



# Oregon

Tina Kotek, Governor

## HPAC Work Group Recommendation Template

*Annexations and Comprehensive Plan Changes*

### Work Group

- Availability of land
- Land development permit applications
- Codes and design
- Workforce shortages
- Financing

### Recommendation

Annexations and Comprehensive Plan Changes/Zone Changes shall have a statutory timeline similar to the statutory timeline for limited land use cases. Instead of 120 days (as is the case for limited land use cases), timelines would be as follows:

- Annexations shall have decisions and have paperwork forwarded to the State within 180 days.
- Comprehensive plan map amendments shall have a timeline of 180 days.

Annexations of land within UGB that meeting the criteria of ORS 222.127, Section (2) shall be a Type II review.

Enclave annexations shall have a 120-day statutory timeline.

LUBA shall have the right to review all annexation decisions.

Direct a state entity to develop a set of broader recommendations to comprehensively reform annexation statutes (ORS 222), in consultation with developers, local governments, etc., with the goal to reduce the cost/delay to housing production associated with annexation.

### Related Work Plan Topics

- Remove barriers and make it less complex to build smaller, more affordable homes.

### Adoption Date

October 23, 2023

## Method of Adoption

Discussed in work group on October 9, 2023.  
Approved on October 23, 2023

## Co-chairs Guidance: Standards for Analysis

1. Clearly describe the housing production issue that the recommended action(s) will address.

Annexations and comprehensive zone changes do not have statutory timelines for when a decision needs to be made on the application. Because of this, these applications can become a lower priority for local staff. Annexations can take multiple years to get approved. Comprehensive plan changes can take 9 to 12 months. This process can be drawn out even more if appeals are included.

Enclave annexations should have a quicker path forward, since they are surrounded by annexed properties. Services can be assumed to be present since the area around the property is developed. Often, these enclave annexations could allow for the development of a more affordable middle-housing products, since middle housing is permitted in cities, but not in counties.

2. Provide a quantitative, if possible, and qualitative overview of the housing production issue.

Under the current land use system, land that is within the UGB but not within the city limits can be annexed into the City limits without voter approval if it meets certain conditions. ORS 222.127 states that annexations can be decided without voter approval if the following conditions are met:

- 1) The area is in the UGB
- 2) The area will be consistent with the comprehensive plan
- 3) It is contiguous to the city limits (or is separated from city limits by ROW or waterbody)
- 4) Proposal conforms to all other requirements for the city ordinances

These provisions are fairly clear and objective, yet annexations remain without a statutory timeline. While some cities process annexations fairly quickly, others take several years. This includes enclave annexations, where all the services are present and the property is surrounded on all sides by annexed properties.

Comprehensive plan changes are a more subjective process, which criteria such as “equally or better suited”. But these criteria can still be evaluated in a timely manner. Given that properties still need to go through further land use approvals and must meet city standards for both multi-family and subdivisions, shortening the timeframe for the Comp Plan zone change will help get housing produced quicker.

3. To assess the issue and potential action(s), include subject matter experts representing all sides of the issue in work group meetings, including major government, industry, and stakeholder associations.

Alan Sorem, Land Use Attorney

Brandie Dalton, Land Use Planner

Kelly Ritz, Stone Bridge Homes

Mike Robinson, Land Use Attorney

Sean Edging, DLCD

4. Provide a quantitative, if possible, and qualitative overview of the outcome of the recommended action(s).

Providing statutory timelines for all aspects of housing production helps reduce risk and allows housing developers to better forecast their projects.

Annexations could be processed in 180 days, rather than years. Comprehensive plan changes would help ensure that the process didn't drag on and on with hearings and appeals.

Enclave annexations could help lots that are surrounded by properties in city limits to develop with middle-housing, which currently isn't allowed in the county.

5. Provide an estimate of the time frame (*immediate, short, medium, long-term*), feasibility (*low, medium, high*), and cost (*low, medium, high*) for implementation of the recommended action(s).

Time Frame: SHORT and LONG

Feasibility: HIGH

Cost: MEDIUM

The time frame would depend on the legislature amending the ORS to include these statutory timeframes. The time frame for the state to come up with revisions to ORS Chapter 222 to comprehensively reform annexation statutes would take much longer.

The feasibility seems high. Some cities are processing annexations at this pace currently. This would just ensure that all cities are moving at a similar pace.

The cost would differ depending on the jurisdiction. It is likely that one of the reasons these types of applications take longer is because they require more staff time to analyze and prepare findings. Additional funding/staffing may be required by some jurisdictions to help with work load.

6. Provide a general overview of implementation, the who and how for the recommended action(s).

Would require legislature action to amend existing ORS.

7. Outline the data and information needed for reporting to track the impact and implementation of the recommended action(s).

Cities already track limited land use applications. This would be similar, just with a slightly longer timeframe.

Should a statewide database be established for tracking land use actions, this would be easier to track.

8. Identify any major unknowns, tradeoffs, or potential unintended consequences.

Should applications have missing information, statutory time limits could cause more applications to be denied based on missing information.

The statutory timelines puts more stress on city staff to analyze and prepare findings for these cