorized density
11 level under local land use regulations.

12 (e) Notwithstanding paragraphs (c) and (d) of this subsection, a county
13 may condition an application for a housing development on a reduction in
14 density or height only if the reduction is necessary to resolve a health, safety
15 or habitability issue or to comply with a protective measure adopted pursu-
16 ant to a statewide land use planning goal. Notwithstanding ORS 197.350, the
17 county must adopt findings supported by substantial evidence demonstrating
18 the necessity of the reduction.

19 (f) As used in this subsection:

20 (A) "Authorized density level" means the maximum number of lots or
21 dwelling units or the maximum floor area ratio that is permitted under local
22 land use regulations.

23 (B) "Authorized height level" means the maximum height of a structure
24 that is permitted under local land use regulations.

25 (C) "Habitability" means being in compliance with the applicable pro-
26 visions of the state building code under ORS chapter 455 and the rules
27 adopted thereunder.

28 (5) Hearings under this section shall be held only after notice to the ap-
29 plicant and also notice to other persons as otherwise provided by law and
30 shall otherwise be conducted in conformance with the provisions of ORS
31 197.797.

1 (6) Notice of a public hearing on an application submitted under this
2 section shall be provided to the owner of an airport defined by the Oregon
3 Department of Aviation as a “public use airport” if:

4 (a) The name and address of the airport owner has been provided by the
5 Oregon Department of Aviation to the county planning authority; and

6 (b) The property subject to the land use hearing is:

7 (A) Within 5,000 feet of the side or end of a runway of an airport deter-
8 mined by the Oregon Department of Aviation to be a “visual airport”; or

9 (B) Within 10,000 feet of the side or end of the runway of an airport de-
10 termined by the Oregon Department of Aviation to be an “instrument air-
11 port.”

12 (7) Notwithstanding the provisions of subsection (6) of this section, notice
13 of a land use hearing need not be provided as set forth in subsection (6) of
14 this section if the zoning permit would only allow a structure less than 35
15 feet in height and the property is located outside the runway “approach
16 surface” as defined by the Oregon Department of Aviation.

17 (8)(a) Approval or denial of a permit application [*shall*] **must** be based
18 on standards and criteria [*which shall be*] **that are** set forth in the zoning
19 ordinance or other appropriate ordinance or regulation of the county and
20 which shall relate approval or denial of a permit application to the zoning
21 ordinance and comprehensive plan for the area in which the proposed use
22 of land would occur and to the zoning ordinance and comprehensive plan for
23 the county as a whole.

24 (b) When an ordinance establishing approval standards is required under
25 ORS [*197A.200 and*] 197A.400 to provide only clear and objective standards,
26 the standards must be clear and objective on the face of the ordinance.

27 (9) Approval or denial of a permit [*or expedited land division shall*] **must**
28 be based upon and accompanied by a brief statement that explains the cri-
29 teria and standards considered relevant to the decision, states the facts re-
30 lied upon in rendering the decision and explains the justification for the
31 decision based on the criteria, standards and facts set forth.

1 (10) Written notice of the approval or denial [*shall*] **must** be given to all
2 parties to the proceeding.

3 (11)(a)(A) The hearings officer or such other person as the governing body
4 designates may approve or deny an application for a permit without a hear-
5 ing if the hearings officer or other designated person gives notice of the de-
6 cision and provides an opportunity for any person who is adversely affected
7 or aggrieved, or who is entitled to notice under paragraph (c) of this sub-
8 section, to file an appeal.

9 (B) Written notice of the decision shall be mailed to those persons de-
10 scribed in paragraph (c) of this subsection.

11 (C) Notice under this subsection shall comply with ORS 197.797 (3)(a), (c),
12 (g) and (h) and shall describe the nature of the decision. In addition, the
13 notice shall state that any person who is adversely affected or aggrieved or
14 who is entitled to written notice under paragraph (c) of this subsection may
15 appeal the decision by filing a written appeal in the manner and within the
16 time period provided in the county's land use regulations. A county may not
17 establish an appeal period that is less than 12 days from the date the written
18 notice of decision required by this subsection was mailed. The notice shall
19 state that the decision will not become final until the period for filing a local
20 appeal has expired. The notice also shall state that a person who is mailed
21 written notice of the decision cannot appeal the decision directly to the Land
22 Use Board of Appeals under ORS 197.830.

23 (D) An appeal from a hearings officer's decision made without hearing
24 under this subsection shall be to the planning commission or governing body
25 of the county. An appeal from such other person as the governing body des-
26 ignates shall be to a hearings officer, the planning commission or the gov-
27 erning body. In either case, the appeal shall be to a de novo hearing.

28 (E) The de novo hearing required by subparagraph (D) of this paragraph
29 shall be the initial evidentiary hearing required under ORS 197.797 as the
30 basis for an appeal to the Land Use Board of Appeals. At the de novo hear-
31 ing:

1 (i) The applicant and other parties shall have the same opportunity to
2 present testimony, arguments and evidence as they would have had in a
3 hearing under subsection (3) of this section before the decision;

4 (ii) The presentation of testimony, arguments and evidence shall not be
5 limited to issues raised in a notice of appeal; and

6 (iii) The decision maker shall consider all relevant testimony, arguments
7 and evidence that are accepted at the hearing.

8 (b) If a local government provides only a notice of the opportunity to re-
9 quest a hearing, the local government may charge a fee for the initial hear-
10 ing. The maximum fee for an initial hearing shall be the cost to the local
11 government of preparing for and conducting the appeal, or \$250, whichever
12 is less. If an appellant prevails at the hearing or upon subsequent appeal, the
13 fee for the initial hearing shall be refunded. The fee allowed in this para-
14 graph shall not apply to appeals made by neighborhood or community or-
15 ganizations recognized by the governing body and whose boundaries include
16 the site.

17 (c)(A) Notice of a decision under paragraph (a) of this subsection shall
18 be provided to the applicant and to the owners of record of property on the
19 most recent property tax assessment roll where such property is located:

20 (i) Within 100 feet of the property that is the subject of the notice when
21 the subject property is wholly or in part within an urban growth boundary;

22 (ii) Within 250 feet of the property that is the subject of the notice when
23 the subject property is outside an urban growth boundary and not within a
24 farm or forest zone; or

25 (iii) Within 750 feet of the property that is the subject of the notice when
26 the subject property is within a farm or forest zone.

27 (B) Notice shall also be provided to any neighborhood or community or-
28 ganization recognized by the governing body and whose boundaries include
29 the site.

30 (C) At the discretion of the applicant, the local government also shall
31 provide notice to the Department of Land Conservation and Development.

1 (12) A decision described in ORS 215.402 (4)(b) shall:

2 (a) Be entered in a registry available to the public setting forth:

3 (A) The street address or other easily understood geographic reference to
4 the subject property;

5 (B) The date of the decision; and

6 (C) A description of the decision made.

7 (b) Be subject to the jurisdiction of the Land Use Board of Appeals in the
8 same manner as a limited land use decision.

9 (c) Be subject to the appeal period described in ORS 197.830 (5)(b).

10 (13) At the option of the applicant, the local government shall provide
11 notice of the decision described in ORS 215.402 (4)(b) in the manner required
12 by ORS 197.797 (2), in which case an appeal to the board shall be filed within
13 21 days of the decision. The notice shall include an explanation of appeal
14 rights.

15 (14) Notwithstanding the requirements of this section, a limited land use
16 decision shall be subject to the requirements set forth in ORS 197.195 and
17 197.828.

18 **SECTION 41.** ORS 215.429 is amended to read:

19 215.429. (1) [*Except when an applicant requests an extension under ORS*
20 *215.427,*] If the governing body of the county or its designee does not take
21 final action on an application [*for a permit, limited land use decision or zone*
22 *change within 120 days or 150 days, as appropriate, after the application is*
23 *deemed complete,*] **within the period allowed under ORS 215.427,** the ap-
24 plicant may file a petition for a writ of mandamus under ORS 34.130 in the
25 circuit court of the county where the application was submitted to compel
26 the governing body or its designee to issue the approval.

27 (2) The governing body shall retain jurisdiction to make a land use deci-
28 sion on the application until a petition for a writ of mandamus is filed. Upon
29 filing a petition under ORS 34.130, jurisdiction for all decisions regarding the
30 application, including settlement, shall be with the circuit court.

31 (3) A person who files a petition for a writ of mandamus under this sec-

1 tion shall provide written notice of the filing to all persons who would be
2 entitled to notice under ORS 197.797 and to any person who participated
3 orally or in writing in any evidentiary hearing on the application held prior
4 to the filing of the petition. The notice shall be mailed or hand delivered on
5 the same day the petition is filed.

6 (4) If the governing body does not take final action on an application
7 within [*120 days or 150 days, as appropriate, of the date the application is*
8 *deemed complete,*] **the period allowed under ORS 215.427**, the applicant may
9 elect to proceed with the application according to the applicable provisions
10 of the county comprehensive plan and land use regulations or to file a peti-
11 tion for a writ of mandamus under this section. If the applicant elects to
12 proceed according to the local plan and regulations, the applicant may not
13 file a petition for a writ of mandamus within 14 days after the governing
14 body makes a preliminary decision, provided a final written decision is issued
15 within 14 days of the preliminary decision.

16 (5) The court shall issue a peremptory writ unless the governing body or
17 any intervenor shows that the approval would violate a substantive provision
18 of the county comprehensive plan or land use regulations as those terms are
19 defined in ORS 197.015. The writ may specify conditions of approval that
20 would otherwise be allowed by the county comprehensive plan or land use
21 regulations.

22 **SECTION 42.** ORS 223.299 is amended to read:

23 223.299. As used in ORS 223.297 to 223.316:

24 (1)(a) “Capital improvement” means facilities or assets used for the fol-
25 lowing:

26 (A) Water supply, treatment and distribution;

27 (B) Waste water collection, transmission, treatment and disposal;

28 (C) Drainage and flood control;

29 (D) Transportation; or

30 (E) Parks and recreation.

31 (b) “Capital improvement” does not include costs of the operation or

1 routine maintenance of capital improvements.

2 (2) "Improvement fee" means a fee for costs associated with capital im-
3 provements to be constructed.

4 (3) "Reimbursement fee" means a fee for costs associated with capital
5 improvements already constructed, or under construction when the fee is
6 established, for which the local government determines that capacity exists.

7 (4)(a) "System development charge" means a reimbursement fee, an im-
8 provement fee or a combination thereof assessed or collected at the time of
9 increased usage of a capital improvement or issuance of a development per-
10 mit, building permit or connection to the capital improvement. "System de-
11 velopment charge" includes that portion of a sewer or water system
12 connection charge that is greater than the amount necessary to reimburse
13 the local government for its average cost of inspecting and installing con-
14 nections with water and sewer facilities.

15 (b) "System development charge" does not include any fees assessed or
16 collected as part of a local improvement district or a charge in lieu of a local
17 improvement district assessment, or the cost of complying with requirements
18 or conditions imposed upon a land use decision[, *expedited land division*] or
19 limited land use decision.

20 **SECTION 43.** ORS 227.160 is amended to read:

21 227.160. As used in ORS 227.160 to 227.186:

22 (1) "Hearings officer" means a planning and zoning hearings officer ap-
23 pointed or designated by a city council under ORS 227.165.

24 (2) "Permit" means discretionary approval of a proposed development of
25 land, under ORS 227.215 or city legislation or regulation. "Permit" does not
26 include:

27 (a) A limited land use decision as defined in ORS 197.015;

28 (b) A decision which determines the appropriate zoning classification for
29 a particular use by applying criteria or performance standards defining the
30 uses permitted within the zone, and the determination applies only to land
31 within an urban growth boundary;

1 (c) A decision which determines final engineering design, construction,
2 operation, maintenance, repair or preservation of a transportation facility
3 which is otherwise authorized by and consistent with the comprehensive plan
4 and land use regulations; or

5 (d) An expedited land division, as described in ORS [197.360] **197.365**.

6 **SECTION 44.** ORS 227.173 is amended to read:

7 227.173. [(1) *Approval or denial of a discretionary permit application shall*
8 *be based on standards and criteria, which shall be set forth in the development*
9 *ordinance and which shall relate approval or denial of a discretionary permit*
10 *application to the development ordinance and to the comprehensive plan for the*
11 *area in which the development would occur and to the development ordinance*
12 *and comprehensive plan for the city as a whole.*]

13 **(1) Approval or denial of a discretionary permit application must**
14 **be based on standards and criteria that are set forth in the develop-**
15 **ment ordinance and that relate approval or denial of a discretionary**
16 **permit application to the development ordinance and the comprehen-**
17 **sive plan for the area in which the development would occur and to**
18 **the development ordinance and comprehensive plan for the city as a**
19 **whole.**

20 (2) When an ordinance establishing approval standards is required under
21 ORS [197A.200 and] 197A.400 to provide only clear and objective standards,
22 the standards must be clear and objective on the face of the ordinance.

23 (3) Approval or denial of a permit application [*or expedited land division*
24 *shall be*] **must be** based upon and accompanied by a brief statement that
25 explains the criteria and standards considered relevant to the decision, states
26 the facts relied upon in rendering the decision and explains the justification
27 for the decision based on the criteria, standards and facts set forth.

28 (4) Written notice of the approval or denial [*shall*] **must** be given to all
29 parties to the proceeding.

30 **SECTION 45.** ORS 227.179 is amended to read:

31 227.179. (1) [*Except when an applicant requests an extension under ORS*

1 227.178 (5),] If the governing body of a city or its designee does not take final
2 action on an application [*for a permit, limited land use decision or zone*
3 *change within 120 days after the application is deemed complete*] **within the**
4 **period allowed under ORS 227.178**, the applicant may file a petition for a
5 writ of mandamus under ORS 34.130 in the circuit court of the county where
6 the application was submitted to compel the governing body or its designee
7 to issue the approval.

8 (2) The governing body shall retain jurisdiction to make a land use deci-
9 sion on the application until a petition for a writ of mandamus is filed. Upon
10 filing a petition under ORS 34.130, jurisdiction for all decisions regarding the
11 application, including settlement, shall be with the circuit court.

12 (3) A person who files a petition for a writ of mandamus under this sec-
13 tion shall provide written notice of the filing to all persons who would be
14 entitled to notice under ORS 197.797 and to any person who participated
15 orally or in writing in any evidentiary hearing on the application held prior
16 to the filing of the petition. The notice shall be mailed or hand delivered on
17 the same day the petition is filed.

18 (4) If the governing body does not take final action on an application
19 within [*120 days of the date the application is deemed complete*] **the period**
20 **allowed under ORS 227.178**, the applicant may elect to proceed with the
21 application according to the applicable provisions of the local comprehensive
22 plan and land use regulations or to file a petition for a writ of mandamus
23 under this section. If the applicant elects to proceed according to the local
24 plan and regulations, the applicant may not file a petition for a writ of
25 mandamus within 14 days after the governing body makes a preliminary de-
26 cision, provided a final written decision is issued within 14 days of the pre-
27 liminary decision.

28 (5) The court shall issue a peremptory writ unless the governing body or
29 any intervenor shows that the approval would violate a substantive provision
30 of the local comprehensive plan or land use regulations as those terms are
31 defined in ORS 197.015. The writ may specify conditions of approval that

1 would otherwise be allowed by the local comprehensive plan or land use
2 regulations.

3 **SECTION 46.** ORS 227.184 is amended to read:

4 227.184. (1) A person whose application [*for a permit*] is denied by the
5 governing body of a city or its designee under ORS 227.178 may submit to
6 the city a supplemental application for any or all other uses allowed under
7 the city's comprehensive plan and land use regulations in the zone that was
8 the subject of the denied application.

9 (2) The governing body of a city or its designee shall take final action
10 on a supplemental application submitted under this section, including resol-
11 ution of all appeals, within 240 days after the application is deemed com-
12 plete. Except that 240 days shall substitute for 120 days, all other applicable
13 provisions of ORS 227.178 shall apply to a supplemental application submit-
14 ted under this section.

15 (3) A supplemental application submitted under this section shall include
16 a request for any rezoning or zoning variance that may be required to issue
17 a permit under the city's comprehensive plan and land use regulations.

18 (4) The governing body of a city or its designee shall adopt specific
19 findings describing the reasons for approving or denying:

20 (a) A use for which approval is sought under this section; and

21 (b) A rezoning or variance requested in the application.

22 **SECTION 47.** ORS 421.649 is amended to read:

23 421.649. (1) The Department of Corrections shall obtain public services
24 necessary for the construction and operation of a women's correctional fa-
25 cility and intake center complex in the manner provided under ORS 421.628
26 (4) to (15).

27 (2) Regardless of the territorial limits of the public body providing public
28 services to the complex, and notwithstanding any other law, upon request
29 or application from the department, the public body shall provide any public
30 service necessary for the construction and operation of the complex. During
31 the pendency of any mediation, arbitration or judicial review proceeding

1 under this section, the public body shall provide any public service necessary
2 for the continued construction and operation of the complex, as requested
3 by the department.

4 (3) The existence of a public service provided to the complex [*shall*] **may**
5 not be a consideration in support of or in opposition to an application for
6 a land use decision[,] **or** limited land use decision [*or expedited land*
7 *division*] under ORS chapter 197, 197A, 215 or 227.

8 **SECTION 48.** ORS 476.394 is amended to read:

9 476.394. (1) The minimum defensible space requirements established by the
10 State Fire Marshal pursuant to ORS 476.392 may not be used as criteria to
11 approve or deny:

12 (a) An amendment to a local government's acknowledged comprehensive
13 plan or land use regulations.

14 (b) A permit, as defined in ORS 215.402 or 227.160.

15 (c) A limited land use decision, as defined in ORS 197.015.

16 (d) An expedited land division, as [*defined in ORS 197.360*] **described in**
17 **ORS 197.365.**

18 (2) Notwithstanding subsection (1) of this section, a local government
19 may:

20 (a) Amend the acknowledged comprehensive plan or land use regulations
21 of the local government to include the requirements; and

22 (b) Use the requirements that are included in the amended acknowledged
23 comprehensive plan or land use regulations as a criterion for a land use de-
24 cision.

25 **SECTION 49.** Section 1, chapter 110, Oregon Laws 2024, is amended to
26 read:

27 **Sec. 1.** (1) The Department of Land Conservation and Development and
28 the Department of Consumer and Business Services shall enter into an
29 interagency agreement to establish and administer the Housing Account-
30 ability and Production Office.

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

1 (a) Provide technical assistance, including assistance through grants, to
2 local governments to:

3 (A) Comply with housing laws;

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

5 (C) Support reliable and effective implementation of local procedures and
6 standards relating to the approval of residential development projects.

7 (b) Serve as a resource, which includes providing responses to requests
8 for technical assistance with complying with housing laws, to:

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

10 (B) Applicants for land use and building permits for residential develop-
11 ment who are experiencing permitting and land use barriers related to
12 housing production.

13 (c) Investigate and respond to complaints of violations of housing laws
14 under section 2, **chapter 110, Oregon Laws 2024** [*of this 2024 Act*].

15 (d) Establish best practices related to model codes, typical drawings and
16 specifications as described in ORS 455.062, procedures and practices by which
17 local governments may comply with housing laws.

18 (e) Provide optional mediation of active disputes relating to housing laws
19 between a local government and applicants for land use and building permits
20 for residential development, including mediation under ORS 197.860.

21 (f) Coordinate agencies that are involved in the housing development
22 process, including, but not limited to, the Department of Land Conservation
23 and Development, Department of Consumer and Business Services, Housing
24 and Community Services Department and Oregon Business Development De-
25 partment, to enable the agencies to support local governments and applicants
26 for land use and building permits for residential development by identifying
27 state agency technical and financial resources that can address identified
28 housing development and feasibility barriers.

29 (g) Establish policy and funding priorities for state agency resources and
30 programs for the purpose of addressing barriers to housing production, in-
31 cluding, but not limited to, making recommendations for moneys needed for

1 the purposes of section 35, **chapter 110, Oregon Laws 2024** [*of this 2024*
2 *Act*].

3 (3) The Land Conservation and Development Commission and the De-
4 partment of Consumer and Business Services shall coordinate in adopting,
5 amending or repealing rules for:

6 (a) Carrying out the respective responsibilities of the departments and the
7 office under sections 1 to 5, **chapter 110, Oregon Laws 2024** [*of this 2024*
8 *Act*].

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

11 (c) Establishing standards by which complaints are investigated and pur-
12 sued.

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

15 (5) As used in sections 1 to 5, **chapter 110, Oregon Laws 2024** [*of this*
16 *2024 Act*]:

17 (a) “Housing law” means ORS chapter 197A and ORS 92.010 to 92.192,
18 92.830 to 92.845, 197.360, **197.365** [*to 197.380*], 197.475 to 197.493, 197.505 to
19 197.540, 197.660 to 197.670, 197.748, 215.402 to 215.438, 227.160 to 227.186,
20 455.148, 455.150, 455.152, 455.153, 455.156, 455.157, 455.165, 455.170, 455.175,
21 455.180, 455.185 to 455.198, 455.200, 455.202 to 455.208, 455.210, 455.220, 455.465
22 and 455.467 and administrative rules implementing those laws, to the extent
23 that the law or rule imposes a mandatory duty on a local government or its
24 officers, employees or agents and the application of the law or rule applies
25 to residential development or pertains to a permit for a residential use or a
26 division of land for residential purposes.

27 (b) “Residential” includes mixed-use residential development.

28

29

UNIT CAPTIONS

30

31 **SECTION 50. The unit captions used in this 2025 Act are provided**

1 only for the convenience of the reader and do not become part of the
2 statutory law of this state or express any legislative intent in the
3 enactment of this 2025 Act.

4

5

EMERGENCY CLAUSE

6

7 **SECTION 51.** This 2025 Act being necessary for the immediate
8 preservation of the public peace, health and safety, an emergency is
9 declared to exist, and this 2025 Act takes effect on its passage.

10

LC0333 Amendment and Feedback Tracking

Policy Issue	Policy Change in LC0333	Technical Feedback	Policy Feedback	Changes Based on Feedback
Middle Housing Development Sections				
Section 1				
Unincorporated communities are serviced with urban services and are often in need of denser and more affordable housing types to meet the needs of their residents. Currently, counties are not required to allow middle housing on SFU-zoned land within these regions.	Require unincorporated urban communities to allow middle housing on lots zoned to allow for single-family residences.	<ol style="list-style-type: none"> 1. Amending definition of city in 1(1)(a) is not the correct change to incorporate this policy. 2. The definition of UUL versus urbanizable land, specifically in regard to the zoning designation, is unclear. 	<ol style="list-style-type: none"> 1. Requiring UULs will be a significant enough of a change for county planning departments. If this change occurs, UULs should be exempt from the required density bonus section in this LC and be provided the same attorney fees provisions as cities under SB1537. 2. Annexation should occur before middle housing is allowed. 	<ol style="list-style-type: none"> 1. Page 2 lines 8-9: technical fix to address that UUL land is separate from land within incorporated city boundaries. 2. Include UULs as part of the requirements of ORS 197A.420. If a UUL is within the UGB with a population <25,000, then they are part of the duplex siting requirements, and if they are a Metro jurisdiction or with a population >25,000, they are subject to all middle housing requirements. 3. Add counties to the attorney fees provisions under SB1537 as it relates to housing in UULs. 4. Exempt UULs from density bonus sections (see later sections in table). Metro UULs should still be subject to these provisions.
The definition of a cottage cluster in ORS 197A.420 is unnecessarily restrictive and does not provide flexibility for attached clusters or units with a larger footprint. It also requires a courtyard, which can result in cost and delay to development and may not meet the specific needs of that community.	Remove the requirement for cottage clusters to be detached units of 900 sq. ft. or less. Enable them to be attached. Require them to still be small units, with specifics articulated in OAR 660-046. Remove the requirement for units to circle a courtyard and replace it with a requirement for inclusion of a community amenity to be specified in rule.	<ol style="list-style-type: none"> 1. Effective date for cottage cluster changes in statute should be after rulemaking process. 2. The word footprint might prohibit the flexibility we are trying to provide around square footage, and the wording should be changes. 	<ol style="list-style-type: none"> 1. Courtyard requirement is what makes a cottage cluster a cottage cluster, removing this public benefit without specifying the other types of public benefits that will be options creates uncertainty for support as this is moved from statute to rule. 	<ol style="list-style-type: none"> 1. Modify the word “footprint” in Section 1.(1)(c) to “footprint or floor area”. 2. Add a provision specifying that the operative date of this subsection is after January 1, 2028 (this may require moving it to an entirely new section). 3. Page 2 lines 14-26: add back cottage courtyard requirement.
Current statute’s lack of reference to base zones for establishing where middle housing must be allowed creates a structure where overlay zones could effectively prohibit middles housing.	Change language in ORS 197A.420 to ‘base zoned for’ with exceptions for the following: lands that do not allow for the development detached SFUs; and lands that limit residential development for compliance with goal protections.	<ol style="list-style-type: none"> 1. The zoning language proposed here should be limited to the middle housing section, so it doesn’t create confusion for other parts of statute. 		<ol style="list-style-type: none"> 1. Add an “as used in this section” clause to Section 1.(j).

<p>Cities generally do not allow additional middle housing types to be built on a lot with an existing single unit dwelling. This makes infill developments for middle housing difficult or impossible in many instances.</p>	<p>Require that cities allow middle housing development on lots with existing single unit dwellings or duplex, and make it a nonconforming middle housing unit for purposes of MHLD</p>	<ol style="list-style-type: none"> 1. Clarify that the city shall not hold the nonconforming units to siting and design standards to qualify for a MHLD. 2. Same comment as above correlated with the second amendment. 3. Clarification around MHLD component and the definition of a qualifying development. 4. Ensure the nonconforming units stay together on their own child lot. 		<ol style="list-style-type: none"> 1. Page 4 line 28: change ‘may’ to ‘must’ in Section 1(4)(b). 2. Modify Section 1.(4)(a) to clarify that the city must allow the existing unit(s) to be nonconforming. 3. Change Section 14. (2)(a)(B) to “The retention or rehabilitation of existing units allowed under ORS 197A.420 (4), if any”. 4. Change Section 14. (4)(h) to say “to be allocated its own lot or parcel in the division” rather than “to be separated by the division”.
<p>Traffic impact analyses and traffic-related exactions create undue burden for middle housing developers and are largely unnecessary for infill lots, and often utilized to disincentivize middle housing.</p>	<p>Prohibit traffic impact analyses and traffic-related exactions for infill middle housing developments.</p>		<ol style="list-style-type: none"> 1. For infill it may make sense to remove traffic impact analysis and exactions, but this should be limited to a single middle housing development with a unit cap (4, 6, or 8 units suggested), or infill and redevelopment need to be defined. 2. Consider a carveout for some types of traffic-related infrastructure, e.g., sidewalks, while limiting others, such as road improvements. 	<ol style="list-style-type: none"> 1. Page 4 lines 11-13: specify that the prohibition on traffic impact analysis applies to a single middle housing development (duplexes, triplexes, quadplexes, cottage clusters or townhouses [maximum 8 dwelling units], including any density bonuses) on sites within areas of existing residential housing served by urban services.
<p>Section 3</p>				
<p>Creating affordable homeownership opportunities is a key policy goal for the state, especially with long-standing racial disparities in homeownership resulting from discriminatory federal and state policies. Density bonuses are an effective way to operationalize this goal and incentivize affordable housing development.</p>	<p>Require cities to allow for 1-2 additional units on sites zoned for duplexes, triplexes, or quadplexes if sold as affordable housing. Standards should dictate that there must be at least one unit that sells for at or below 120% of median income with a 10-year resale restriction. Cities may seek recourse for unmet standards.</p>	<ol style="list-style-type: none"> 1. There is confusion regarding the definition of lot, parcel, or area as it is used for different circumstances, this should be clarified. 2. It is unclear what plex type middle housing developments become after receiving a density bonus, this should be clarified. 	<ol style="list-style-type: none"> 1. UULs should exempt from this requirement if they are newly required to allow for middle housing. 2. Some cities have affordable housing density bonuses that require deeper affordability or additional units. This LC should not preempt those requirements. 3. Cities do not have the capacity to enforce affordability requirements, a mechanism for enforcement that does not impact cities should be included. 4. Cities currently have the ability to restrict below middle housing requirements if related to goal protections, this should be extended to the density bonus. 	<ol style="list-style-type: none"> 1. Page 5-6 lines 24-31 and 1-18: remove affordable housing provisions for middle housing in non-Metro UULs. 2. Page 5-6 lines 24-31 and 1-18: add provisions to clarify that this section does not prohibit a city from enacting an affordable housing density bonus that provides more affordable housing units, or a deeper level of required affordability, in order to meet the requirements of this section. 3. Page 5-6 lines 24-31 and 1-18: add provisions specifying that DAS OEA will publish an affordable price cap and income eligibility cap by region on an annual basis for the purposes of administering the affordable housing bonus. 4. Page 5-6 lines 24-31 and 1-18: add provisions specifying that the

				<p>affordability restriction is executed via a recorded deed restriction prior to a city issuing a certificate of occupancy.</p> <ol style="list-style-type: none"> 5. Page 5-6 lines 24-31 and 1-18: clarify that density bonus is still subject to goal protections and can be denied based on goal protections – include language in the provision that mirrors that of ORS 197A.420(5): ‘Local governments may regulate middle housing to comply with protective measures adopted pursuant to statewide land use planning goals.’ 6. Page 6 lines 7-10: clarify what ‘lot, parcel, or area’ means under Section 3(2). 7. Page 6 lines 11-12: clarify that the density bonus provision results in a triplex or quadplex. 8. Page 6 lines 13-14: clarify that the density bonus provision results in additional townhouse allowance, a 6-unit development, or additional cottage cluster allowance.
<p>Creating accessible housing is a key policy goal for the state. Density bonuses are an effective way to operationalize this goal and incentivize affordable housing development.</p>	<p>Require cities to allow for 1-2 additional units on sites zoned for duplexes, triplexes, or quadplexes if built to an accessible standard.</p>	<ol style="list-style-type: none"> 1. There is confusion regarding the definition of lot, parcel, or area as it is used for different circumstances, this should be clarified. 2. It is unclear what plex type middle housing developments become after receiving a density bonus, this should be clarified. 	<ol style="list-style-type: none"> 1. UULs should exempt from this requirement if they are newly required to allow for middle housing. 2. Some cities have accessible housing density bonuses that require more accessibility or additional units. This LC should not preempt those requirements. 3. Cities currently have the ability to restrict below middle housing requirements if related to goal protections, this should be extended to the density bonus. 	<ol style="list-style-type: none"> 1. Page 5-6 lines 24-31 and 1-18: remove accessible housing provisions for middle housing in non-Metro UULs. 2. Page 5-6 lines 24-31 and 1-18: add provisions to clarify that this section does not prohibit a city from enacting an accessible housing density bonus that provides more accessible housing units in order to meet the requirements of this section. 3. Page 5-6 lines 24-31 and 1-18: clarify that density bonus is still subject to goal protections and can be denied based on goal protections – include language in the provision that mirrors that of ORS 197A.420(5): ‘Local governments may regulate middle housing to comply with protective measures adopted pursuant to statewide land use planning goals.’ 4. Page 5 lines 25-29: amend language to specify ‘a unit of housing that complies

				<p>with the “Type A” requirements applicable to units as set forth in section 1103 of the Standard for Accessible and Usable Buildings and Facilities (ICC A117.1-2017) published by the International Code Council and codified in Oregon state building code.’</p> <p>5. Page 6 lines 7-10: clarify what ‘lot, parcel, or area’ means under Section 3(2).</p> <p>6. Page 6 lines 11-12: clarify that the density bonus provision results in a triplex or quadplex.</p> <p>7. Page 6 lines 13-14: clarify that the density bonus provision results in additional townhouse allowance, a 6-unit development, or additional cottage cluster allowance.</p>
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Single Room Occupancy Sections

Section 6

<p>SRO units are counted on a 1:1 ratio to FUs, although they take up significantly less space than a traditional unit. Therefore, density standards and parking mandates are applied to SRO units the same as they would be applied to a traditional unit.</p>	<p>Define SROs as one-third of a traditional unit for purposes of density standards and parking mandates.</p>		<ol style="list-style-type: none"> 1. Detached” should be added to the definition of SROs that local governments must allow. 2. Changes associated with parking requirements (counting as one-third of a dwelling unit) should be removed for purposes of employees providing supportive services. 3. BLIs/capacity analyses should be limited in how this new SRO unit would affect the calculation. 	<ol style="list-style-type: none"> 1. Delete the word “maximum” in Section 6. (3). 2. Allow attached and detached SROs. 3. Clarify that the adjustment to allowed parking requirements in Section 6. (3) is tied to the base zoning – suggested language is “For the purpose of any requirement establishing the minimum number of parking spaces for a single room occupancy development, local governments shall not require more than the parking the local government requires for a single detached dwelling for every three single room occupancy units in a development including up to six units, and shall not require more than the parking required for one dwelling unit in a multi-unit housing development for every three single room occupancy units in a development including more than six units”. 4. Add clarification that the provisions of Section 6. (3) do not apply to residential care facilities as defined in ORS 443.100.
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Promoting Housing Density Sections				
Sections 7 through 10				
CC&Rs often pose a barrier to middle housing production if a lot has a CC&R that restricts denser housing types or ADUs.	Invalidate CC&Rs passed prior to HB 2001 (2019) that prohibit middle housing development.	1. Change single family term to be consistent with DLCD's LC 331.	1. Remove due to controversial nature of change and potential legal challenges. 2. Limit middle housing requirement to ADU and or/duplex development.	1. In Section 7, change "single-family" to "single-unit" to be consistent with proposed language changes in LC 331
Section 11				
Local governments may downzone an area to reduce the density of allowed housing. This makes it more difficult to develop dense and affordable housing.	Disallow downzoning within an urban growth boundary.	1. The inclusion of 'or required' is unrelated to reduction in zoned capacity and should be removed.	1. Downzoning is used as a mechanism for manufactured home park preservation and should not be included. 2. Applying this provision to specific zone designations or lots or parcels could have the unintended consequence of city hesitance to upzone, consider applying this provision in the aggregate. 3. Applying this provision to specific zone designations or lots or parcels could have the unintended consequence of city inability to require something like open space in the future, if not already required.	1. Remove this section.
Sections 12 and 13				
In response to a court opinion which interpreted that requirements outside of that attached to the specific housing unit were not covered under the clear and objective requirements. This is against the legislative intent, and statutory clarification is required to ensure that all development requirements related to needed housing are clear and objective.	Amend ORS 197.307 to clarify that additional aspects of a housing development that make it usable, e.g., public right-of-way, are still subject to clear and objective standards.		1. This effectively requires clear and objectives standards for public works requirements which is extraordinarily difficult for engineering standards. 2. This could have the unintended impact of slowing production while engineering departments figure out how to establish clear and objective standards citywide. 3. Add tree removal codes for residential development to clear and objective standards.	1. Remove current language in Section 12. (1) and Section 13. (1) and replace with more specific language rather than "urban services". 2. Add provision that tree removal code on residential properties has to be clear and objective.
Expedited and Middle Housing Land Divisions Sections				
Section 14				
The intent of the MHLD statute was to only allow a division for one middle housing development proposal. The statute currently reads 'a proposal for development of middle housing.' Clarifying	Amend ORS 92.031(2)(a) to require approval of one MHLD proposal under applicable criteria.	1. Scrivener's error 2. Density bonus units should be eligible for a MHLD	1. MHLD shouldn't be used for greenfield development.	1. Change reference to Section 5 in Section 14. (1) to Section 3 2. Clarify the definition of "one middle housing development in Section 14. (1)(a) by moving the existing (B) to (C)

<p>this point will make it easier for cities to implement.</p>				<p>and adding a new (B) which includes units produced through a density bonus – i.e., all of the types listed in (A) and the six-plex.</p>
<p>There is some disagreement over whether the language of ORS 92.031(4)(e) permits a city to allow the submission of an MHL D application before submission of an application for those building permits. This should be clarified so that cities can adopt this procedure into their code and allow submission of an MHL D application in these instances.</p>	<p>Amend ORS 92.031(4)(e) to explicitly allow submittal of an MHL D application before, during, or after submission of building permit applications.</p>		<p>1. The “before” option shouldn’t be allowed, given that the units need to comply with building code and local governments would have no way of discerning that without building plans.</p>	<p>1. Require that the local government issue a tentative plat for those instances where building plans have not been received.</p>
<p>Sections 20 and 21</p>				
<p>The local appeals process for MHL Ds is burdensome for city governments and adds time and cost to development projects.</p>	<p>Remove MHL D and expedited land division local appeals section and send cases straight to LUBA without an option for a local appeal.</p>		<p>1. Requests for Court of Appeals vs LUBA. 2. General discomfort around this being a land use decision.</p>	<p>1. Change the “May” in Section 20. (2) back to “Must”.</p>
<p>Rulemaking Sections</p>				
<p>Section 22</p>				
	<p>Manufactured middle housing – prohibiting siting and design standards that cities have implemented in code that have the effect of preventing manufactured middle housing siting.</p>		<p>1. Establish effective date for rules to help manage local workload. 2. Identify policy intent be under Section 22.(2)(a). 3. Cities should be allowed time to implement other law and rule changes before these are changed again.</p>	<p>1. Add an effective date for the rules</p>
	<p>Cottage cluster definition – define “small footprint” and “community amenity” in ORS 197A.420 in rule.</p>	<p>1. Same footprint comment as earlier. 2. The word “appropriately” does not serve a purpose and binds us to an arbitrary adjective.</p>		<p>1. Remove the word “appropriately” from Section 22. (1)(c). 2. Change the word “footprint” to “footprint and floor area” in Section 22. (1)(c).</p>
	<p>Siting and design parameters for existing housing types – assess barriers to production stemming from allowed siting and design standards and amend the existing ones in OAR 660-046.</p>	<p>1. Clarify that the intent is only to address middle housing types.</p>	<p>1. Policy intent could be clarified.</p>	<p>1. Add the word “middle” to “housing types” in Section 22. (1)(d). 2. Remove “to better facilitate housing production, availability and affordability” in Section 22. (1)(d) and state “in accordance with the principles outlined in ORS 197A.025”.</p>

	Parameters around discretionary pathways for approval – clarify what local committees are allowed to evaluate in the approval or denial of a housing project.		1. Policy intent could be clarified.	1. Add to the end of Section 22. (1)(e) the phrase “in accordance with the principles outlined in ORS 197A.025”.
	Remove the current state administrative rules requiring demolition review for contributing resources in historic districts that are listed only on the National Register of Historic Resources and do not have a local Goal 5 designation process.	1. It’s not just houses that have to go through this review, but all contributing structures, plus, actual listed houses should be preserved.	1. This is problematic and chipping away at historic resources, also, it is cheaper to convert than demolish these buildings.	1. Remove “houses” from Section 22. (1)(f) and replace it with “eligible, contributing structures that do not have a local Goal 5 designation process.”
	System development charges – create a model for SDC for residential development.		1. Legal protection for using the SDC would be helpful for cities 2. Concern that this is a slippery slope to preemptive SDC model	1. Add a statement to Section 22. (1)(g) that creates legal protection for cities that utilize the state model SDC

“SECTION 1. Sections 2 and 3 of this 2025 Act are added to and made a part of ORS 285B.410 to 285B.482.

“SECTION 2. (1) The Oregon Infrastructure Finance Authority may provide financial assistance, in the form of grants or loans, to a city, a district as defined in ORS 198.010 or a tribal council of a federally recognized Indian tribe in this state for a project that will primarily support the development of planned housing as described in subsection (2) of this section. A project under this section may include:

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

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

“(2)(a) To be eligible for financial assistance under this section the proposed housing development must have a minimum density of:

“(A) Seventeen dwelling units per net residential acre if sited within the Metro urban growth boundary;

“(B) Ten units per net residential acre if sited in a city with a population of 25,000 or greater;

“(C) Six units per net residential acre if sited in a city with a population of 2,500 and greater and less than 25,000; or

“(D) Five units per net residential acre if sited in a city with population less than 2,500.

“(b) As used in this subsection, ‘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.

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

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

“(b) The housing will be made affordable to households with very low, low or moderate income as defined in ORS 458.610:

“(A) For a period of no less than 30 years from the date the housing is first available for occupancy as rental housing; or

“(B) For a length of time to be established by rule from the date the housing is first sold as owner-occupied housing.

“(4) A county, a county service district organized under ORS chapter 451, a housing authority as defined in ORS 456.005 or a housing developer may partner with a willing applicant to apply for and receive funding and to carry out projects under this section. Agreements may be used to enumerate applicants’ and partners’ responsibilities, including financial responsibilities and appropriate allocations of funds awarded and responsibility for loan repayment or grant performance.

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

“(6) The Housing Accountability and Production Office shall provide assistance in developing requirements and prioritizing funding under this section. In administering this program, the department shall coordinate with:

“(a) The office;

“(b) The Oregon Business Development Department with respect to its administration of the housing site cleanup and mitigation program under section 5 of this 2025 Act; and

“(c) The Housing and Community Services Department with respect to its administration of the

Housing Project Revolving Loan Fund under section 35, chapter 110, Oregon Laws 2024.

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

“SECTION 3. (1) The Housing Infrastructure Project Fund is established in the State Treasury, separate and distinct from the General Fund.

“(2) The Oregon Business Development Department may accept grants, donations, contributions or gifts from any source for deposit in the Housing Infrastructure Project Fund.

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

“(4) Moneys in the fund are continuously appropriated to the department to administer the fund and to implement section 2 of this 2025 Act.

“SECTION 4. Sections 5 and 6 of this 2025 Act are added to and made a part of ORS chapter 285A.

“SECTION 5. (1)(a) The Oregon Business Development Department may provide financial assistance, in the form of grants or loans, to a city or a tribal council of a federally recognized Indian tribe, to provide site cleanup and mitigation of publicly or privately owned properties zoned for residential or mixed-use development in order to allow for a specific housing development project for households with very low, low or moderate income.

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

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

“(a) The land to be purchased must be for housing development that requires density not less than that described in section 2 (2) of this 2025 Act; and

“(b) The housing to be developed on that land must be subject to an affordable housing covenant as described in section 2 (3) of this 2025 Act, with the affordability period described in section 2 (3)(b)(B) of this 2025 Act established by the department by rule.

“(3) A housing authority as defined in ORS 456.005 or a housing developer may partner with a willing applicant to apply for and receive funding and to carry out projects under this section. Agreements may be used to enumerate applicants’ and partners’ responsibilities, including financial responsibilities and appropriate allocations of funds awarded and responsibility for loan repayment or grant performance.

“(4) In administering this program, the department shall prioritize funding the applications of cities and Indian tribes with the greatest need for housing affordability or production.

“(5) In administering this program, the department shall use no less than:

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

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

“(6) The Housing Accountability and Production Office shall provide assistance in developing requirements and prioritizing funding under this section. In administering this program, the department shall coordinate with:

“(a) The office;

“(b) The Oregon Infrastructure Finance Authority with respect to its administration of the housing infrastructure financing program under section 2 of this 2025 Act; and

“(c) The Housing and Community Services Department with respect to its administration of the

Housing Project Revolving Loan Fund under section 35, chapter 110, Oregon Laws 2024.

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

“SECTION 6. (1) The Housing Site Readiness Fund is established in the State Treasury, separate and distinct from the General Fund.

“(2) The Oregon Business Development Department may accept grants, donations, contributions or gifts from any source for deposit in the Housing Site Readiness Fund.

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

“(4) Moneys in the fund are continuously appropriated to the department to administer the fund and to implement section 5 of this 2025 Act.

“SECTION 7. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Business Development Department, for the biennium beginning July 1, 2025, out of the General Fund, the following amounts:

“(1) \$100,000,000 for deposit into the Housing Infrastructure Project Fund under section 3 of this 2025 Act.

“(2) \$10,000,000 for deposit into the Housing Site Readiness Fund under section 6 of this 2025 Act.”.



Potential Evaluation Considerations and Metrics for LOCAL INFRASTRUCTURE PROJECTS TO SUPPORT HOUSING

In response to Senate Bill 1537 (2024), Section 16





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Executive Summary



Potential Evaluation Considerations and Metrics for Local Infrastructure Projects to Support Housing

in response to Senate Bill 1537 (2024), Section 16

The need to accelerate housing production has led to more legislative requests to fund housing-related infrastructure. Minimal structure exists to evaluate those requests today. Applicants submit a general form, and decisions are made within a tight timeline as part of the legislative budget negotiation process based on the information provided and legislators' priorities. State agencies review adopted funding requests to verify that projects have the necessary documentation and are ready for funding, but issues can arise when projects are not clearly defined or cannot meet required funding timelines or criteria.

In 2024, the Legislature took initial steps to improve the project selection process. As part of that work, it directed the Department of Land Conservation and Development (DLCD) to provide "a list of key considerations and metrics the Legislative Assembly could use to evaluate, screen and prioritize proposed local infrastructure projects that facilitate and support housing within an urban growth boundary" (UGB) by the end of 2024.

This report responds to the legislature's directive, offering a framework of considerations and metrics to evaluate legislative funding requests for housing-related infrastructure projects. The framework focuses primarily on two criteria—readiness and housing relevance—but recognizes that legislators may consider many other factors as they prioritize projects. DLCD developed the framework with support from consultants at **ECOnorthwest** and **Conсор Engineering** and input from legislators and legislative staff, state agency staff, representatives from local governments, housing developers, and advocacy organizations. The evaluation framework is summarized below.

Stage 1: Evaluating readiness for funding and alignment with legislative intent.



INFRASTRUCTURE READINESS:

Is the infrastructure project timely to fund in this biennium?



HOUSING RELEVANCE:

Will the infrastructure project enable production of needed housing within a UGB?

INFRASTRUCTURE READINESS

- ◆ **Metrics evaluate whether projects are likely to be feasible** as proposed and meet required timelines for state bond funding (the most common source of funding for legislative appropriations). Criteria include availability of other funds needed to complete the project, sufficient design and permitting progress to ensure project viability and avoid delays, consistency with adopted plans, and the applicant's administrative and fiscal capacity to manage the funds.
- ◆ **Projects may rate high, medium, or low on each metric.** Those that rate high on most or all criteria are very likely to be able to meet funding requirements. Those that rate medium have potential to address remaining requirements within the time available. Those that rate low on one or more of the criteria face potential barriers that may prevent them from accessing or utilizing funds appropriated within the time frames required, and they may need a different funding mechanism or more time and technical assistance to be successful.



HOUSING RELEVANCE

- ◆ **The framework considers three categories of infrastructure projects** as relevant to housing production: projects needed for specific housing development, projects that will support housing development in a planned growth area, and projects that address a system-level issue impacting housing development.
- ◆ **Projects within these categories are rated based on housing impact** (how well the housing aligns with local or statewide housing needs) and housing development readiness (how quickly housing could be built following the completion of the infrastructure project). High ratings indicate clear evidence of impact or readiness; medium ratings indicate that the situation is more complex or nuanced and that assessing impact or readiness requires judgment or additional information; and low ratings suggest that funding the infrastructure project is less likely to have a meaningful impact on near- to midterm production of needed housing, though the project may be important for other reasons.

Stage 2: Additional factors that could be considered as part of legislative decisions and prioritization at legislators' discretion.

These factors could be used to prioritize funding requests for projects that meet readiness criteria and are relevant to housing production. Relevant criteria are not defined in detail in this framework, but could be developed as a follow-up to complement the criteria related to housing.



LEVERAGE: Will funding help secure other grants or bridge funding gaps?



RELATIVE VALUE: How do expected results compare to the amount requested?



EQUITY: How are benefits (and burdens) distributed?



COBENEFITS: How would this investment support other state and local goals and priorities?

The legislature retains discretion for how (and whether) to implement the framework and suggested considerations. Additional work is needed to further detail considerations beyond infrastructure readiness and housing relevance and to operationalize the framework for use if so desired. The framework may also need to be updated as jurisdictions begin to implement new approaches to planning for housing under the new Oregon Housing Needs Analysis (OHNA) system, which will offer clearer metrics related to housing impact and relevance.

The framework is not intended to replace or de-emphasize funding programs administered by state agencies. Agency funding and technical assistance programs—which offer more accountability and support than is possible within a legislative appropriation process—will continue to play a critical role in helping applicants prepare projects for funding, especially in less-resourced communities with little staff capacity. Ideally, legislative funding can complement agency programs, offering additional support to urgent or high-priority projects and ensuring open access to funding for communities throughout the state.

Overview & Purpose

The 2024 Legislature directed the Department of Land Conservation and Development (DLCD) to provide an evaluation framework for housing-related infrastructure funded by direct appropriations as part of Senate Bill (SB) 1537 (2024), Section 16.

The bill directs the framework to include **“a list of key considerations and metrics the Legislative Assembly could use to evaluate, screen and prioritize proposed local infrastructure projects that facilitate and support housing within an urban growth boundary”** (UGB). The legislative deadline is December 31, 2024. This report offers a draft framework for considerations and metrics in funding local housing-related infrastructure projects consistent with this legislative direction. Infrastructure projects that are addressed in the proposed framework include water, sewer, stormwater management, and transportation, or a combination of these services and facilities.

Unlike established agency programs, the current process for funding infrastructure with direct appropriations operates without the benefit of consistent definitions, review considerations, and documentation. Applicants submit a general form applicable to all capital funding requests to the legislature, the Legislative Fiscal Office (LFO) organizes and reviews the requests, and legislators and their staff evaluate the projects based on the assembled information and the legislators' priorities. Decisions are made within a tight timeline as part of the legislative budget negotiation process. Staff from Business Oregon and the Department of Administrative Services (DAS) Capital Finance group generally work with those selected for appropriations after the session to verify that projects have the necessary documentation and are ready for funding. Sometimes issues arise when projects are unable to meet the timelines or criteria for funding or are not clearly defined.

During the 2024 session, the Legislature undertook an effort to improve this process by identifying considerations and information that could inform the evaluation and selection of infrastructure projects that would facilitate housing production. While this initial effort was a meaningful step, it was limited by the lack of time and capacity inherent to legislative sessions. Section 16 of SB 1537 (2024) was intended to build upon this initial effort and to allow for more in-depth analysis and discussion.

The considerations and metrics in this framework offer a starting point to expand on the existing application process for legislative funding requests. The framework offers a **standardized set of evaluation criteria with which legislators can assess infrastructure project readiness and connection to housing** to ensure that funding is effectively and efficiently spent.



This draft framework provides information to support legislative decision-making while allowing legislators to express their priorities; it is not meant to direct or constrain legislators' decisions. As a result, while the framework provides ratings for two key factors (infrastructure readiness and relevance to housing), it **does not establish an overall rating, ranking, or prioritization system**. This is reflected in the two-stage organization of the framework, which is illustrated below.

► Framework overview

The preliminary evaluation framework is organized in two stages:

STAGE 1: Evaluating projects for alignment with legislative intent and readiness for funding.

» **INFRASTRUCTURE READINESS:**

Is the infrastructure project timely to fund in this biennium?

» **HOUSING RELEVANCE:**

Will the infrastructure project enable production of needed housing within a UGB?

STAGE 2: Additional factors that could be considered as part of legislative decisions and prioritization at legislators' discretion.

» **LEVERAGE:** Will funding help secure other grants or bridge gaps?

» **RELATIVE VALUE:** How do expected results compare to the amount requested?

» **EQUITY:** How are benefits (and burdens) distributed?

» **COBENEFITS:** How would this investment support other state and local goals and priorities?

Stage 1 considerations related to infrastructure project readiness (page 6) and relevance to housing production (page 10) are more detailed and have the benefit of more extensive review and input from experts and practitioners. Detailed criteria for Stage 1 considerations are included in Appendix A. Stage 2 considerations related to leverage, relative value, equity, and cobenefits are more general and would benefit from additional focused attention in collaboration with relevant agencies and interested parties to further detail the relevant metrics and appropriate evaluation systems for these considerations.

The framework does not replace or de-emphasize funding programs administered by state agencies. Those programs offer more structure and monitoring, time for review and evaluation, and specialized applicant support than can be offered during a legislative appropriation process. The framework draws on key considerations and criteria from state agency funding programs (among other inputs) to highlight those that affect readiness and suitability for legislative funding. By aggregating commonly used criteria for project readiness, the framework is designed to increase the accountability and measurability of legislative appropriations through a more standardized, systematic approach to review and evaluation.



Who and What Informed This Framework?

DLCD prepared this framework with support from consultants at EConorthwest and Consor Engineering. DLCD also consulted a variety of state, local, and private sector experts and practitioners to inform this framework, including:

- ◆ **An interagency workgroup hosted by DLCD**, including representatives from DLCD, the Department of Environmental Quality, Oregon State Fire Marshal, Oregon Department of State Lands, Oregon Health Authority, Oregon Department of Transportation, Oregon Department of Consumer & Business Services (Building Code Division), Business Oregon, and Oregon Housing and Community Services (see summary of the workgroup process and findings in [Appendix B](#) for details).
- ◆ **Focus groups and other discussions with interested parties**, including representatives from cities, counties, and special districts; housing providers; and advocacy organizations (see engagement summary in [Appendix C](#) for details).
- ◆ **Interviews with legislators and legislative and agency staff** involved with recent similar legislative appropriations, including staff at the Department of Administrative Services Capital Finance division and Legislative Fiscal Office (key findings included in [Appendix C](#)).

Most of the input from these groups focused on the infrastructure readiness and housing relevance considerations and metrics captured in Stage 1 of this draft framework.

In addition, DLCD and EConorthwest researched **case studies** of other frameworks for evaluating capital investments, such as the Higher Education Coordinating Commission's scoring rubric for evaluating funding requests, Oregon Housing and Community Service's Oregon Centralized Application (ORCA), San Luis Obispo Council of Governments' Housing and Infrastructure Regional Framework, and Boston Streets Infrastructure Prioritization Project. (See [Appendix D](#) for details).

Preliminary Evaluation Framework

This evaluation framework assumes that applicants will generally be local jurisdictions (cities, counties, or special districts), though they may be applying in partnership with developers or other entities.

Stage 1 Considerations

Stage 1 considerations are intended to objectively assess whether a project can successfully be funded through a legislative appropriation in the active biennium and whether the project aligns with the legislative intent of facilitating housing production. The goal is not to eliminate or disqualify projects from consideration for funding but rather to identify those projects that are less ready or less relevant to housing production. With eyes open, legislators can then decide which projects to fund, as there may be other reasons for a project to proceed to funding despite not meeting all the proposed Stage 1 metrics. This section summarizes the approach to evaluating Stage 1 considerations; additional detail is available in Appendix A.



Infrastructure Readiness: Is the infrastructure project timely to fund in this biennium?

WHY THIS MATTERS

Most direct appropriation projects receive funding from state bonds; the remainder are funded by the state general fund. To be able to receive bond funding within a given biennium, projects must meet specific timing requirements. Projects that are further along in planning, design, permitting, and securing other funding sources are more likely to be able to meet these timelines. Projects that cannot meet the required timelines may require extensions that add time and cost for the state or may be unable to receive the approved funding at all. Projects that are not clearly defined may need clarifications or updates to project descriptions in future biennia to allow the project to move forward, creating delays and additional work for legislators and applicants. Projects are also more likely to be successful if they are consistent with adopted infrastructure plans and if other impacted system components will be able to handle any increase in demand.

While there are exceptions, the general requirements that impact timing for bond funding include:

- ◆ **Any additional funds needed to complete the project must be secured before bonds are issued.** In recent sessions there have been two rounds of bond issuance during the biennium, typically 7 and 19 months after the legislative decision. If other funds (beyond those appropriated) are not adequately secured in time, the project

may not be able to move forward to bond issuance. Projects that can be scaled if needed—so a portion of the project can be completed with the amount of funding requested as an appropriation—have an alternative pathway to being approved for bond issuance because there will still be a project if other funding falls through.

- ◆ **Funds requested must be expended within 3 years of bond issuance**, meaning within 4–5 years of funding approval. If project expenditures extend beyond this time frame, the state's bonding costs likely increase. Projects must be close to ready for construction to be completed within this time frame.
- ◆ **Any needed property must be identified in advance** of bond issuance; bond funds cannot be used for site selection.

Additional details regarding timelines for legislative appropriations are included in Appendix C, based on interviews with relevant legislative and agency staff.

POTENTIAL EVALUATION SYSTEM

The proposed evaluation system intends to distinguish between projects that will most likely meet the state's timing requirements for funding and reach completion with minimal delay, those that would benefit from or require additional review to confirm their readiness or viability, and those that are likely to encounter significant delays or face obstacles to accessing or utilizing funding from a legislative appropriation.

Determining readiness in detail generally requires a review of project-specific files and details that may not be possible or appropriate for legislative staff during the legislative session. The recommended framework differentiates between projects that meet a straightforward readiness test and those that may require more substantive review and consideration of project-specific context, potentially outside of the legislative session. Note that **all readiness considerations in this section relate to the infrastructure project itself**, not to the future housing development that would benefit from the infrastructure; housing development readiness is addressed in the following section.

- 1. High readiness:** Low-risk projects with a high likelihood of being able to meet timing requirements for funding and proceed with minimal delay. Projects that have applied for funding through state agency funding programs (e.g., Business Oregon or DEQ), passed first-round review, and received a conditional award would generally meet this standard. Additionally, these projects will have the necessary land use entitlements and regulatory permits, or they are at least in the final stages of approval.
- 2. Medium readiness:** Projects that would benefit from additional review to confirm readiness and/or viability, or projects that have work in progress that will need to be completed prior to funding. In many cases, projects at a "medium" readiness level will be able to meet requirements for funding in time, but risk of delays or issues that could impact viability remain.
- 3. Low readiness:** Projects with substantial uncertainty that require additional review to determine the ability to meet timelines for funding within the biennium or to identify alternative pathways to project funding.



POTENTIAL INFRASTRUCTURE-READINESS METRICS

Key metrics to evaluate infrastructure project readiness include:

- ◆ **Funding sufficiency:** Other funds needed to complete the project (if any) will be available within the required timelines. (Note that match or leverage is not a requirement related to readiness and is instead included as a Stage 2 consideration.)
- ◆ **Project design and permitting progress:** Design and permitting have advanced sufficiently to provide reasonable cost estimates and to identify and resolve potential issues that could delay or derail the project.
- ◆ **Site selection and control:** The location for the project has been determined and the appropriate entity has rights to build the project in that location.
- ◆ **Plan consistency:** The project is consistent with applicable planning documents (e.g., system plans, public facility plans, and/or capital improvement plans).
- ◆ **System-level functionality:** The relevant infrastructure system is not limited by other broader capacity or compliance issues (unless those issues will be resolved by the proposed project).
- ◆ **Fiscal and administrative capacity:** The entity receiving the appropriation has the authority to spend and manage project funding and the capacity to track and record expenditures.

Potential definitions and criteria for High, Medium, and Low Readiness on each of these metrics are included in **Appendix A**.

All of these metrics are similarly important to establishing readiness. A rating of “low” on any of these criteria could be a cause for concern and could indicate that the project will struggle to successfully access or expend funds awarded to it, even if other ratings are “medium” or “high.” If none of the criteria are rated as “low,” more “high” ratings indicate that the project is better positioned for funding. However, many projects will have a mix of “high” and “medium” ratings, which is not necessarily a cause for concern as long as there are no “low” ratings. Projects with low infrastructure readiness could still be included in an appropriation, but legislators would have advance notification that the project would have a higher risk of needing an extension or legislative fix to refine the project description in future biennia if selected for funding.



► What about small and under-resourced communities?

Small communities may face challenges demonstrating infrastructure project readiness due to limitations around staffing, resources, and access to additional funding. This framework does not exclude or eliminate projects that are less able to demonstrate readiness; however, it recognizes that the funding timelines for legislative appropriations are relatively inflexible, and projects that are not ready within those timelines may not be possible to successfully fund through an appropriation, regardless of need or importance.

There are several possible ways to address this challenge:



1. **Continue to support agency programs:** In some cases, small or under-resourced communities that are unable to achieve “high” or “medium” readiness on their own may be more successful in obtaining and using funding through agency programs that offer more support and technical assistance to prepare projects for funding. This highlights the on-going importance of agency programs as a way to fund projects in small or under-resourced communities. The legislature could direct additional funding toward existing programs (or new ones) that better support small and under-resourced communities.



2. **Continue to support technical assistance:** The 2024 legislative session included funding for Business Oregon to support local governments in planning and securing funding for infrastructure to support housing production. This program (or similar pathways that can fund the design, analysis, or other preparation work needed to get projects ready for construction funding) can help jurisdictions prepare for a variety of funding opportunities, including legislative appropriations, grants, etc. Ideally, this program or similar ones could provide a supportive track for small or under-resourced communities to achieve readiness for funding so those that “graduate” from the program would automatically be able to achieve “high” readiness ratings across most or all metrics.



3. **Fund design and permitting work:** Because bonds can be used to fund design and permitting for planned capital projects, in a few cases, it may be appropriate for the legislature to fund this work (in addition to or instead of funding construction) to advance projects to readiness for construction.



4. **Fund low-readiness projects and accept the risks:** The legislature can select projects for funding even if they rate “low” on the readiness criteria. This could lead to delays in use of the funding or other challenges with project implementation, but the legislature may decide in some cases that the potential benefits are worth the risk.



Housing Relevance: Will the infrastructure project catalyze the production of needed housing within a UGB?

WHY THIS MATTERS

SB 1537, Section 16 calls on DLCD to provide ways to evaluate local infrastructure projects that facilitate and support housing within an urban growth boundary. The state is in the process of rolling out the Oregon Housing Needs Analysis (OHNA)—a new system of planning for housing needs that will increase focus on housing production and equitably addressing housing needs at the local level. Infrastructure is a key component of supporting housing production. Infrastructure funding also competes with many other funding priorities in the state budget. Given the competition for scarce resources and the scope of the state's housing challenge, broad support exists to allocate funds to projects that are the most likely to meet urgent housing needs and support near-term housing production.

POTENTIAL EVALUATION SYSTEM

The evaluation system would identify projects that have a clear nexus to housing production and those that are more likely to advance the production of needed housing in the near term.

- 1. High Relevance:** Projects that rate "high" on housing relevance have a clear connection with the legislative intent to direct funding to projects that address urgent housing needs and support near-term housing production.
- 2. Medium Relevance:** Projects that rate "medium" likely align with legislative intent to support housing production, though they may have more nuance in development readiness and/or whether the resulting housing will address unmet housing needs.
- 3. Low Relevance:** Projects that rate "low" on housing relevance may provide some benefit to housing production but exhibit less of a direct nexus to unmet needs, or housing development may be inhibited by other issues beyond the scope of the infrastructure project.

Projects identified as having medium or low housing relevance could still be included in an appropriation, especially since these projects may meet other legislative objectives beyond supporting housing production.

POTENTIAL HOUSING RELEVANCE METRICS

Key considerations for establishing an infrastructure project's relevance and importance to supporting production of needed housing include:

- ◆ **Nexus to housing:** How does the infrastructure project support production of needed housing?
- ◆ **Housing impact:** Why is the housing that could be supported by this infrastructure project important to meeting local or statewide housing needs?
- ◆ **Housing development readiness:** How quickly could housing development follow completion of the infrastructure project?

The available information and relevant metrics to capture these considerations differ based on whether the infrastructure is linked to a specific development proposal, will provide service or increase capacity to a planned growth area, or will increase system capacity overall. The potential metrics and indicators, identified below and in Appendix A, vary between these contexts.



Nexus to housing

- ◆ **Site-specific:** Infrastructure project is required to serve a residential or residential mixed-use development within an urban growth boundary
- ◆ **Planned growth area:** Infrastructure project provides capacity or improves ability to accommodate growth (including infill or redevelopment) in an area within an urban growth boundary planned for residential or residential mixed-use development
- ◆ **System capacity:** Infrastructure project addresses a system-level capacity limitation or compliance issue that is impacting or likely to impact housing development within an urban growth boundary

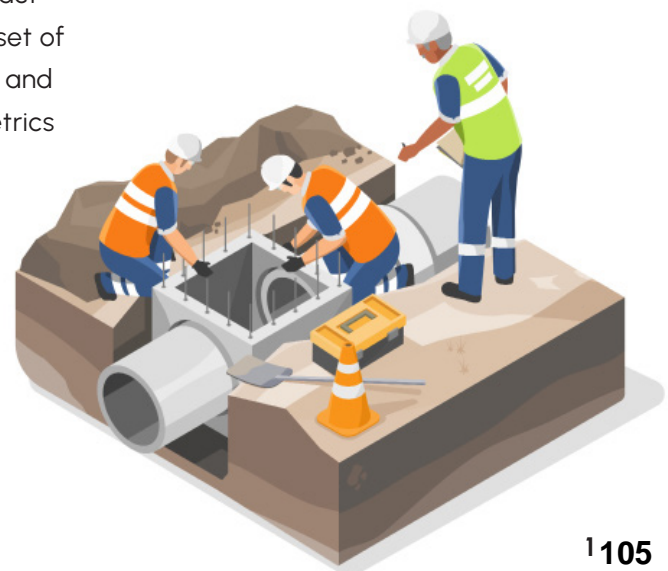
Housing impact

- ◆ **Site-specific:** Extent to which housing development includes income-qualified affordable housing units and/or aligns with local housing needs (e.g., housing type, characteristics, location, timing, and/or scale of development)
- ◆ **Planned growth area:** How the infrastructure project will help meet local housing needs (including housing type, characteristics, location, timing, and/or scale of development)
- ◆ **System capacity:** Severity of the capacity/compliance constraint on housing development

Housing development readiness

- ◆ **Site-specific:** Progress on development permitting and entitlements; progress on other predevelopment activity; availability and capacity of other infrastructure
- ◆ **Planned growth area:** Progress on completing and adopting local plans and zoning that support housing development in the area; progress identifying and addressing potential development barriers; developer interest/activity; availability and capacity of other infrastructure
- ◆ **System capacity:** Evidence of pending or potential residential development activity that depends on or could benefit from the proposed system improvement

Among these metrics, the nexus to housing is the most basic aspect of housing relevance. Beyond this, legislators may decide how to weigh the timeliness of the housing development compared to the impact of the housing development for projects that rate highly on one set of indicators and lower on the other indicators. Potential definitions and criteria for High, Medium, and Low Relevance for each of the metrics listed above are included in **Appendix A**



Stage 2 Considerations

Considerations identified as part of Stage 2 would be additional factors for legislators to consider in making decisions among projects. At this stage in the framework's development, it is only expected that projects can qualitatively respond to the categories in Stage 2. In the future, DLCDC hopes to have the opportunity to expand on these considerations, to enable comparative evaluation of proposed projects, and to include quantitative and qualitative components.



Leverage: Will funding help secure other grants or bridge gaps?

WHY THIS MATTERS

Many grant funding programs require matching funds to show local commitment or prioritize projects that leverage other funding sources. This information is already collected for legislative capital project funding requests. Although it may be desirable for legislative funding to provide the "last dollar" needed to close funding gaps and allow the project to move forward, combining multiple funding sources can be challenging and may not be necessary for smaller projects.

POTENTIAL METRICS

- ◆ **Percent of project** funds requested
- ◆ **Committed or identified** matching funds and source(s), if any



Relative Value: How do expected results compare to the amount requested?

WHY THIS MATTERS

With limited funds, legislators may be interested in identifying projects where a relatively small amount of additional funding will have a large impact in terms of the amount of housing produced. However, the range of geographic factors, construction costs, and project types would complicate the comparison of projects across the state. Some may have a more immediate impact (e.g., site-specific projects), while others may have an impact that continues over time (e.g., system capacity projects).

POTENTIAL METRICS

- ◆ **Proportion of system** improved by investment
- ◆ **Proportion of total** households increased by investment
- ◆ **Funds requested per** unit expected
- ◆ **Total infrastructure project** cost per unit expected
- ◆ **Other cost efficiency** benefits (e.g., reductions to operating and maintenance costs, efficiencies in delivering other projects)



Equity: How are benefits (and burdens) distributed?

WHY THIS MATTERS

Infrastructure and development can meaningfully impact quality of life, economic opportunity, and health outcomes. Considering equity is critical when making infrastructure investments to ensure that benefits and burdens are equitably distributed, especially considering underserved and marginalized communities that have historically been negatively impacted by major infrastructure decisions.

POTENTIAL METRICS

The following list is illustrative rather than exhaustive:

- ◆ **Distributional equity and environmental justice** (e.g., benefits and impacts to historically underserved or underinvested communities; encouraging housing in areas that are not subject to disproportionate environmental, public, health, or natural hazards)
- ◆ **Geographic equity** (e.g., distribution of resources statewide)
- ◆ **Affirmatively furthering fair housing** (e.g., increasing economic and/or racial integration, or increasing access to opportunity for low-income households)
- ◆ **Equitable engagement** (e.g., projects that emerged from or are supported by engagement with underrepresented communities)
- ◆ **Anti-displacement** (e.g., projects that help prevent or mitigate displacement risks, or where displacement risks have been identified and mitigation measures are being implemented)
- ◆ **Asset building** (e.g., projects that provide opportunities for lower-income households to build assets)
- ◆ **Equitable contracting** (e.g., projects that will use COBID-certified contractors, pay prevailing wages, or provide other opportunities for apprenticeships or employment to historically underrepresented groups)



Cobenefits: How would this investment support other state and local goals and priorities?

WHY THIS MATTERS

Though housing is at the forefront of current discourse, Oregon's goals and priorities are broad and interrelated. Some of these goals and priorities are reflected in Statewide Planning Goals, other legislation or executive orders, or agency plans. The priorities may result from federal requirements or serve other important policy goals such as improving public health or addressing the concerns of underrepresented or underinvested communities. These priorities can also result in savings to state and local governments or their residents, through more resilient infrastructure or energy efficiency. Where funded projects can concurrently support statewide goals and housing production, state funds can potentially "feed two birds with one scone." Many statewide goals are also reflected in or align with local goals.

While the framework in this report is designed with evaluation rather than prioritization in mind, it will be possible to incorporate considerations related to the other topics listed below into a future framework. Such considerations are not included in the framework due to insufficient time for analysis and public discussion.

POTENTIAL METRICS

The following list is illustrative rather than exhaustive:

- ◆ **Economic development** (e.g., workforce housing benefits, employer attraction or retention, job creation, alignment with other economic development plans and strategies, multiplier effects)
- ◆ **Environmental protection** (e.g., protection or enhancement of air and water quality and/or Goal 5 resources)
- ◆ **Efficient urbanization** (e.g., supports infill/redevelopment, aligns with approved growth management plans)
- ◆ **Energy** (e.g., improves energy efficiency, reduces greenhouse gas emissions)
- ◆ **Resilience** (e.g., reduces risks from natural hazards or climate change, or improves the long-term durability of infrastructure; avoids mapped natural hazards such as landslides, tsunamis, and slopes of 25 percent or greater, or is designed to mitigate these hazards)
- ◆ **Transportation** (e.g., improves transportation safety, multimodal transportation options, and/or travel time reliability)
- ◆ **Public health and safety** (e.g., reduces the exposure to heat, the risk of air or water pollution, or vehicular crashes; addresses regulatory compliance issues impacting public health or safety)



How Could this Evaluation Framework be Implemented?

If the legislature chooses to adopt this framework or something similar, it should consider several factors to operationalize and integrate it with the legislative process.

1. Collecting information from applicants

Today, as noted previously, applicants fill out a brief form to make capital funding requests of the legislature. Projects seeking funding for infrastructure could be asked to provide additional information related to infrastructure readiness; those seeking funding specifically for infrastructure to support housing could be asked to provide additional information related to housing relevance. This information could be collected through an additional application form or an online form or survey.

- ◆ **For Stage 1 metrics**, applicants could rate the readiness and housing relevance of their proposed projects as high, medium, or low on the various indicators based on the additional detail and definitions provided in **Appendix A**. High ratings in many cases could be substantiated by attaching key forms or documents (see below for more on this). Medium and low ratings would need to offer an opportunity for additional explanation of why the proponent believes the project will be successful or will support housing production even though certain criteria have not been met.
- ◆ **For Stage 2**, aside from the leverage information that is already captured in the capital projects form, applicants might simply provide qualitative responses to the other factors, highlighting whatever elements of the project are salient.

2. Timing for supporting documentation

The information collected could include documentation to support high or medium ratings (see **Appendix B** for additional detail on the materials that agencies require as part of applications for funding). It could become cumbersome for applicants if all documentation is required up front; however, given the tight time frame of the legislative session, requesting additional information during the session may not be possible. If supporting documentation is not collected until after appropriation decisions are made, some projects may turn out to be less ready or less relevant than initially indicated.

3. Compiling information on proposed projects

The Legislative Fiscal Office or other legislative staff would need to compile and distill the information provided by applications for legislative consideration. If information is submitted in an online form, the compilation process can be more streamlined, as applications will already be entered into a single spreadsheet. Note that it may not be realistic for LFO or other legislative staff to review supporting materials in any detail as part of the evaluation process during the legislative session, but the presence or absence of supporting documents may in itself help confirm the rating that the applicant has indicated.

4. Summarizing ratings

Because all indicators are generally equally important for a given Stage 1 consideration (i.e., infrastructure readiness, housing relevance), it may make sense to simply summarize the number of high, medium, and low ratings for each Stage 1 consideration, with brief notes based on the information submitted.

5. Using ratings and Stage 2 considerations in selecting projects

The legislature could prioritize projects with high Stage 1 ratings, including those with all high or mixed high and medium ratings. They could also choose to prioritize projects with low ratings based on Stage 2 considerations. Alternatively, the legislature could simply refer to the Stage 1 ratings and Stage 2 considerations as contextual information within a less structured evaluation based on legislative priorities.

Conclusion

This framework offers a starting point to more systematically evaluate which projects may be suitable for legislative appropriations in support of housing production. The legislature retains discretion for how (and whether) to implement these considerations, metrics, and frameworks. Proposed Stage 1 criteria to measure infrastructure readiness and housing relevance have been developed through discussion with multiple experts and practitioners. However, more research and engagement is required to round out the Stage 2 criteria, including how best to evaluate cobenefits related to other policy objectives. This framework could provide a model for efforts to establish evaluation metrics for other state policy goals over time.



Appendix A





Potential Infrastructure Readiness Indicators

Potential Metrics	High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
<p>Infrastructure Project Funding Sufficiency</p>	<p><i>Additional funding sources are committed or already available:</i></p> <ul style="list-style-type: none"> ✓ Grants & loans (if any) have been approved for funding. ✓ Local bond measures (if applicable) have been approved by voters ✓ Other local funds (if any) are held in reserve or will be readily available based on historic trends; audited financials can be provided 	<p><i>Additional funding is likely to be approved and available within 12-18 months:</i></p> <ul style="list-style-type: none"> ✓ Grant & loan applications (if applicable) have been submitted; the project meets eligibility criteria, and the programs are not highly competitive ✓ Local funding source (if applicable) is currently in place or is expected to be adopted within a specified time frame and does not require voter approval. <p>— OR —</p> <p><i>It is possible to scale the project to fit within the amount requested for appropriation if other funding is ultimately not available or insufficient. (This would allow the scaled-down project to move forward with state funding if necessary.)</i></p>	<p><i>Additional funding sources have been identified, but timing or sufficiency is uncertain:</i></p> <ul style="list-style-type: none"> ✓ Grant & loan applications (if applicable) have not yet been submitted, or programs are highly competitive ✓ Local funding source insufficient, requires voter approval, or has not yet been evaluated in detail or discussed by the jurisdiction’s elected officials.

Potential Infrastructure Readiness Indicators

continued

Potential Metrics	High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
<p>Infrastructure Project Design and Permitting</p>	<p><i>Infrastructure project is fully or mostly designed and permitted:</i></p> <ul style="list-style-type: none"> ✓ Design is 60% or more complete ✓ Cost estimates meet Class 1 or 2 criteria* (e.g., bid estimates) ✓ State and/or federal permits have been approved or are not required ✓ Local permits have been approved, or permitting is in progress and a Land Use Compatibility Statement (LUCS) is available ✓ All required local, state, and federal permits have been approved 	<p><i>Infrastructure design and permitting are in progress, but additional steps are pending:</i></p> <ul style="list-style-type: none"> ✓ Design is in progress, and more than 30% but less than 60% complete ✓ Permitting in progress; discretionary or complex reviews and approvals (including those listed under low readiness and conditional use permits or other Type III local land use reviews) are complete or not required. ✓ Cost estimates meet Class 3 criteria* (e.g., budgetary or control estimates) 	<p><i>Infrastructure design and permitting are in early phases or are complex:</i></p> <ul style="list-style-type: none"> ✓ Project still in conceptual planning or early design ✓ Remaining approvals could be complex or challenging, such as: <ul style="list-style-type: none"> ◆ Water rights/new water source ◆ DEQ review for major changes to a discharge permit ◆ Goal exception/UGB expansion or zone change/plan amendment ◆ Cultural resources impacts ◆ Soil remediation ◆ Modifications to a state highway ◆ Historic or scenic area reviews ◆ Floodplain and wetland impacts ✓ Cost estimates meet Class 4 or 5 criteria* (e.g., rough order of magnitude, planning level, or feasibility study estimates)



Potential Infrastructure Readiness Indicators

continued

Potential Metrics	High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
Infrastructure Site Selection and Control	Site is owned/controlled by the applicant (e.g., easement or owned outright), or the entity that owns/controls the site has provided written support for the project	Site has been identified but is not yet owned/controlled by the applicant	Site has not yet been identified, or site selection is still in progress (note: site selection must be paid for with other funds)
Infrastructure Plan Consistency	Project is identified in a recent (e.g., adopted or updated within last 10 years) capital improvement plan, master plan, or system plan	Project is identified in an older master plan or system plan; project is of a size or type that is excluded from the master plan or system plan but is not inconsistent	Project is not consistent with the applicable plan; substantive updates to the master plan or system plan would be required
System-Level Functionality	No additional capacity or compliance issues beyond those addressed by the proposed project; all connected facilities have adequate capacity	No additional capacity or compliance issues beyond those addressed by the proposed project; some capacity limitations or other issues in connected facilities but not immediate constraints, or other projects are planned in the near term to address related constraints	Compliance/capacity issues will remain after completion of the proposed project
Fiscal and Administrative Capacity	Entity receiving appropriations has the authority to spend and manage project funding (all funding, not just appropriations) and the administrative capacity to track and record expenditures. One way an applicant could show this is based on having completed similar projects, with or without state funding.	Entity receiving appropriations has the authority to spend and manage project funding, but the capacity to track and record expenditures has not been identified or is uncertain	Uncertain that the entity receiving the appropriations has the authority to spend and manage project funding and/or the capacity to track and record expenditures

*Cost estimate classifications are based on AACE (Association for the Advancement of Cost Engineering) International Recommended Practice publications.





Potential Housing Relevance Indicators — SITE-SPECIFIC PROJECTS

Potential Metrics		High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
Nexus to Housing	Infrastructure project will serve residential development	Development is entirely residential or residential mixed-use where more than half the floor area of the project will be residential	Development includes a residential component in the current phase, but it represents less than half of the floor area of the project/phase	Development is planned to include residential development in later phases but does not include a residential component in the current phase
	Infrastructure project is needed for development	Infrastructure project is required as a condition of approval for the development and/or is included in a development agreement	Infrastructure project has been identified as a requirement to serve a specific proposed development as part of a pre-application conference or similar process, but it has not yet been formalized as a condition of approval or in a development agreement	Infrastructure improvement will improve capacity or functionality of a facility impacted by a proposed development, but the development is not contingent on the infrastructure improvement

Potential Housing Relevance Indicators — SITE-SPECIFIC PROJECTS

continued

Potential Metrics		High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
Housing Impact	Affordability and Housing Need Alignment	<p>Proposed development is for income-qualified affordable housing approved for funding through OHCS (letter of intent)</p> <p>— OR —</p> <p>Proposed development is eligible for local financial incentives (e.g., tax abatement, tax increment financing incentives, System Development Charges reductions or waivers, etc.) based on its affordability, housing type, characteristics, or location</p> <p>— OR —</p> <p>Expected housing will offer affordability levels, housing types, characteristics, or locations identified as gaps in an adopted Housing Production Strategy or other adopted housing strategy or action plan</p>	<p>Proposed development is seeking funding for affordable housing through OHCS but has not yet received a letter of intent</p> <p>— OR —</p> <p>The housing type, characteristics, location, timing, and/or scale of the proposed development are important to meeting local housing needs and differ from recent development trends, but needs are not documented in an adopted housing strategy or action plan</p>	<p>Proposed development is entirely market rate and will not be eligible for state, federal, or local support based on its affordability</p> <p>— AND —</p> <p>The housing type, characteristics, timing, and/or scale of the proposed development are not yet known or are similar to recent development trends</p>



Potential Housing Relevance Indicators — SITE-SPECIFIC PROJECTS

continued

Potential Metrics	High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
<p>Housing Development Readiness</p>	<p>Development is committed and faces no remaining discretionary approvals or other barriers*</p> <ul style="list-style-type: none"> ✓ All required development permits and approvals secured, or development application(s) in progress with no discretionary approvals outstanding ✓ Any wetland and floodplain impacts are fully permitted, or none present on-site ✓ No mapped natural hazards on site or, if natural hazards present, specific mitigation measures accounted for in development design ✓ Environmental Contamination: No soil contamination identified or suspected, or any soil contamination has been mitigated ✓ Annexation is not required prior to housing development (including sites in urban unincorporated areas inside a UGB) or a final annexation agreement is available 	<p>Development is actively working toward approvals and/or addressing other potential barriers</p> <ul style="list-style-type: none"> ✓ Development applications are in progress with discretionary approvals outstanding (excluding zone change/plan amendment/UGB adjustment) ✓ Resources on the site have been inventoried and assessed (including wetland delineation if applicable), and permits are under review ✓ Mapped natural hazards present on-site, but specific mitigation measures not yet determined or not incorporated into development design ✓ Environmental Contamination: Soil remediation is ongoing ✓ Annexation is required prior to development, and draft annexation agreement is available, or other materials showing interest from both property owner and city 	<p>Development is in preliminary stages and/or faces complex approvals or likely barriers</p> <ul style="list-style-type: none"> ✓ No development application submitted to date; zone change/ plan amendment required prior to development ✓ Wetlands are present on site but have not yet been delineated ✓ Presence of natural hazards on-site not known or, if present, not mapped ✓ Environmental Contamination: Soil contamination has been identified or is suspected, but a remediation plan has yet to be approved ✓ Annexation is required prior to development; property owner has not petitioned to annex and/ or city has not shown interest in approving annexation <p><i>Note: site must be located within a UGB.</i></p>

**Note: affordable housing projects that have received a letter of intent / conditional funding letter from the ORCA process would be considered to have high development readiness, without the need to address the specific items below, as the review process leading to that letter from OHCS covers many of the same considerations.*



Potential Housing Relevance Indicators — SITE-SPECIFIC PROJECTS

continued

Potential Metrics	High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
<p>Housing Development Readiness</p>	<ul style="list-style-type: none"> ✓ Other Infrastructure: No other infrastructure needs identified, or other funding has been secured to cover those needs; projects will be built by development or are programmed in the 5-year CIP ✓ Other Predevelopment Activity: Developers have lender and/or investor letters of interest; other predevelopment activities are complete (e.g., environmental, soil, and/or geotechnical investigations; site and/or building designs; market studies) 	<ul style="list-style-type: none"> ✓ Other Infrastructure: Other infrastructure needs are expected to be addressed within the time frame of the proposed infrastructure project or shortly thereafter ✓ Other Predevelopment Activity: Developers are working on other predevelopment activities (e.g., environmental, soil, and/or geotechnical investigations; site and/or building designs; market studies) 	<ul style="list-style-type: none"> ✓ Other Infrastructure: Development impacted by compliance issues/moratoria not addressed by proposed infrastructure project ✓ Other Predevelopment Activity: Property owners/ developers have not initiated other predevelopment work





Potential Housing Relevance Indicators —
PROJECTS SERVING A PLANNED GROWTH AREA (INSIDE UGB)

Potential Metrics		High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
Nexus to Housing	<p>Infra-structure project will serve residential development</p>	<p>Area served/planned growth area meets at least one of the following criteria:</p> <ul style="list-style-type: none"> ◆ Zoning for at least half of the area served (by acreage) allows residential uses outright without a ground floor commercial requirement ◆ An adopted planning document identifies at least half of the area (by acreage or by projected future development floor area) for residential development ◆ At least half of the area served (by acreage) is included in an adopted Climate Friendly Area or Metro Town Center or Regional Center 	<p>Area served/planned growth area not clearly defined or the "high relevance" criteria are not met, but proponent has other evidence that project is expected to serve future housing development</p>	<p>Proponent asserts that the project will serve future housing development but does not have evidence available to demonstrate this</p>
	<p>Infra-structure project is needed for development</p>	<p>Improvement will provide service or increase capacity where service is currently unavailable or insufficient to accommodate estimated residential development potential</p>	<p>Improvement will improve service (e.g., reliability, efficiency, safety, livability) to the planned growth area or offer other benefits that support growth in the area</p>	<p>Improvement will connect to or be located in a planned growth area, but there is no evidence of direct benefits or support for growth in the area</p>





Potential Housing Relevance Indicators — PROJECTS SERVING A PLANNED GROWTH AREA (INSIDE UGB)

continued

Potential Metrics		High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
Housing Impact	Housing Need Alignment	<p>Funding the proposed infrastructure project will accelerate housing development and/or enable housing or mixed-use development where housing types, characteristics, location, timing, and/or scale are important to meeting local housing needs</p> <p><i>Potential future criterion: Project is needed to provide adequate development-ready land to meet 6- or 8-year OHNA Allocated production target (note: this analysis will not have been completed as of the 2025 legislative session)</i></p>	<p>Zoning and any adopted plans for the area served by the proposed infrastructure project allow for and support housing types, characteristics, or locations that are important to meeting local housing needs</p> <p>— AND —</p> <p>Planned development in the area is consistent with the jurisdiction's comprehensive plan, including but not limited to a Housing Capacity Analysis or Housing Need Analysis adopted within the last 6 years (for Metro jurisdictions) or 8 years (for non-Metro jurisdictions)</p>	<p>No local planning efforts have identified the area to provide housing capacity, or Housing Capacity Analysis or Housing Need Analysis are more than 6 years old (for Metro jurisdictions) or 8 years old (for non-Metro jurisdictions)</p>



Potential Housing Relevance Indicators — PROJECTS SERVING A PLANNED GROWTH AREA (INSIDE UGB)

continued

Potential Metrics	High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
<p>Development Readiness</p>	<p><i>Planning is complete and development is ready to begin permitting</i></p> <ul style="list-style-type: none"> ✓ Local planning: Local plans are complete and adopted, including zoning and infrastructure funding tools ✓ Environmental Resources: Environmental resources in the area (if any) have been inventoried and mapped (including wetland determination and local wetland inventory, if applicable) ✓ Environmental Contamination: No soil contamination identified or suspected, or any soil contamination has been mitigated ✓ Other Infrastructure Needs: No other infrastructure is needed to enable housing development, or other funding has been secured to cover those needs (e.g., projects are covered by a development agreement or are programmed in the 5-year CIP) 	<p><i>Planning is underway or there is uncertainty about addressing the remaining hurdles</i></p> <ul style="list-style-type: none"> ✓ Local planning: Local plans are underway and nearly complete, and infrastructure needs and funding tools have been identified; zoning/densities still to be determined ✓ Environmental Resources: Resource mapping is available but not field verified ✓ Environmental Contamination: Soil remediation is ongoing ✓ Other Infrastructure Needs: Other needed projects can likely be paid for with existing/adopted infrastructure funding tools and can be completed within the time frame of the proposed infrastructure project or shortly thereafter 	<p><i>Planning work is limited or out of date, or there are likely barriers that have yet to be addressed</i></p> <ul style="list-style-type: none"> ✓ Local planning: Local planning is in early stages, and infrastructure and funding needs are still being refined; or previously adopted area-specific plans are more than 12 (for Metro jurisdictions) or 16 (for non-Metro jurisdictions) years old ✓ Environmental Resources: Limited or out-of-date resource mapping data ✓ Environmental Contamination: Soil contamination has been identified or is suspected, but a remediation plan has yet to be approved ✓ Other Infrastructure Needs: Development impacted by compliance issues/moratoria not addressed by proposed infrastructure project, or other infrastructure gaps have been identified; timing to address them is unknown





Potential Housing Relevance Indicators — PROJECTS SERVING A PLANNED GROWTH AREA (INSIDE UGB)

continued

Potential Metrics	High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
<p>Development Readiness</p>	<ul style="list-style-type: none"> ✓ Annexation is not required prior to housing development in the planned growth area (note: this includes areas within cities as well as urban unincorporated areas, provided they are within a UGB and development is consistent with county regulations) ✓ Development Activity: Developers are engaged in predevelopment activities for residential development (e.g., pre-application conferences; site acquisition and consolidation; environmental, soil, and/or geotechnical investigations; site and/or building designs; market studies) and have provided letters of support 	<ul style="list-style-type: none"> ✓ Annexation is required prior to development; developer/property owner(s) have filed a petition to annex; there is Council support for annexation ✓ Development Activity: Developers or property owners have expressed interest in development, but there is no documentation of development activity or letters of support 	<ul style="list-style-type: none"> ✓ Annexation is required prior to development; developer/property owner(s) have not filed a petition to annex and/or Council do not support annexation ✓ Development Activity: No recent indicators of development interest in constructing needed housing



Potential Housing Relevance Indicators — SYSTEM CAPACITY PROJECTS

Potential Metrics		High Readiness Indicators	Medium Readiness Indicators	Low Readiness Indicators
Nexus to Housing and Housing Impact	Residential development	There is an existing moratorium on development, and the jurisdiction or service provider will be able to approve housing development upon completion of the project	Capacity limitations or compliance issues have not prevented housing development but are expected to limit development within 5 years	Capacity limitations or compliance issues may impact housing development in the mid- to long term (e.g., in 5-10 years)
Development Readiness	Development activity	Housing development application(s) have been submitted that are on hold pending resolution of the system capacity issue this project will address	Housing development inquiries (e.g., pre-application conferences or letters of support from property owners) show interest in development when capacity issues are addressed	No recent indicators of development interest/activity in constructing needed housing

Appendix B





To: Madeline Phillips, Public Facilities Planner, DLCD
Palmer Mason, Inter-Agency Coordinator, DLCD

From: Clark Worth, Principal, Consor Strategic Planning & Communications
Jeff Fuchs, PE, Principal Engineer, Consor
Isaac Estrada, Project Coordinator, Consor Strategic Planning & Communications

Re: SB 1537 Section 16 Interagency Infrastructure Work Group: Technical Memorandum

Introduction

Oregon has a pressing need for more housing and has adopted an ambitious goal to develop 36,000 units of new housing every year. Every community has a role in meeting the demand. An important role for cities is providing the timely infrastructure investment needed to support housing development.

Section 16 of SB 1537 directed the Department of Land Conservation and Development (DLCD) to give the Oregon Legislature a set of considerations and metrics for evaluating and prioritizing direct appropriations to fund infrastructure investments that support housing.

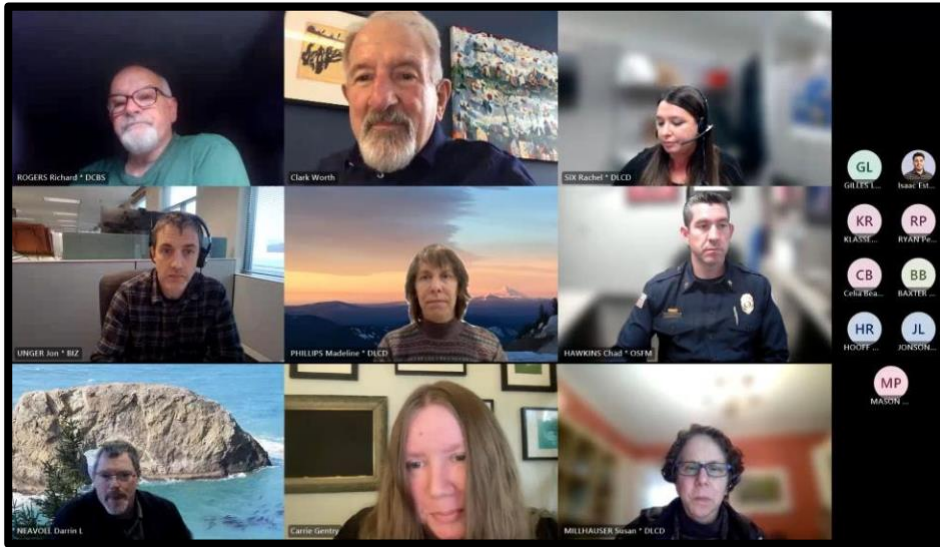
This Technical Memorandum summarizes the contributions of an Interagency Infrastructure Work Group convened by DLCD in mid- to late 2024 to advise on the funding considerations and metrics, including input from agencies in meetings and via questionnaire responses. It also includes feedback from expert peer reviewers on a draft framework and case study examples of housing development projects in Oregon that illustrate the housing development cycle and the role of infrastructure.

Interagency Work Group Overview

The Work Group included participants from nine state agencies with functions and expertise related to infrastructure development:

- Department of Land & Conservation (DLCD)
- Oregon Department of Transportation (ODOT)
- Oregon Business Development Department (OBDD) aka “Business Oregon”
- Oregon Health Authority (OHA)
- Oregon Department of Environmental Quality (DEQ)
- Oregon State Fire Marshal (OSFM)
- Oregon Housing & Community Services Department (OHCS)
- Department of State Lands (DSL)
- Department of Consumer and Business Services (DCBS), Chief Building Official

The Work Group met five times over four months. The Group convened virtually for convenience and to boost participation. Attendance was excellent. Some agencies assigned multiple staff to attend Work Group meetings.



In addition to the Work Group meetings, the review process also included an online questionnaire completed by the agencies, case studies of current housing development projects in three cities, and peer review of the draft framework and potential funding criteria by a panel of infrastructure and housing development experts.

Work Group Highlights

Topics and key questions for the five Work Group meetings are shown below along with meeting-by-meeting discussion highlights.

Interagency Infrastructure Work Group

Meeting/Date

Meeting	Date	Topics/Key Questions
Meeting 1	August 13, 2024	<ul style="list-style-type: none"> ➤ Orientation ➤ How does your agency interface with infrastructure? ➤ Who at the Legislature will use the framework and how? ➤ What kind of housing units are included? What scale of project? ➤ Where do projects get stuck? What are the potential stumbling blocks or roadblocks? ➤ What are opportunities to streamline the housing development process? ➤ Overview of Infrastructure Questionnaire



Discussion Highlights

- A few state agencies do not believe they interface directly with housing projects; others get involved at various stages.
- Some funding criteria are shared across several agencies.
- Agencies report applicants are experiencing some roadblocks.
- Agency involvement in the early project review stages is recommended to avoid later delays for applicants.
- A key success ingredient for applicants is a workable funding plan, with reliable cost estimates. The optimal sequence of applications/approvals isn't always clear to applicants (or agencies).

Meeting 2 *August 27, 2024*

Topics/Key Questions

- Is the questionnaire meant for only one submission per agency, or can more than one submission be made?
- Is your agency involved in permitting or other components of the development process?
- Preliminary responses to questionnaire
- Project evaluation criteria

Discussion Highlights

- It's important for agencies to provide criteria and expected outcomes to improve applicants' chance for success
- The OHCS uniform application (ORCA) provides a comprehensive set of criteria that may be used for other agencies.
- Business Oregon has 10 Key Performance Indicators gauging project readiness. Some application requirements that Business Oregon asks for include permitting status, estimated cost and funding plans, phasing, if the application is for a compliance project, and explicitly municipal infrastructure expansion projects.
- The State Fire Marshal reported that 50 of the larger fire departments in Oregon handle their own standard review for the development process – no state involvement

Meeting 2.5 September 17,
2024

Topics/Key Question

- Questionnaire: findings and observations
- Will the Legislature's direct appropriations carry through to the next biennium if a project isn't complete?
- Discussion: How to define project readiness



Discussion Highlights

- Consensus: There is not any “tried and true” project evaluation method: There are challenges defining “shovel-ready” projects – no clearcut definition or content. However, there are commonly shared readiness indicators recognized by multiple agencies.
- Consider the opportunity cost. What is the impact when projects that aren’t ready get funded?
- A key evaluation question is whether the project is ready, funded, and if the newly requested funds would be supplemental.
- Smaller communities are at a disadvantage related to readiness due to resource availability and economies of scale. It might help if the state invested in infrastructure master plans and project feasibility studies for these communities.
- Consider existing housing stock. Wouldn’t it be possible to invest a much smaller amount to bring substandard housing up to contemporary standards?
- Direct appropriations usually carry on from one legislative cycle to the next they don’t expire.
- Vacant sites are often not viable for development due to wetlands and other environmental issues.
- These issues will be discussed at the September 18 Considerations Webinar

Meeting 3

October 22, 2024

Topics/Key Questions

- Preliminary results of public engagement (focus groups)
- Were professional organizations or non-profit organizations around social justice or environmental justice involved during this process?
- If any developers will forgo profits to support low-income housing, are developers committed to those special requirements?
- At what stage will the Framework be used?
- What are the most critical elements related to readiness and relevance to housing to include in the draft framework?
- Review draft framework
- Discussion: Key considerations for infrastructure investments that support housing; How the framework supports or streamlines work done by participating agencies
- How can the criteria be adapted to small communities (less than 10,000)? What key data will small cities have available?



Discussion Highlights

- Non-profit, social/ environmental justice and advocacy agencies should be invited to participate in the review.
- 4 focus groups were completed with local governments, interest groups, lobbyists, and developers. Discussions centered around the definition of “ready” projects (e.g., land use/zoning, control of site, other funding in place, jurisdiction approval, consistency with Public Facilities Plans or applicable service providers, expression of developer commitment, and community engagement).
- If a project does not meet the criteria, it wouldn’t necessarily be immediately disqualified. The intent is to give the Legislature a better perspective on project readiness before approval.
- Users of the framework and considerations will most often be legislative staff and applicants who are not subject matter experts. The criteria need to be accessible to lay persons.
- How can the criteria be adapted to small communities (less than 10,000)? Will the criteria work for small communities that lack a Housing Needs Assessment?
- It was noted that in-fill projects could possibly rise to the top of prioritization and become project ready easily.
- Early collaboration, clear environmental criteria, and user-friendly tools to streamline infrastructure planning and support housing development were key areas in which the framework could support Work Group agencies.

Meeting 4 *November 19,
2024*

Topics/Key Questions

- Review draft framework and criteria.
- Discussion:
 - Key statements of certification, analysis, or other documents that help a project show consistency with the framework
 - How the framework could support projects be more ready for a program path
 - Setting the bar at the right level
- Could Legislature make determination for applications not ready, especially small communities, to be referred for state technical support?
- Should the housing relevance indicators place more emphasis on affordable housing (not just the total number of units)? How is it possible to ensure all levels are provided – Lower, middle, workforce?
- Is the draft framework resonating? Are we hitting the mark on criteria, detail, etc.?
- Update on peer review process and case studies.



Discussion Highlights

- The draft Framework is currently in public review:
 - Infrastructure Readiness Indicator
 - Housing Relevance Indicators. Agencies may comment through Nov. 25.
- Current /accurate cost estimates are a key to gauging readiness.
- Consider equitable geographic distribution for infrastructure funding. Small, rural communities are capacity-challenged and may not be able to check all boxes. (Business Oregon has a distressed Communities Index)
- Agencies already have their own review processes and readiness criteria: will the framework lead to more “ready” projects?
- Business Oregon definition of distressed communities:
<https://www.oregon.gov/biz/reports/pages/distressedareas.aspx>
- DEQ’s metrics to define distressed and small communities:
<https://www.oregon.gov/deq/wq/cwsrf/Pages/cwsrfEJ.aspx>
- The housing relevance indicators should place greater emphasis on affordable housing, not just the total number of units. It is important to ensure that housing is provided across all levels, including lower, middle, and workforce housing.
- The Housing Development Cycle infographic accurately depicts the stages, but the elapsed time period (3-5 years) assumes an experienced developer.
- There’s a desire for a one-page summary of the framework and indicators to create accessibility for applicants and legislative staff.
- Agreement that there are continued conversations this group could have to facilitate successful housing production statewide. Generally, there was interest in continuing to meet, on similar topics, beyond the scope of the SB Section 16 directive 1537.

Work Group Conclusion

The Work Group’s deliberations culminated in their review of the draft Framework and project evaluation considerations. Overall, Work Group members concurred the draft framework is workable with some recommended refinements. The most frequent recommendation was to develop a simple, concise (1-2 page) version of the evaluation criteria.

The Work Group review and conclusions are generally consistent with feedback contributed through peer review by members from the Expert Panel.



Questionnaire

Early in the Work Group process, the consultants surveyed participating agencies to identify their issues and priorities for project review. Agencies' roles are typically infrastructure funding or regulatory compliance-or sometimes both. Agencies represented in the Work Group were questioned on their experiences in the development process. Seven agencies responded to the ten questions: Department of State Lands, Business Oregon (Oregon Business Development Department), Department of Environmental Quality, Oregon Housing and Community Services, DCBS (Building Codes Division), State Fire Marshal, and Oregon Department of Transportation.

Results of the questionnaire highlighted some of the differences among state agencies, their development-related responsibilities, and outlook.

Timing

Agencies are involved at one or more stages of development. A few are involved at every stage:

- Conceptual Design
- Design
- Permitting
- Construction

Key Ingredients in Applications

- Clear descriptions of project and current status
- Robust alternatives analysis
- Cost and available funding
- Written plan that explains need and options
- Engineering design plans
- Organizational capacity of borrower

What's Missing Most Often?

- Alternatives analysis
- Address compliance issues
- Project phasing
- 60% design (when costs are known)
- Clear, funded plan to build infrastructure
- Applications for state/funding environmental funding
- Early coordination with Regional Solutions Team



Expert Panel/Peer Review

Five professionals with experience in housing development and infrastructure were enlisted to provide feedback on the draft framework and funding criteria developed by DLCD. Expert Panel members included:

Joe Miller, Consor Engineering

- Project Manager at Consor
- Specializes in master planning for community water, wastewater, stormwater systems
- Prior experience at HDR engineering in water and wastewater

Cassera Phipps, Clean Water Services

- Principal Planner at Clean Water Services
- Former Senior Planner at City of Beaverton

Sarah Radcliffe, Habitat Portland

- Director of Government Relations for Habitat Portland
- Supported in responses by Leigh Armstrong, Senior Construction Project Manager

Gauri Rajbaidya, AIA, SERA Architects

- Principal Architect at SERA
- Board member at Rose CDC
- Extensive portfolio of affordable housing and community development projects

Julio Rocha, LRS Architects

- Senior Associate at LRS Architects
- Portfolio of multi-family housing projects

Panel members were given an overview of SB 1537 Section 16 and asked to review the draft framework prepared by DLCD and consultants. The framework is a tool to screen projects for legislative funding consideration the potential criteria included both Infrastructure Readiness Indicators as well as Housing Relevance Indicators. Participants were asked to give an example of an actual project, then responded to questions using an online survey tool.

The Peer Review was intended to supplement the Work Group's professional insight and feedback on the potential criteria outlines in the draft framework, along with insights gathered through statewide public comment. Reviewers generally supported the framework and readiness criteria, and recommended refinements.

Overarching Comments from Reviewers

1. The certainty (or uncertainty) of infrastructure funding and timing is a major challenge. SB 1530 requirements include hidden costs (e.g., prevailing wage).
2. There's often a need for infrastructure master planning to precede project planning.



3. Infrastructure improvements serving a housing development (e.g., major arterial, wastewater pump station) often serve a much wider area – yet the cost burden must be shouldered by the housing development – making it unaffordable.

Key Documents or Evidence of Project Readiness Identified

- Pre-application conference notes
- Ownership/control of project site
- Wetland delineation
- Master plans, CIP, Comprehensive Plan
- Project Charter
- Grant/loan funding received or committed
- Developer qualifications

Recommended Refinements to The Framework

- Adapted to urban/rural settings
- Flexibility in annexation timing
- Longer planning horizon – up to 10 years
- Appropriate level of design – high readiness requires costly schematic design
- Better clarity of readiness criteria
- Recognize potential for public/private partnership projects
- Consider project phasing
- Consider special circumstances (e.g. disasters)



Housing Development Case Studies

Conсор engineers completed case studies of multi-family housing development projects underway in three Oregon cities. The three cities – Prineville, Tualatin, Warrenton – were chosen to represent a range of geographic regions, in urban/rural settings, and city sizes and variety of demographic profile. A goal for the case studies was to pinpoint challenges confronting each housing project in larger and smaller communities.



The case studies were completed in close collaboration with planning and development staff from the three cities who verified the information.

Results from the three cities revealed:

- All three communities have large-scale multi-family housing projects underway. Projects ranging from 116 to 328 units are profiled in the case studies. For one city (Prineville) this is their largest-ever multi-family housing development.
- All of the projects profiled in the case studies include all or a portion of units devoted to affordable housing.
- Two of the projects (in Prineville and Tualatin) are under construction. Work is expected to begin soon for Warrenton's project.
- All of the projects have taken years of planning – up to 10 years – to reach their current stages of readiness. A major challenge for these communities has been getting water-sewer-stormwater-transportation infrastructure in place that is necessary to support density housing.
- All three cities have taken steps to support infrastructure improvements that serve the new housing developments. In fact, none of the housing projects would be feasible without significant support from the cities to fund off site utilities.
- SB 1530 passed during the 2024 Oregon Legislative Session allocated \$90 million for infrastructure projects supporting housing development. To date, Prineville is the only one of the three cities to receive funding through that bill's appropriations.

Case study details are included on the following pages.



CASE STUDY – Prineville, Oregon

Jurisdiction: City of Prineville, Oregon

City Contact: Josh Smith, Planning Director, jsmith@cityofprineville.com, (541) 447-2367.

City Staff available for permit review: Planning 1 Engineering 2 Building 0*

*Crook County provides Building Permit services for Prineville

Case Study Development: The Reserve at Ochoco Creek

Private Developer: The developer is Creations Northwest, LLC

Background

The City of Prineville (2024 estimated population 12,114) is a fast-growing, small city located on the Crooked River in Crook County (elevation 2,868) at the foot of the Ochoco Mountains. Prineville is located 45 minutes northwest of Bend and approximately 3 hours from Portland.

An estimated 19% of the population in the UGB lives outside the city limits. Prineville has experienced steady growth, adding 36% to its population since 2000. In contrast, Crook County and the state experienced population growth of 15% and 21% respectively. (US Census and PSU Population Research Center).

According to Prineville’s 2109 Housing Needs Assessment, Prineville has adequate land available to meet their housing needs well beyond the 20-year window. The HNA projected a need for 1,021 units over the next 20 years compared with the City’s current estimated capacity of more than 10,000 units.

Reserve at Ochoco Creek and Ochoco Mill Apartments

The Reserve at Ochoco Creek is a proposed multi-family development (328-unit apartment complex) located on the east side of Madras-Prineville Highway (US 26), north of Gardner Road. The 22-acre site is currently zoned General Residential (R2). In 2022, the development received approval for a Property Line Adjustment, a Boundary Adjustment, Type II Conditional Use, and Preliminary Plan Set and Design Review.

Ochoco Mill Apartments is a second 312-unit apartment complex being developed by North Peak Development as part of a larger 76-acre master planned mixed-use development. The project is located south of NE 3rd Street (US 26) between Willowdale Drive and SE Combs Flat Road. The 11.2-acre site is zoned multi-family. The development was approved by the City of Prineville January 2023 and a permit extension was granted in January 2024.

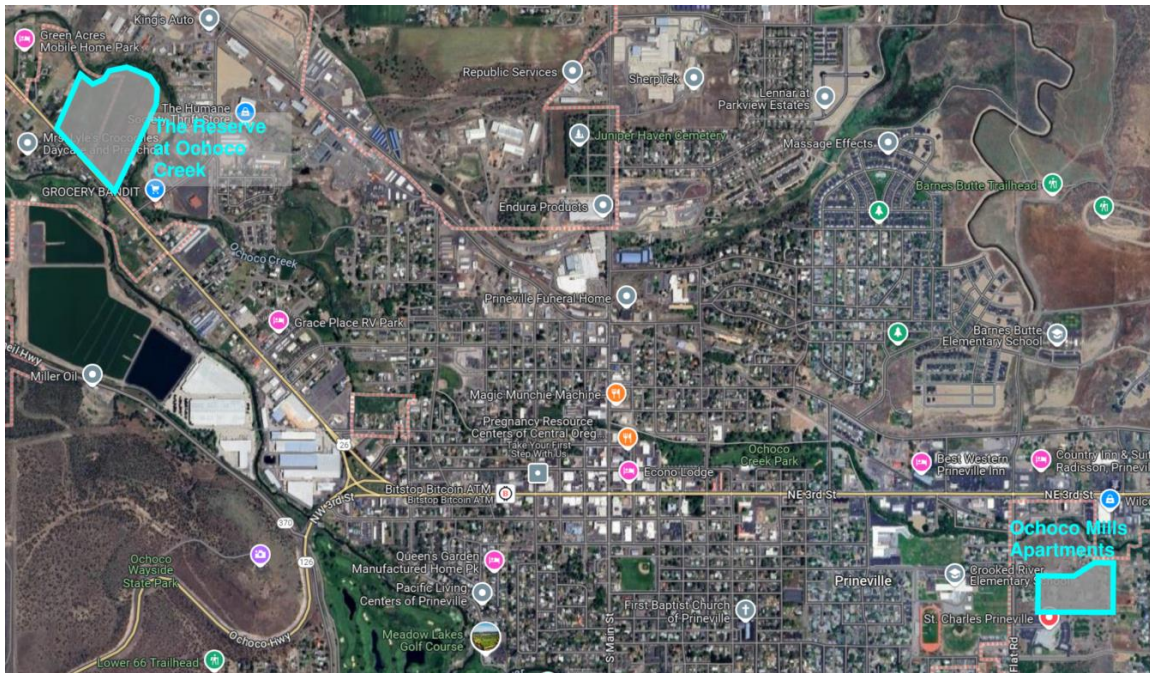


Figure 3 – The Reserve at Ochoco Creek and Ochoco Mill Apartments, Prineville Oregon

Current Status

The Reserve at Ochoco Creek is currently under construction. Construction of Ochoco Mill Apartments has not yet begun.

For both projects, the City agreed to use an existing \$2 million state grant obtained under SB 1530 to build off-site water and sewer improvements needed to serve the developments. In September 2024, the Prineville City Council awarded a \$277,252 construction contract to extend water and sewer service in Madras-Prineville Highway (US 26) to The Reserve at Ochoco Creek development. Infrastructure improvements were completed in late 2024. This is the first of four infrastructure projects that will be constructed with SB 1530 funding to provide services to new multifamily housing development projects.

City infrastructure plans funded by SB 1530 for Ochoco Mill Apartments are being developed.

Challenges and Opportunities

For Prineville, the biggest challenge identified by the City is the overall cost of the development projects and supportive infrastructure, and the cost of financing development.



To address that challenge, in December 2023 Prineville created a multi-family housing grant for multi-family housing projects with more than 11 units. The grant program, which lasts from January 2024 through

December 2025, provides tax reimbursements for City property taxes on eligible land and improvements for ten years, beginning when the first building receives its Certificate of Occupancy.

Other grant requirements include proximity to existing recreational facilities or construction of new parks or recreational facilities within the new development and a requirement that ten percent of the units must rent for less than 30% of the Area Median Income as determined by Oregon Housing and Community Services.

In addition to Prineville's multifamily housing grant program, the City has also incentivized developers of multi-family developments by offsetting the cost of off-site utility improvements needed to serve the development. By using an existing \$2 million state grant obtained under SB 1530 to build four off-site water and sewer improvements needed to serve multi-family housing developments.

Additional Information

Status of Planning Documents

Infrastructure Master Plans:

<https://www.cityofprineville.com/cd/page/master-plans>

Water Master Plan – Updated in 2023

Wastewater Facility Plan – Update in 2024

Stormwater Master Plan – Updated in 2011

Transportation System Plan – Updated 2013 (currently being updated)

Engineering Standards for Development:

Standards and Specifications – Updated 2013

Housing Needs Assessment

https://www.cityofprineville.com/sites/default/files/fileattachments/Planning%20Commission/meeting/packets/14341/first_draft_chapter_7_update_2019.pdf

Approved in 2019

City Permits for Multifamily Developments

Pre-Application

Design Review – Site Plan for Multifamily, Commercial, and Industrial Developments

Public Work and Engineering permits.

Building Permits

CASE STUDY – Tualatin, Oregon



Jurisdiction: City of Tualatin, Oregon

City Contact: Kim McMillan, Community Development Director and Steve Koper, Planning Manager
kcmcmillan@tualatin.gov, (503) 691-3036 and skoper@tualatin.gov, (503) 691-3028.

City Staff Available for Permit Review: Planning 4 Engineering 4 Building 7

Case Study Development: *Plambeck Gardens*

Private Developer: Community Partners for Affordable Housing (CPAH), a non-profit community housing development organization that develops housing, provides resident services, and with the passage of the Supportive Housing Services measure, provides case management and rapid rehousing services. CPAH has 11 properties providing 526 homes to people with low incomes, with 277 more that will be completed by 2027. Contact: Jilian Saurage Felton <https://www.cpahoregon.org/>

Background

The City of Tualatin's estimated 2024 population is 28,000. It is a dynamic, vibrant suburban community located in Washington County on the Tualatin River (elevation 123 feet) just 12 miles south of Portland and 30 miles north of Salem at the intersection of I-5 and I-205.

Tualatin's population is well-educated, increasingly diverse, and involved in community and school activities. There are excellent educational opportunities available to residents through the Tigard-Tualatin School District and numerous colleges and universities within easy commuting distance. In the most recent satisfaction survey, 84 percent of residents rated the overall quality of life in Tualatin as "excellent" or "good." Residents enjoy community amenities such as award-winning parks, unique shopping and dining establishments and a low tax rate.

In 2004, the Basalt Creek Planning Area, south of Tualatin was brought into the Portland Metropolitan Urban Growth Boundary. Metro Code Title 11 requires a city to adopt a concept plan –a long-range plan that identifies lands for residential and employment uses, along with the transportation and other public facilities necessary to support the mix of uses. For an area brought into the Urban Growth Boundary, this is an interim step until a city amends its adopted comprehensive plan and applies it to that area.

After many years of work by staff and consultants and a joint planning effort for the area between Tualatin and Wilsonville, the Basalt Creek Concept Plan was adopted by the Tualatin City Council in August 2018. In 2019, Tualatin City Council voted to approve the Basalt Creek Comprehensive Plan update.

While developing the Comprehensive Plan Update for Basalt Creek, Tualatin prepared master plans to provide the Plan Area with water and sewer service. Tualatin purchases potable water from the City of Portland and manages the water with a series of pipelines, pump stations, and reservoirs. The water system will be extended there as development occurs.



Sanitary sewer from Tualatin is conveyed to wastewater treatment plants owned and operated by Clean Water Services, a regional sewerage agency that serves most of urban Washington County. Because Basalt Creek is at a lower elevation than the rest of Tualatin, the City worked with Clean Water Services to build two regional wastewater pump stations that will serve the Basalt Creek area. The Plambeck Gardens development will be served by the first of those pump stations.



Figure 4 -- Plambeck Gardens, Tualatin, Oregon

Plambeck Gardens

Plambeck Gardens is the first multi-family housing development and the second residential development in the Basalt Creek Plan Area. This 116-unit affordable housing development is located at 23500 SW Boones Ferry Road. The project includes offsite sewer and water improvements needed to serve the development. The development is located west of and adjacent to the first housing development in Basalt Creek, a single-family residential subdivision called Autumn Sunrise.

The Plambeck Gardens project is funded in part with funds from Washington County's allocation of the 2018 voter-approved [Metro Affordable Housing Bond](#).



Of the 116 units, 47 are open to residents at 30% of Area Median Income (AMI) or below, of which eight have project-based vouchers, and 69-units to residents at 40-60% AMI or below. More than half of the units are two-bedroom or larger to offer options for Tualatin families. (Source; Washington County)

Current Status

<https://www.tualatinoregon.gov/planning/ar-22-0001-plambeck-gardens-apartments>

The City has been working with CPAH on the project since 2020. Plambeck Gardens received land use approval in 2022. Infrastructure improvements to support the project broke ground in 2023. Water and sewer services have been extended to the site.

Challenges and Opportunities

Plambeck Gardens presented the developer and city with a host of challenges due to its location and timing. Financing and funding required the developer to prove utilities would be extended to the site, which was costly.

The City partnered with the developer to extend water service to the site. City Council appropriated \$1.1 million in ARPA funding to build a new water main from Norwood Road to the development. Water service to the Basalt Creek Area is also dependent on a new 1-million-gallon reservoir and a transmission main replacement project to increase flow and provide service.

The City also hired a consultant to develop alternatives for providing sanitary sewer service to the Plambeck Gardens development. The preferred alternative involves close collaboration between the developers of Autumn Sunrise housing, Clean Water Services, the City, and the Plambeck Gardens developer.

To provide gravity sanitary sewer service and avoid building a third pump station in Basalt Creek, Autumn Sunrise needed to build the infrastructure for the outer phases of their project so sewer pipes would reach the Plambeck Gardens site. Clean Water Services also needed to modify the design of their pump station to serve Plambeck Gardens.

To serve the property and surrounding properties, the City and Clean Water Services also spent approximately \$5.1-million on sewer improvements that needed to be completed before Plambeck Gardens could be developed.

Additional Information

Status of Planning Documents

Basalt Creek Planning Area

<https://www.tualatinoregon.gov/planning/basalt-creek-area-planning>



Infrastructure Master Plans:

<https://www.warrentonoregon.us/publicworks/page/engineering-standards-master-plans>

Water Master Plan – Updated in 2023

Sewer Master Plan – Update in 2019

Stormwater Master Plan – Updated in 2019

Parks Master Plan – Updated 2018

Transportation System Plan – Updated 2014 (new updated in process, expected completion in 2025)

Housing Needs Assessment

https://www.tualatinoregon.gov/sites/default/files/fileattachments/planning/project/42091/ord_1450-20_part_2_exhibits_to_exhibit_2_including_hna.pdf

Approved in 2019

City Permits for Development

<https://www.tualatinoregon.gov/communitydevelopment/etrakit-online-permits-and-land-use-cases>

Land Use Approval

Public Work and Engineering permits.

Building Permits



CASE STUDY – Warrenton, Oregon

Jurisdiction: City of Warrenton, Oregon

City Contact: Matthew Ellis, Planning Director, mellis@warrentonoregon.us, (971) 286-2022.

City Staff available for Permit review: Planning 1 Engineering 2 + consultants Building 1

Case Study Development: Fort Point Community

Private Developer: The current property owner is Fort Point Land Partners, LLC and the developer is Mission Development Group, LLC.

Background

The City of Warrenton (2024 estimated population is 6,462) is a small, low-lying (elevation 7 feet), coastal city located in Clatsop County at the northwestern tip of Oregon. It is bordered by the Pacific Ocean on the west and the Columbia River on the north. It was platted in 1889 and incorporated as a city under the laws of Oregon in 1899. The City of Warrenton was named for D.K. (Daniel Knight) Warren, as an early settler. Clara Cynthia Munson, elected Mayor of Warrenton in 1913 was the first woman mayor in Oregon. The city is an active, rural community with a small-town feel. Warrenton is located 6 miles from Astoria and approximately 1.5 hours northwest of Portland.

Fort Point Development

Fort Point is a proposed Planned Unit Development located on NW Ridge Road near the entrance to Fort Stevens State Park. The project is a 450-unit Planned Unit Development that includes a mix of 218 attached multi-family apartments, 20 to 30 duplex townhouses, and 212 to 220 single-family houses.

The City has been working with the developers of the Fort Point Planned Unit Development since 2017. The project received its first approval as a PUD Preliminary Plat in December 2017. In 2021, the PUD Plan was modified and approved again by the City Planning Commission, which extended the deadline for development. In 2022, time extensions were again granted due to the pandemic and increased cost to finance off-site improvements. In 2023, the project received approval to increase residential units in the project from 316 to 450.



Current Status

The 2023 approval was only for the Preliminary Planned Unit Development Plan. Subdivision and Plat will be approved through separate submittal processes. Final development plans including stormwater, utilities, and transportation will be approved by the Public Works Department after other land use approvals have been received.

The next step for the Fort Point project is to apply for and obtain approval of their Final PUD Plan. Under the 2023 approval, they have until September 2026 to submit for subdivision approval.

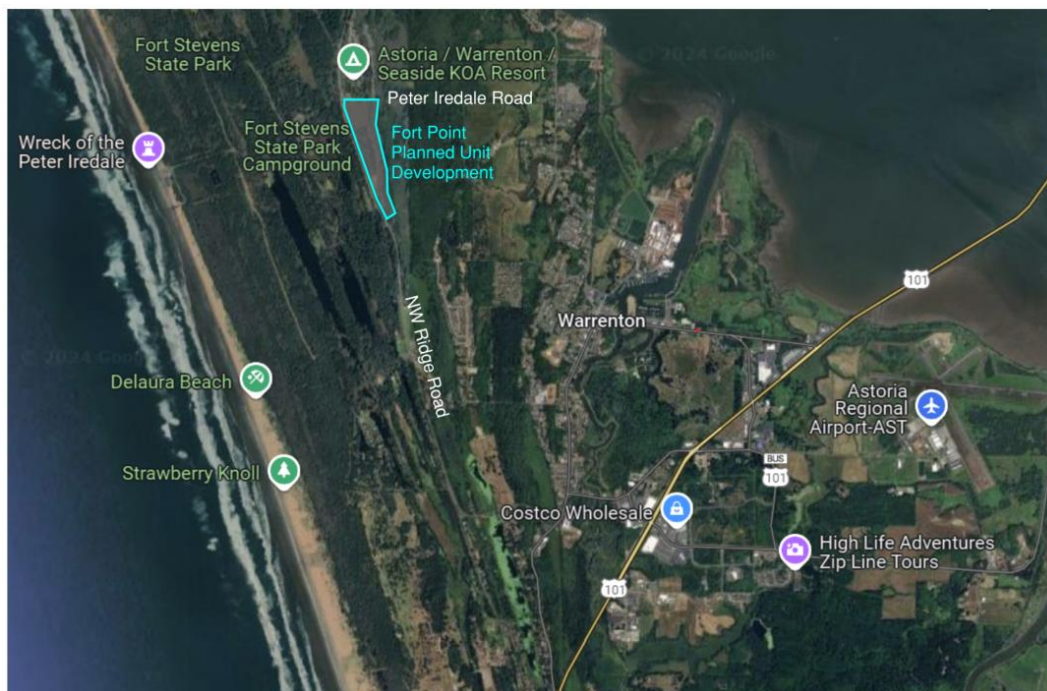


Figure 5 -- Fort Point Planned Unit Development, Warrenton Oregon

Challenges and Opportunities

The City of Warrenton, like many similarly sized cities, has limited capacity in their existing wastewater treatment plant (WWTP) to accommodate growth in the community. The City has worked with the developer to limit the initial phase of the housing project to 44 connections, to avoid exceeding the capacity of their WWTP.

Meanwhile the City is currently planning to upgrade and expand their WWTP for around \$35 million. Voters recently passed a bond measure for \$12.5 million, which will be repaid by user rates and possibly future grant funding (if available). The City Council also enacted a significant rate increase and they expect additional rate



increases in coming years. Limited sewage treatment capacity continues to be Warrenton's biggest obstacle to building more housing.

The Fort Point development also needs to complete approximately \$1.1 million in utility improvements, including a new sewer main between the development and the WWTP. The City recently appropriated \$250,000 ARPA funds to help the development construct offsite utility improvements.

Additional Information

Status of Planning Documents

Infrastructure Master Plans:

<https://www.warrentonoregon.us/publicworks/page/engineering-standards-master-plans>

Water Master Plan – Updated in 2018

Sewer Master Plan – Updated in 2002

Wastewater Facilities Plan – Updated in 2008

Parks Master Plan – Updated in 2010

Housing Needs Assessment

Approved in 2019

https://www.warrentonoregon.us/sites/default/files/fileattachments/city_commission/meeting/packets/3781/ws_4.23.19.pdf

City Permits for Planned Unit Developments (PUD)

Preliminary PUD Plan Approval

Final PUD Approval

Subdivision/Plat Approval

Public Work and Engineering permits.

Building Permits

Environmental Permits

Developers are also responsible for obtaining any necessary state and federal permits that may be required for construction near wetland areas, streams or waterways, or if hazardous materials are present on the property. The following agencies should be contacted to determine if state or federal permit regulations apply:

Oregon Department of State Lands (DSL)

Department of Environmental Quality

US Army Corps of Engineers

Environmental Protection Agency (EPA)

Oregon Department of Transportation



OREGON

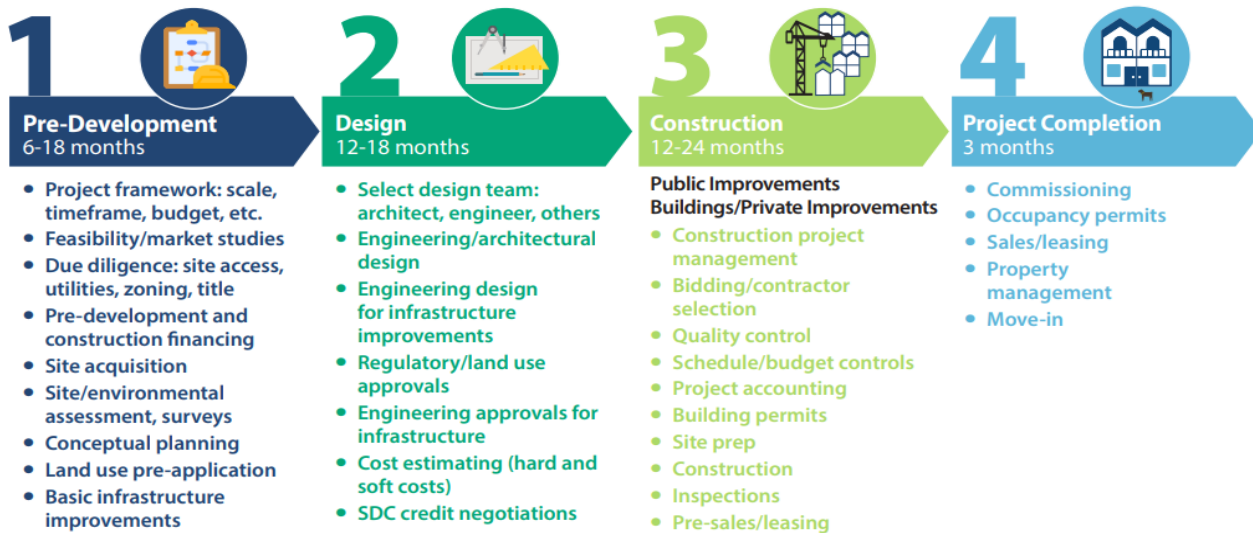
Department of
Land Conservation
& Development

National Marine Fisheries
Oregon Department of Fish and Wildlife
US Fish and Wildlife Services



Housing Development Cycle

As a complement to the case study examples, the infographic below illustrates how infrastructure design and construction typically fit within the overall development process for housing. It depicts the four stages of housing development: 1. *Pre-Development*; 2. *Design*; 3. *Construction*; and 4. *Project Completion*. The total elapsed time for a typical multi-family housing project is around 3 to 5 years from inception to completion.



Appendix C



DATE: December 20, 2024
TO: Madeline Phillips and Palmer Mason, DLCD
FROM: Becky Hewitt and Celia Beauchamp, ECONorthwest
SUBJECT: Engagement Summary from Focus Groups and Interviews

Introduction

ECONorthwest conducted interviews and attended focus groups and Inter-agency webinars hosted by DLCD to gather input on considerations for evaluating infrastructure projects. This memorandum summarizes findings and insights from that engagement.

Focus Groups

DLCD and ECONorthwest held four virtual focus groups with local government representatives, housing providers/developers, and advocacy organizations across Oregon. The participants highlighted barriers to infrastructure readiness, funding gaps, and practical challenges that inhibit housing production. This report synthesizes participant feedback to ensure the framework reflects the realities of infrastructure and housing development.

Infrastructure Readiness and Timing Considerations

- ◆ The time required for infrastructure project design and construction varies depending on the scale and type of project, but **3 to 5 years total for design and construction** is common for many mid-size and larger public sector projects (e.g., pump stations and force mains). Participants noted 12-18 months for design, siting, easements, and approvals, and 18-24 months or more for construction, with lead times on equipment or larger projects sometimes requiring longer. Some noted that smaller projects could be completed within 1-2 years.
- ◆ Several local government participants noted that **project design often occurs only after development interest is clear or funding is secured, but this can contribute to development stalling.**
 - One city noted they have historically avoided speculative designs, as conditions and regulations can change, requiring costly re-permitting. However, developers may not go through the permitting process if there's no clear path to delivering the infrastructure.
 - Another city noted that they would not advance design for needed infrastructure past about 20 percent until development agreements are in place, since they haven't wanted to spend money on design for projects that may not move forward.

- ◆ **It takes time to get funding agreements in place** once an appropriation (or other grant) is awarded so that the jurisdiction can start getting reimbursed for project costs, which can increase challenges with meeting the required timelines.
- ◆ Several local government participants noted having encountered **unexpected delays in delivering infrastructure projects due to regulatory issues**. Examples included:
 - NOAA (National Oceanic and Atmospheric Administration) approvals to discharge to the bay can take up to 1.5 years due to sensitivity around oyster harvesting.
 - Recent FEMA BiOp (Biological Opinion) adds uncertainty for floodplain developments.
 - SHPO (State Historic Preservation Office) often requires repeated back-and-forth communication, which can delay projects.
 - NEPA (National Environmental Policy Act) reviews led to a stalled timeline on a project due to unexpected cultural discoveries.
 - Issues related to siting some project components in an EFU (Exclusive Farm Use) zone stalled a project to expand a wastewater treatment facility despite it being 80% designed. The project had to be substantially revised, and legislative changes were needed to allow it to move forward even with the modifications.
 - One local government participant noted that the land use compatibility statement doesn't necessarily flag state/federal permitting issues, so these can be a problem even if local land use approvals are not an issue.
- ◆ One housing developer noted that if utility lines need to be extended across adjacent properties where roads and rights-of-way are not yet in place, **negotiating easements with adjacent property owners can create challenges**.

Housing Development Readiness and Impact Considerations

- ◆ Several local government participants noted a **need for funding for larger-scale projects that enable development in a broad area** (including areas recently brought into a UGB and system-wide capacity projects), even though it will take time before housing is built in that area, and there is often little information about what housing will be built there.
- ◆ Both public- and private-sector participants noted that the **larger projects are often difficult for private developers to take on**.
 - One private developer noted a willingness to pay back a portion of the investment over time, but challenges with taking on the cost up front.



- One local government participant noted that the SDC credits for developers who build infrastructure beyond what they need typically don't fully compensate the developers.
- ◆ **The availability of detailed information about future housing development varies.**
 - Special districts have less information about the planned development that their larger facilities will serve. They can coordinate with the cities about timing and plans and review city zoning but have little control over those plans or the type of housing that will be built.
 - Small cities may not have comprehensive data on projected housing capacity for a given area, since they may not have a Housing Needs Analysis (HNA) or Buildable Lands Inventory (BLI).
- ◆ **Willingness to invest in pre-development before infrastructure is available varies** with development scale.
 - For large-scale developments, private developers noted working on planning and permitting for housing development even before there was a clear path to delivering trunk-line infrastructure to the area.
 - For smaller projects, developers noted being less willing to invest heavily in pre-development until they know it is going to be ready to build within the next 2 years.
- ◆ **Enabling jurisdictions to proactively invest in infrastructure to support development could accelerate timelines** for both market rate and affordable housing.
 - Horizontal development (including building infrastructure) within a new subdivision can take at least a year before a builder would put in a permit to build homes.
 - One affordable housing developer stated that building on a site where horizontal development (including infrastructure) is done could cut development timelines in half.
 - Another noted that building infrastructure even for an infill site could add 18-24 months to the development timeline.
- ◆ **Affordable housing can be particularly impacted by infrastructure gaps.**
 - Much of the funding for affordable housing can only be used for on-site infrastructure costs, not for off-site improvements. When a project triggers off-site improvement requirements, it's often unclear who is going to pay for that. Some larger jurisdictions are investing in sites and getting them ready with infrastructure, while other jurisdictions are not able to take this on.
 - Several affordable housing developers have been given land that lacks infrastructure, which is inhibiting development.



- ◆ Other factors that can impact housing development readiness include:
 - State/federal wetland permitting (DEQ and Army Corps) can take 1-2 years to get permits for mitigation.
 - Some sites may need multiple infrastructure improvements (e.g., road, water, and sewer). Funding just one component may not be enough.
 - For sites that are owned by the public sector, they will often need to go through an RFP process and select a developer.

Prioritization Considerations

- ◆ Several participants noted **concerns about leverage/matching funds** as an evaluation criterion.
 - Some noted that not all jurisdictions have equal ability to provide a local match.
 - Some noted that the definition of match should be broad enough to encompass SDC reductions/waivers and other incentives that reduce costs, rather than only looking at direct funding.
- ◆ Several participants noted the importance of **supporting many types of housing**, including market rate, workforce, and affordable housing.
- ◆ Several participants recommended **comparing project cost to the number of units expected**. However, some noted the challenges with estimating the number of units for certain types of projects that are not tied to a particular development.
- ◆ Some noted that the **number of housing units produced** should be considered relative to overall housing needs along with additional housing context.
- ◆ One participant raised **asset building and energy efficiency** as potential prioritization criteria.
- ◆ Several noted **concerns about housing density** as a prioritization criterion.

Other Comments and Considerations

- ◆ Several participants noted concerns that **smaller jurisdictions might miss out on funding opportunities** through appropriations, due to a lack of awareness, not knowing how to access the funding or when to apply, etc.



Interviews with Legislative and Agency Staff Involved with Legislative Appropriations

In collaboration with DLCD, EConorthwest conducted interviews with existing agency representatives and individuals familiar with the existing legislative appropriations process, including the Legislative Fiscal Office (LFO) and the Department of Administrative Services (DAS) Capital Finance. These interviews provided insight into the existing funding process, critical requirements, and areas for improvement. The interviews addressed funding stages from application intake to how projects are presented at the legislative session to final approval. This section summarizes the existing legislative appropriations process and potential areas for improvement from the perspective of those interviewed.

Existing Legislative Appropriations Process

Overview of Projects and Funding Sources

- ◆ Capital project requests can be for a wide range of project types, including infrastructure, community centers, schools, etc. because of how flexible the funding is. However, they must meet the definition of a capital project (vs. operations or maintenance) to qualify for bond funding.
- ◆ The number of project requests has increased in recent sessions, up to several hundred projects.
- ◆ Capital project awards are typically funded by Lottery Revenue Bonds or by the state's General Fund, except for State-owned projects and community college-owned assets, which are typically funded through other General Fund bond programs.
 - Lottery Revenue Bonds and the General Fund have different requirements, but because of the way the budget and legislative process work, they are pooled together to form the available resources that legislators can choose to allocate to projects.
 - Projects under about \$1.5 million are typically funded with General Fund grants rather than bonds. Beyond this, there are no specific thresholds for what size of project would use which funding source.

Capital Requests and Project Selection Process

The current process includes:

- ◆ Applicants fill out a capital project information form (CPIF), which LFO uses to gather basic information on capital requests. Requests come in during the legislative session. For a long session, they are typically due at the end of March or early April.



- ◆ LFO compiles the requests into a spreadsheet. LFO does not rank or evaluate the projects, simply organizing the information submitted. LFO tries to group projects by type, though this is challenging based on the wide range of projects that get submitted.
- ◆ LFO presents projects to legislators, starting with subcommittee members and leadership, in multiple large meetings. Due to the number of projects, they can't go through all the projects line by line and often make a first cut to narrow the list based on the projects that those legislators are interested in funding.
- ◆ Hearings occur towards the end of April.
- ◆ Bond bills and appropriations from the General Fund are typically finalized near the end of the session because they are typically working within whatever resources are remaining after other budget priorities have been determined.

Timing Requirements

The timing related to bond funding includes:

- ◆ **Appropriations and Project Awards:** Funds are appropriated in July, once the legislation is approved at the end of the session. DAS Capital Finance will send a grantee notification letter to each entity that was authorized to receive lottery bond funds to provide them with the agency's contact information, high-level bond information, and a template of the grant agreement.
- ◆ **Bond sales:** DAS Capital Finance issues lottery bonds two times per biennium. (This is a relatively new practice within the last several biennia; previously bonds were issued just once during the biennium.) Most of the bonds authorized during the legislative session are sold in the spring of the second year of the biennium (e.g., spring of 2027 for the 2025-2027 biennium). A smaller subset is sold in the spring of the first year (e.g., spring of 2026 for the 2025-2027 biennium).
 - LFO determines which bond issue the funded projects will go into.
 - Projects assigned to the first bond issuance can often be deferred to the second one if they are not ready in time for the first issuance. Projects that are not ready for the second issuance would have to be reauthorized in the following biennium, at the discretion of the legislature.
- ◆ **Preparation for bond sales:** In winter (e.g., December or January) prior to the bond sale, DAS Capital Finance starts the process to verify readiness for bond issuance and get the grant agreement signed. (Additional detail regarding key factors related to readiness is summarized below.)
- ◆ **Timing for expenditures:** Bonds generally work on a reimbursement basis. Recipients have a window between the appropriation and 3 years following the bond sale to expend bond funds.



- For projects where costs will be incurred before the bonds are sold (e.g., where construction will start during the biennium, prior to bond sale), applicants can sign an intent declaration that allows for reimbursement of costs incurred after the legislation is approved (up to 60 days before the intent declaration was signed) but before the bond is issued. Without a signed intent declaration, the limit is expenses incurred 60 days prior to bond issuance.
- Recipients need to spend bond funding within 3 years for the bonds to maintain tax-exempt status according to IRS regulations. If funds are not spent within 5 years the state must repay the IRS for excess interest, increasing costs.
- The project does not have to be completed within the 3-year period, but the portion funded through legislative appropriations must be spent within that window, and the project must eventually result in a capital asset.
- Expenses must be submitted for reimbursement within 18 months after the project is complete or placed in service, and no more than 3 years after the expenses have been paid.

For projects funded with General Fund grants, funds are available much more quickly and are not subject to the timing rules above. Grants are typically administered by state agencies; each agency has its own rules for how they administer the grants. Typically, grant funding is given to recipients up front, and they must report back on how they're spending it, but this depends on the specific agency rules.

Key Readiness Requirements for Bond Funding

Key factors that are important prior to bond issuance include:

- ◆ Recipients must have most or all of the other funding needed to complete the project available / secured prior to bond issuance. In the winter prior to bond issuance, DAS Capital Finance checks on the status and the plan to secure any funding that is not yet lined up.
- ◆ If some of the funding remains uncertain, DAS Capital Finance looks for whether they can scale the project back if they don't get the remaining funding, so that the bond funding will still deliver some kind of capital asset.
- ◆ Recipients must have a spending plan for how they will spend the bond proceeds within 3 years, based on the timing requirements noted above.

Bond Funding Eligibility

Eligible expenditures for bond funding include:



- ◆ Land acquisition costs (however, the site needs to be identified to include land cost as part of the capitalized value of the project, and bond funds may not be used for site selection)
- ◆ Acquisition of buildings, machinery, and equipment
- ◆ Construction costs
- ◆ Design, survey, permitting, and inspections associated with the capital project

Unallowable costs include:

- ◆ Overall accounting/overhead that's not directly linked to the project
- ◆ Pollution remediation unless required to undertake the project

Expenditures must also be consistent with the legislation. This is important if the legislation specifies that the funding is for a specific type of infrastructure or for a specific project component (e.g., land or construction only).

Possible Areas for Improvement

Areas where an evaluation framework or additional information could be useful to complement the existing process, based on input from LFO and DAS Capital Finance, include:

- ◆ A way to **categorize** projects during the application process. A method to sort and filter types of projects into specific categories so that projects could be more easily compared.
- ◆ A set of **definitions** for key terms to provide greater consistency in how things are characterized and considered among funding requests (e.g., what constitutes a “shovel-ready” project).
- ◆ A clearer **understanding of timing requirements** by both legislators and applicants so that problematic projects are less likely to get funded.
- ◆ A vetting **process prior to the legislative session** to elevate a shorter list of priority projects related to a given topic or type of need, similar to the process in use by the Higher Education Coordinating Committee (HECC).



Appendix D



DATE: November 4, 2024
TO: Madeline Phillips and Palmer Mason, DLCD
FROM: Becky Hewitt and Celia Beauchamp, ECOnorthwest
SUBJECT: Case Study Summary: Investment Prioritization Frameworks

Executive Summary

Existing and recent funding evaluation and infrastructure prioritization efforts, tools, and mechanisms used across the state and in other states can offer lessons learned for the current effort to provide a framework for consideration of legislative appropriations for infrastructure projects to support housing. A review of four example frameworks highlights a wide range of approaches to prioritization to suit different needs.

- ◆ **Oregon Housing Community Services' Oregon Centralized Application (ORCA)** provides a non-competitive process for allocating state and federal affordable housing funding throughout Oregon. Noteworthy elements include:
 - The process for funding combines a focus on project readiness with built-in support for applicants to achieve readiness.
 - Key indicators of housing development readiness include plans, environmental reports, permitting, site control, zoning conformance, and financing commitment.
 - Core values include centering equity and racial justice, serving the whole state, and maximizing resources for affordable housing production. One way these values are operationalized is through funding set-asides for culturally specific organizations, Tribal Nations, and projects in rural areas.
- ◆ **Oregon's Higher Education Coordinating Commission (HECC)** uses an evaluation process and scoring rubric to prioritize state capital funding for projects related to public universities. Noteworthy elements include:
 - The process includes a points-based system scored by HECC employees, followed by a review by the HECC to provide a recommendation to the legislature for funding. Review and scoring take place prior to the legislative session.
 - Scoring is based on alignment with HECC's *Strategic Capital Development Plan* and other state priorities, including equitable outcomes for underserved populations, leverage, safety, and efficiency.
 - Scoring for leverage is adjusted based on context, including project type and rural communities.

- ◆ **The San Luis Obispo Council of Governments (SLOCOG) Housing and Infrastructure Regional Framework** created a regional understanding of infrastructure needs to support housing production aligned with housing allocations. Noteworthy elements include:
 - SLOCOG developed a regional inventory of infrastructure projects that are barriers to housing production in areas where other infrastructure capacity is available. The inventory drew from jurisdictions' information on projects in adopted plans and areas with clusters of planned housing development.
 - SLOCOG explored additional potential metrics to further prioritize projects, including nexus to housing production, cost per potential unit served, and other barriers that could inhibit development.
 - Partners were unable to reach a consensus on prioritization and ultimately shifted to identifying funding sources rather than further prioritizing projects. This underscores the challenges of reaching an agreement on an objective scoring system to allocate funding.
- ◆ **The Boston Streets Infrastructure Prioritization Project** established a new system for prioritizing planned street projects based on equity, safety, and alignment with transportation goals. Noteworthy elements:
 - The new system overcomes the inequities of the prior system, which was largely based on resident requests, and disproportionately served areas with more political influence.
 - Specific prioritization metrics vary between project types while linking to the core considerations around equity, safety, and transportation goals.
 - A dynamic tool allows staff and City leadership to screen projects based on threshold criteria and then overlay other considerations to choose among potentially eligible projects.

While none of these frameworks perfectly align with the context of the legislature selecting projects for appropriations from among requests, they can provide insights into potential approaches to project filtering and prioritization.



Introduction

ECOnorthwest reviewed examples of other funding evaluation and infrastructure prioritization efforts, tools, and mechanisms in use across the state and in other states to identify how others have approached similar tasks and potential lessons learned for the current effort to provide a framework for consideration of legislative appropriations for infrastructure projects to support housing. The case studies cover varying infrastructure types, overall goals, and outcomes. The examples analyzed include:

- ◆ Oregon Housing Community Services (OHCS)'s Oregon Centralized Application (ORCA) for affordable housing funding
- ◆ Higher Education Coordinating Commission (HECC)'s capital project scoring rubric
- ◆ San Luis Obispo Council of Governments (SLOCOG)'s Housing and Infrastructure Regional Framework (Framework)
- ◆ Boston, MA Streets Infrastructure Prioritization Project

Each project summary includes the following key components:

- ◆ **Overview:** What is this framework? Who uses it, and for what purpose?
- ◆ **Evaluation process, considerations, and metrics:** What is the process for allocating funding or prioritizing investments? What are the key considerations that inform decision-making? What metrics or indicators are used?
- ◆ **Relevance:** What aspects of the approach, framework, considerations, or criteria are potentially relevant to the current effort to develop a framework for consideration of legislative appropriations for infrastructure projects to support housing? What lessons may be applicable to this effort?

Case Studies

Oregon Centralized Application for Affordable Housing

Source: Oregon Housing and Community Services Affordable Rental Housing Division, Oregon Centralized Application (ORCA) Manual, Version 1.2, May 28, 2024. Retrieved from <https://www.oregon.gov/ohcs/rental-housing/housing-development/oregon-centralized-application-orca/Documents/how-to-apply/orca-manual.pdf>.

Overview

The Oregon Centralized Application (ORCA) is the process whereby sponsors and developers of affordable housing projects apply to receive funding through Oregon Housing and Community Service (OHCS) programs. The ORCA is not a competitive process; instead, projects move forward to funding as they are ready. Projects can move quickly if all due diligence and construction planning are complete, but OHCS works with applicants to get projects ready for funding. Evaluation focuses on readiness and ensuring consistency with OHCS's values and policy objectives.

Evaluation process, considerations, and metrics

The application process includes:

1. **Intake:** an early assessment of project funding requests generally during the concept stage of project planning through which potential applicants are matched with technical assistance and financial support for predevelopment and/or capacity building if needed.
2. **Impact assessment:** provides information for OHCS to review project readiness as well as alignment with policy priorities. Key metrics used to evaluate both readiness and policy alignment are summarized below.
3. **Financial eligibility:** includes a detailed review of progress towards readiness and compliance with key financial requirements. Key factors checked at this stage are summarized below.
4. **Commitment:** a final check on readiness before funding is awarded.

Funding allocations and the process are informed by the following values:

- ◆ Maximize resources for affordable housing production
- ◆ Center equity and racial justice, including providing funding set-asides for culturally specific organizations and Tribal Nations
- ◆ Serve the whole state, including providing funding set-asides for rural communities



- ◆ Center tenants' needs building design and funding strategies
- ◆ Provide a predictable process that is clear and flexible, supporting projects that are ready to move forward

Key Considerations Related to Readiness

- **Architectural plans** (conceptual, then 95+% complete)
- **Construction costs** (conceptual, then more detailed, then final)
- **Development team eligibility** (based on a prequalification registry) **and capacity**
- **Environmental reports** (Phase I or II Environmental Site Assessments)
- **Financial viability** (demonstrated through increasingly detailed proformas and a market study / appraisal)
- **Infrastructure availability**
- **Permitting** (submitted, not necessarily approved)
- **Site control** (demonstrated by a deed, option agreement, or similar)
- **Zoning conformance** (based on a form signed by the municipality)
- **Lender and investor commitment**

Key Considerations Related to Equity and Policy Alignment

- **Location factors**, including housing availability, displacement risk, environmental justice, and neighborhood amenities and resources
- **Affirmatively furthering fair housing**
- **Tenant engagement** and alignment with community needs
- **Organizational DEI** commitments
- **Equity and Racial Justice** strategy implementation
- **Contracting** with Minority, Women, and Emerging Small Businesses (MWESB)
- **Resident services plans** to meet tenant needs

Relevance

There are aspects of the ORCA process and framework that could inform the framework for infrastructure to support housing, including:

- ◆ A focus on project readiness prior to committing resources, with support for applicants to achieve readiness
- ◆ Values that center equity and racial justice, serving the whole state, and maximizing resources for affordable housing production
- ◆ Indicators of housing development readiness, including plans, environmental reports, permitting, site control, zoning conformance, and financing commitment
- ◆ Use of a pre-qualification process for applicants (primarily developers) to ensure capacity, a track record of success, and legal good standing



HECC Capital Project Rubric

Source: Higher Education Coordinating Commission Funding and Achievement Subcommittee, November 8, 2023, Docket Item 3.0—Public University Capital Rubric. Retrieved from <https://www.oregon.gov/highered/public-engagement/Documents/Commission/Funding-and-Achivement-Subcommittee/2023/7-November-8/3.0%20%20-%20%20Public%20University%20Capital%20Rubric.pdf>.

Overview

Oregon’s Higher Education Coordinating Commission (HECC) coordinates policy and funding for the state’s higher education and workforce training, including advising policymakers, authorizing new programs and degrees, and overseeing financial aid. As part of this work, HECC is charged with developing and administering a framework or process for reviewing university capital requests. HECC uses an evaluation process and scoring rubric to prioritize funding from state general obligation and state-backed debt-financed projects related to universities.

Evaluation process, considerations, and metrics

Projects are prioritized if they demonstrate the following characteristics:

- ◆ A capital renewal approach that repurposes existing space.
- ◆ Operational cost savings along with safety and security.
- ◆ Public-private and multi-party collaborations.
- ◆ Leveraging of private resources and institutional funds.

The HECC’s principles are operationalized through the Capital Project Rubric, a points-based scoring system to prioritize projects. Scoring is based on:

- ◆ Alignment of a proposed project with the Strategic Capital Development Plan, including:
 - Space renewal, workforce, or completion priorities
 - Addressing deferred maintenance issue
 - Supporting research and economic development
 - Collaboration with interested parties
- ◆ Other values considered important to achieving state priorities:
 - Leveraging institutional resources
 - Advancing student success for underserved populations
 - Meeting life, safety, and code compliance needs of mission-critical items and/or improving facility security
 - Operational savings, efficiency, and sustainability



- Projects identified as top priorities within the university’s existing master plan

A grading team composed of HECC employees is responsible for conducting the scoring process. Each set of scored criteria has clear guidelines for evaluation and scoring. Once projects are submitted and prioritized based on scores, the list of prioritized projects is presented before the Commission.

Relevance

Noteworthy aspects of this system include:

- ◆ Projects are evaluated and scored by a body with relevant technical expertise prior to coming to the legislature for funding.
- ◆ Projects are evaluated based on how well they align with the state’s priorities, including those captured in a specific strategic plan for capital investments and broader state priorities.
- ◆ A metric related to equitable outcomes based on benefits to underserved populations is built into the scoring criteria.
- ◆ Leverage is included as a consideration; however, scoring is adjusted based on project type (new construction or major renovation) and for rural communities so that scoring is more nuanced based on context. The evaluation also notes that external funding “should not inappropriately determine institutional or state priorities.”



SLOCOG Housing and Infrastructure Regional Framework

Sources: San Luis Obispo Council of Governments and San Luis Obispo County, *Housing and Infrastructure Regional Framework* and related materials, including [overview website](#), [August 2023 report](#), [May 2023 Housing Efficiency Analysis Story Map](#), and [March 2022 Transportation Efficiency Analysis Story Map](#).

Overview

The San Luis Obispo Council of Governments (SLOCOG) Housing and Infrastructure Regional Framework (the Framework) is a planning toolkit developed by the seven cities, the County of San Luis Obispo, and SLOCOG to address the region's growing housing and infrastructure needs. The Framework inventories infrastructure barriers for housing production, identifies available grant funding options to meet infrastructure needs, and informs regional housing planning.

Evaluation process, considerations, and metrics

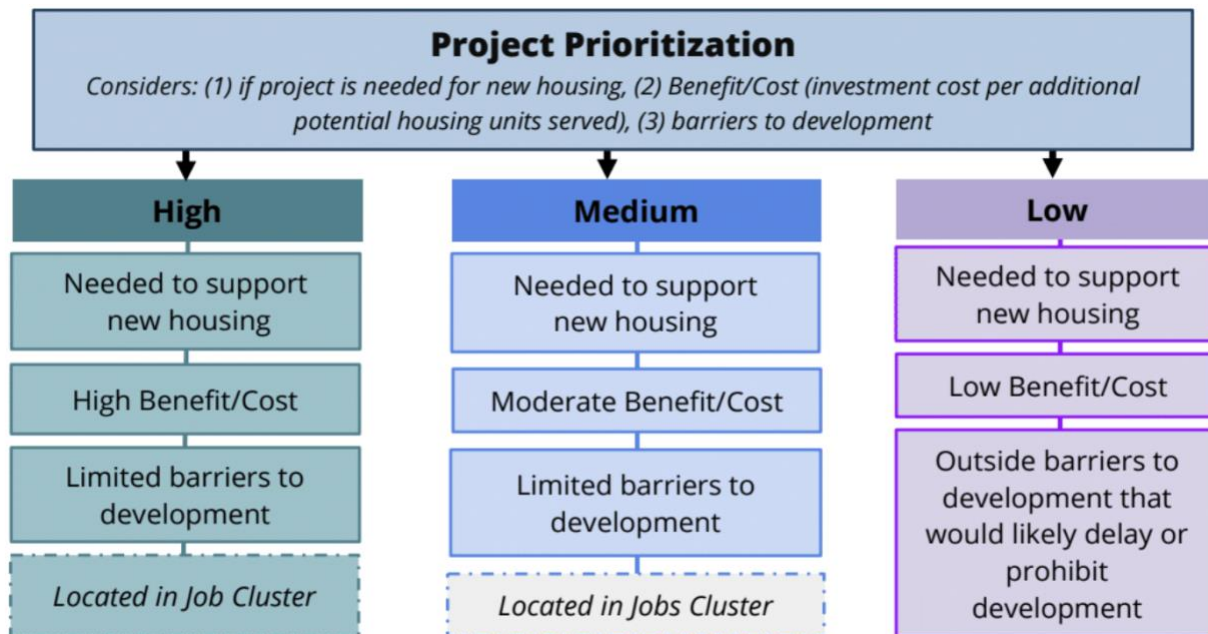
The most relevant components of the Framework include efforts to create an inventory of planned infrastructure projects that are barriers to housing production in “Housing Efficient Areas.” The Housing Efficient Areas were identified based on transportation access, water, and wastewater capacity. The transportation evaluation included identifying:

- ◆ Transportation efficient locations based on proximity transit, bikeways, and highway interchanges;
- ◆ Clusters of proposed or planned residential development from multiple jurisdictions, considering the number of planned units and expected timing for development; and
- ◆ Where planned transportation projects are required for new housing development in the residential development clusters, as well as projects that would improve an area’s transportation efficiency.

The ability of water and service districts in the region to provide capacity for additional housing units was added as a second component to identify housing-efficient areas. Infrastructure projects located within a Housing Efficient Area were highlighted and mapped at a regional scale. Additional information regarding hazard risk, sensitive habitat, and other considerations was provided for context but not used to eliminate projects from the list.

SLOCOG conducted initial work to prioritize the identified projects. Transportation projects were evaluated separately from water/sewer projects, because transportation project timing is often more flexible relative to the timing of housing development, whereas housing generally requires adequate water and sewer infrastructure. The initial prioritization focused on nexus to housing production, benefit/cost (cost per potential unit served), and the presence of other barriers that could inhibit development, as shown in the following diagram.





Source: San Luis Obispo Council of Governments and San Luis Obispo County, *Housing and Infrastructure Regional Framework Report*, August 2023, page 19.

Other considerations noted that were not included in the initial framework include housing type (e.g., multifamily housing, based on findings that this housing type was more likely to provide low- and moderately-priced units) and jobs-housing balance.

Ultimately, SLOCOG did not finalize this prioritization framework, because there was not specific funding available to allocate to prioritized projects. However, other work by SLOCOG identified potential funding opportunities that could support the identified projects.

Relevance

Noteworthy aspects of this effort include:

- ◆ Consideration for how infrastructure needs and capacity relate across different infrastructure systems, including ensuring that projects highlighted can support development where other infrastructure systems have capacity, and that there are not other barriers that would inhibit development.
- ◆ Highlighting infrastructure projects of importance for housing systematically across multiple jurisdictions, starting from existing project lists.
- ◆ A tentative high / medium / low ranking system factoring in elements related to relevance (projects needed to support housing), readiness (other barriers to development), and cost per unit.
- ◆ Challenges with establishing a comprehensive prioritization system that is responsive to both local context and broader goals.



Boston Streets Infrastructure Prioritization Project

Sources: City of Boston Streets Cabinet, “Projects to Improve Safety on Boston’s Streets” [website](#), accessed 11/4/24; and Harvard Kennedy School Government Performance Lab, “Boston, MA Streets Infrastructure Prioritization” [website](#) accessed 11/4/24, and 2021 [project feature](#).

Overview

The City of Boston, MA identified a long list of transportation project needs as part of developing a citywide transportation plan in 2017, then needed to prioritize and sequence those \$70 million of projects for construction. In the past, the City had often prioritized based on resident requests, but that tended to over-emphasize certain neighborhoods. The City took a different approach following the completion of its transportation plan, prioritizing and sequencing projects to align with citywide goals (e.g., advancing mobility, improving public safety, and promoting social equity). The City created a dynamic project analysis tool that linked citywide goals to prioritization considerations and specific metrics and allowed for comparison among projects based on a range of characteristics. The tool allows for filtering projects based on screening criteria and overlaying other considerations to aid in prioritizing. The tool also provided data in a consistent format for different types of projects that had previously been led by different city departments and allowed the City to evaluate projects comprehensively.

Evaluation process, considerations, and metrics

Each year, the City determines its capacity to take on new projects and then prioritizes projects from its citywide transportation plan (and neighborhood plans). A Streets Cabinet, which oversees the City’s Public Works and Transportation Departments, recommends projects to the City’s Budget Office and the Mayor for potential inclusion in the Mayor’s proposed budget, which is then reviewed and approved by the City Council.

The key considerations focus on safety, equity, and achieving the transportation mode priority established in the citywide transportation plan. Projects in identified high-crash locations and those in areas with high social vulnerability (based on income, race/ethnicity, language, education, and age) are generally prioritized, though specific prioritization metrics vary between different types of projects. For example:

- ◆ Bridge maintenance projects are selected based on need (e.g., age and structural condition) as the key safety consideration.
- ◆ Sidewalk reconstruction projects are prioritized based on key streets with heavy foot traffic, social vulnerability, and sidewalk conditions.
- ◆ Small-scale safety projects are prioritized based on location near sensitive places (e.g., hospitals, community centers, parks, and schools); crash history; and concentration of children, older adults, and people with disabilities.



Relevance

The Boston Streets Infrastructure Prioritization Project provides an example of creating a holistic evaluation system to bring equity, consistency, and alignment with established goals to an infrastructure prioritization process that had been inequitable and unpredictable. It also shows that different project types can be prioritized based on different combinations of metrics to focus on those that are most relevant to that project type while still tying into an overall framework and the same core considerations.

Conclusion

None of the example frameworks are perfectly aligned with the context of the legislature selecting projects for appropriations from among requests. However, all provide insights into how project filtering and prioritization could work. The key takeaways include:

- ◆ Many prioritization efforts tie evaluation metrics to established goals or values. Some differentiate scoring criteria or relevant metrics based on project type or other context factors.
- ◆ A focus on equity is a common feature of recent prioritization efforts. Approaches include set-asides for those who have historically had less access to resources, additional support and assistance with applications, and linking evaluation and/or scoring criteria to goals or values that include equity.
- ◆ Providing additional technical assistance and time for applicants who need more support can improve equitable access to funding opportunities while ensuring projects are successful when funded.
- ◆ Review by staff with relevant technical expertise prior to the legislative session allows for more in-depth scoring and prioritization.
- ◆ Establishing consensus around an objective scoring system to prioritize infrastructure funding can be challenging.
- ◆ When evaluating infrastructure investments for housing, considering gaps and efficiencies across multiple infrastructure systems can make it clear where a single investment can have most impact to support housing production.

These findings can inform efforts to bring more consistency, transparency, equity, and structure to the process of evaluating legislative appropriations for housing-related infrastructure.





Planning for Healthy Communities

AIM

A win-win-win concept for the health and safety of people, our economy, and our environment: give cities clear guidance for protecting health and safety as Oregon’s economy prospers.

GOAL 9

Goal 9—Economic Development in Oregon’s land use planning program—seeks to ensure that cities have enough land available within their Urban Growth Boundaries (UGBs) to foster viable economic growth and development over a 20-year horizon.

The Planning for Healthy Communities Act will adopt a statewide response that upholds state land goals for economic development while protecting sensitive communities by addressing disparate and cumulative impacts.

HEALTHY COMMUNITIES ACT

This legislative concept improves Goal 9 by adding clear direction for cities to address potential health and environmental justice impacts when industrial uses are proposed next to homes, hospitals, care facilities or schools. The concept combines technical and community knowledge to quickly identify land use conflicts and possible impacts through early detection and intervention. This modernized approach enhances the health and safety for Oregonians, brings certainty for business, and relieves cities of complaints and litigation.

HEALTHY COMMUNITIES ACT will expand offsite impacts mitigation beyond standard nuisance considerations to address increased risks to public health, such as:

1. Increases in air pollution



2. Urban Heat Island Effect and extreme heat due to lower tree canopy



3. Increases in traffic fatalities and accidents associated with frequent truck and equipment movement





Planning for Healthy Communities

HEALTHY COMMUNITIES CONCEPT

The legislative concept will establish health and safety protections for Oregonians in Goal 9 land use decisions for economic development, if a city decides to zone land for industrial use within 1000 feet of a public or private school property, child care facility, hospital, residential care facility, or land zoned for residential use.

THE CITY MUST:

1. Consider impacts analysis and mitigation measures that account for, at minimum, pollution exposure, traffic and pedestrian safety, diesel emissions, noise, vibration, glare/light and urban heat island effects generated by the use.
2. Establish public health safeguards the industrial use applicant must meet to mitigate the identified off-site impacts on sensitive sites within 1000 feet of the proposed industrial use.
3. Oregonians who live in these qualifying areas will now have an opportunity to have localized conversations with their city/town about possible off-site impacts and mitigation strategies.

Otherwise, cities may continue to zone and permit uses based on existing processes.

FINDING SOLUTIONS

Incompatible industrial zoning continues to harm vulnerable Oregon communities. Not only do such communities face more pollution, but they are generally more susceptible to negative health impacts from that pollution due to socio-demographic factors and/or pre-existing health conditions. It's time to adopt model policies enacted in other cities and states that are protecting and safeguarding neighborhoods facing disproportionate public health and safety risks.

RISK REDUCTIONS USING OVERLAY ZONING



Intended to provide and protect Eugene's large-lot industrial portfolio in the Clear Lake expansion area, the CL Overlay Zone, adopted in 2018, implements comprehensive plan policies that call for fairness and equity in achieving a healthy environment, vibrant community, climate considerations and improved quality of life for surrounding neighborhoods. To this end, the CL Overlay regulations identify certain uses that are restricted or prohibited to avoid incompatibilities between pollution emissions and nearby residences, schools or parks.

D R A F T

SUMMARY

Digest: This Act makes new factories study and reduce harms to sensitive people. (Flesch Readability Score: 60.7).

Requires local governments to map sensitive uses as part of a comprehensive plan. Requires, before allowing the development of industrial uses, study and mitigation of impacts on nearby sensitive uses and an additional public hearing.

Requires local governments to map sensitive uses by January 1, 2027.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to industrial development impact on sensitive uses of land; and de-
3 claring an emergency.

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

5 **SECTION 1. Section 2 of this 2025 Act is added to and made a part**
6 **of ORS chapter 197.**

7 **SECTION 2. (1) As used in this section:**

8 (a) **“Industrial use” includes heavy, medium or light manufactur-**
9 **ing, warehousing or distribution of goods, automotive repair or body**
10 **shop, food processing, animal processing, waste processing and recy-**
11 **cling or other manufacturing that requires an environmental dis-**
12 **charge permit.**

13 (b) **“Public health impacts analysis” means a document that meas-**
14 **ures or estimates public health impacts of a particular industrial use,**
15 **including air, water or land pollution, pathways of human exposure,**
16 **pedestrian safety, traffic emissions, noise, vibration, glare or light**
17 **pollution and urban heat island effects.**

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 (c) “Sensitive uses” means uses of land frequently made by vulner-
2 able populations, including residential uses or uses for public or pri-
3 vate parks, schools, child care facilities, hospitals or residential care
4 facilities.

5 (2) The comprehensive plan of each local government must include
6 a map identifying sensitive uses within the urban growth boundary.
7 The map must be updated each time a local government updates its
8 economic opportunity assessment under a statewide land use planning
9 goal relating to economic development.

10 (3) Before an industrial use may be sited within 1000 feet of a sen-
11 sitive use, the local government shall:

12 (a) Require the applicant to prepare a public health impacts analy-
13 sis for the industrial use on sensitive uses, including sensitive uses not
14 mapped under subsection (2) of this section.

15 (b) Adopt conditions of approval that protect sensitive uses from
16 impacts identified in a public health impacts analysis.

17 (c) Prior to and separate from the final evidentiary hearing de-
18 scribed in ORS 197.797, conduct an additional hearing as provided in
19 ORS 197.797 except that:

20 (A) In addition to notice provided under ORS 197.797 (2)(a), notice
21 must also be provided to owners of record of property on the most
22 recent property tax assessment roll, where such property is used for
23 a sensitive use.

24 (B) The hearing will be exclusively for considering evidence, argu-
25 ments, and testimony relating to:

26 (i) The adequacy of the public health impacts analysis, including
27 the need to include additional sensitive uses; and

28 (ii) The conditions of approval required under paragraph (b) of this
29 subsection and criteria applicable to those conditions.

30 **SECTION 3.** On or before January 1, 2027, each local government
31 shall amend its comprehensive plan and adopt land use regulations to

1 **comply with section 2 of this 2025 Act.**

2 **SECTION 4. This 2025 Act being necessary for the immediate pres-**
3 **ervation of the public peace, health and safety, an emergency is de-**
4 **clared to exist, and this 2025 Act takes effect on its passage.**

5



American Planning Association
Oregon Chapter

Creating Great Communities for All



It's Time to Modernize Public Participation in Land Use Decisions

How does Oregon approach land use planning?

Oregon's program for land use planning consists of **19 Statewide Land Use Planning Goals**, housed at the Department of Land Conservation and Development (DLCD). These 19 goals express Oregon's policies and priorities for its land use planning program, related to issues such as housing, transportation and the way that the public is involved in the planning processes implemented by local governments.

What is Oregon's goal on public participation?

The first of Oregon's Statewide Planning Goals, referred to **Goal 1**, calls for "**the opportunity for citizens to be involved in all phases of the planning process.**" It requires each city and county to have a public involvement program that addresses things like feedback mechanisms for the public, making technical information easy to understand, and providing adequate financial support for public involvement efforts.

Where is Oregon falling short for the public?

Despite the adoption of Goal 1 in 1975, our land use decisions often fail to include perspectives from the public — especially from people of color, low and moderate-income residents, people with disabilities, people who live in rural and underserved communities, renters, and other underrepresented groups. This has resulted in inequitable outcomes that persist in local government plans today.

Since Goal 1 was adopted, participation technology has evolved, inclusivity practices have improved, and barriers to public participation have been studied and identified — and yet, Goal 1 remains the same as it was 50 years ago. **It's time for a change.**

How Can the State Improve Public Participation?

The current process for amending land use goals is cost-prohibitive, outdated, and in and of itself fails to offer equitable and modernized options for public engagement, participation and feedback.

With vital conversations happening around transportation, housing and environmental policies this session, it's more important now than ever to ensure that our state has an equitable, accountable public engagement process for its land use decisions.

LC 1153 offers a comprehensive, cost-effective solution to modernizing public engagement for both Statewide Planning Goal 1 and for the state's goal amendment process itself. If passed, LC 1153 will establish a Goals Advisory Committee to:



Amend Statewide Planning Goal 1 on Public Participation

With members from the public, city and county planning divisions, Tribal Governments, and organizations focused on land use planning, racial equity and environmental justice, the Goals Advisory Committee will work with DLCD to update Goal 1 by **June 30, 2027** to address:

- Exclusive and outdated language
- Implementation standards
- Barriers to public participation
- Diversity, equity and inclusion
- Outreach and education processes
- Racial inequities
- Environmental and climate considerations



Review Public Participation in the Goal Amendment Process

In coordination with DLCD, the Goals Advisory Committee will review ORS 197.240 and ORS 197.235 regarding public participation in the state's goal amendment process — auditing archaic statutes that require in-person only hearings, notice of hearings in print newspapers, and other outdated processes that are not conducive to the public engagement strategies and technology options that exist today. Recommendations from this audit will be returned back to the State Legislature for further consideration.

For more information about OAPA or questions about LC 1153, please contact:

Heather Rockwell
heather@mahoniapublicaffairs.com
541.852.1523

[Visit our website:](#)



DRAFT

SUMMARY

Digest: This Act makes LCDC update land use goals on public process and makes DLCD suggest changes to how goals are updated. (Flesch Readability Score: 64.6).

Requires the Land Conservation and Development Commission to update the statewide land use planning goal relating to “citizen involvement” by rule by June 30, 2027.

Requires the Department of Land Conservation and Development to make recommendations relating to the goal amendment process to the interim committees of the Legislative Assembly relating to land use.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to amending land use planning goals; and declaring an emergency.

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

4 **SECTION 1. Sections 2 and 3 of this 2025 Act are added to and made**
5 **a part of ORS chapter 197.**

6 **SECTION 2. (1) On or before June 30, 2027, the Land Conservation**
7 **and Development Commission shall amend the statewide land use**
8 **planning goal relating to “citizen involvement” as provided in this**
9 **section.**

10 **(2) The commission shall adopt the goal amendment by rule fol-**
11 **lowing the procedural and substantive requirements in ORS 183.325 to**
12 **183.410. ORS 197.230, 197.235, 197.240 and 197.245 do not apply to this goal**
13 **amendment.**

14 **(3) The Department of Land Conservation and Development shall**
15 **appoint an advisory committee under ORS 183.333 consisting of 17 in-**

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 **dividuals, as follows:**

2 **(a) One member representing the department;**

3 **(b) One member, selected by the Governor, representing the**
4 **Governor's Racial Justice Council;**

5 **(c) One member from an organization focused on land use planning**
6 **issues;**

7 **(d) One member from an organization focused on racial justice is-**
8 **sues;**

9 **(e) One member from an organization focused on environmental**
10 **justice issues;**

11 **(f) One member from an Oregon chapter of a land use planning**
12 **association;**

13 **(g) One member from an organization focused on public partic-**
14 **ipation or with expertise in public participation processes;**

15 **(h) One member from a federally recognized Indian tribe in Oregon**
16 **with extensive experience with land use planning and Oregon Indian**
17 **tribes and a deep understanding of rural and urban tribal populations;**

18 **(i) Three members from a land use planning division of a city, in-**
19 **cluding:**

20 **(A) One city with a population of more than 25,000;**

21 **(B) One city with a population of at least 10,000 and not more than**
22 **25,000; and**

23 **(C) One city with a population of less than 10,000;**

24 **(j) Three members from a land use planning division of a county,**
25 **including:**

26 **(A) One county with a population of more than 250,000;**

27 **(B) One county with a population of at least 100,000 and not more**
28 **than 250,000; and**

29 **(C) One county with a population of less than 100,000; and**

30 **(k) Three members of the public, including at least one from a rural**
31 **area and at least one from, or with direct ties to, an underserved**

1 **population.**

2 **(4) The meetings of the advisory committee must consist of no**
3 **fewer than 10 meetings that are made virtually open to the public and**
4 **provide opportunities for oral and written public comments.**

5 **(5) In adopting the goal amendment, the department and advisory**
6 **committee shall give consideration to addressing issues of:**

7 **(a) Exclusive or outdated language in the existing goal;**

8 **(b) Adopting implementation standards;**

9 **(c) Overcoming barriers to public participation related to time**
10 **constraints, geography, technology, language or other processes that**
11 **reduce access to public participation;**

12 **(d) Diversity, equity and inclusion;**

13 **(e) Outreach and education;**

14 **(f) Racial justice; and**

15 **(g) Environmental and climate justice.**

16 **(6) The amended goal is effective 30 days after adoption.**

17 **(7) The amended goal shall include a renaming of the goal to re-**
18 **flect, to the greatest extent possible, the broadest and most inclusive**
19 **public engagement and participation in land use planning and**
20 **decision-making processes by all members of the community, includ-**
21 **ing environmental justice communities, as defined in ORS 182.535.**

22 **(8) In addition to adopting the amended goal under this section, the**
23 **advisory committee shall assist the department with the reports under**
24 **section 4 of this 2025 Act. The advisory committee shall hold at least**
25 **one public hearing, as described in subsection (4) of this section, to**
26 **solicit public feedback on the interim report.**

27 **(9) The commission or department may request the assistance of**
28 **any state agency, public or private organization, including federal**
29 **agencies, other states and universities, in the amendment and**
30 **adoption of the goal.**

31 **SECTION 3. Notwithstanding ORS 197.250, state agencies and local**

1 governments shall amend their comprehensive plans, land use regu-
2 lations, zoning ordinances, rules, plans and programs to comply with
3 the changes to the statewide land use planning goals under section 2
4 of this 2025 Act on or before the date:

5 (1) 180 days after the adoption of the changes for state agencies, for
6 cities with a population of more than 25,000 and for counties with a
7 population of more than 250,000.

8 (2) 270 days after the adoption of the changes for cities with a pop-
9 ulation of at least 10,000 and not more than 25,000 and for counties
10 with a population of at least 100,000 and not more than 250,000.

11 (3) 540 days after the adoption of the changes for cities with a pop-
12 ulation of less than 10,000 and for counties with a population of less
13 than 100,000.

14 SECTION 4. (1) The Department of Land Conservation and Devel-
15 opment, with the assistance of the advisory committee and public
16 participation under section 2 of this 2025 Act, shall study and develop
17 recommendations for the public participation process that the Land
18 Conservation and Development Commission uses to amend, implement
19 and review land use goals under ORS 197.158, 197.160, 197.165, 197.175,
20 197.225, 197.230, 197.235, 197.240 and 197.245.

21 (2) The department shall submit reports on the study in the manner
22 provided by ORS 192.245, and may include recommendations for legis-
23 lation, to the interim committees of the Legislative Assembly related
24 to land use including:

25 (a) An interim report no later than August 1, 2026; and

26 (b) A final report no later than December 31, 2026.

27 SECTION 5. This 2025 Act being necessary for the immediate pres-
28 ervation of the public peace, health and safety, an emergency is de-
29 clared to exist, and this 2025 Act takes effect on its passage.

30

Tentative Planning Commission Work Program

(Scheduling and timing of agenda items is subject to change)



January 13, 2025 Work Session

- Discuss Land Use Related Legislative Concepts for 2025 Session
- Update on City Plans to Modernize its Website (John Fuller)

January 13, 2025 Regular Session

- Organizational Meeting
- Public Hearing on File No. 1-AX-24/4-Z-24: Annexation of 2.65 acre South Beach Church Light Industrial Parcel

January 27, 2025 Work Session

- Discuss Scope of Housekeeping Code Amendment Package
- Review Draft Nuisance/Property Maintenance Code Changes (Council Goal)

February 10, 2025 Work Session

- Update on Comprehensive Plan Streamlining Project (Beth Young)
- Placeholder for Review of New "Municode" Municipal Code Structure

February 10, 2025 Regular Session

- TBD

February 24, 2025 Work Session

- Review Draft Package of Housekeeping Code Amendments
- Update on Council Goal Setting Retreat/Commission Goal Setting

February 24, 2025 Regular Session

- Initiate Package of Housekeeping Code Amendments

March 10, 2025 Hold for Potential Joint City Council/Commission Work Session

- Review and Provide Feedback on City Center Revitalization Plan Comprehensive Plan and Development Code Concepts; Proposed Public Investments; Incentives and Public/Private Partnerships; and Future Transportation Conditions

March 10, 2025 Regular Session

- Placeholder for Wilder Phase 6 Multi-Family Final Development Plan (30+ units)

March 24, 2025 Work Session

- Placeholder for Review of Parking Related Code Changes for Nye Beach Paid/Permit Program
- Placeholder to Discuss New Wastewater Treatment Plant Comprehensive Plan Policies

March 24, 2025 Regular Session

- Placeholder for File 1-UGB-24, Public Hearing on Warren UGB Minor Amendment Request

April 14, 2025 Work Session

- Review Legal Description, Boundary Survey, and Framework for a Sewer Connection Rebate Program Related to the South Beach Island Annexation Project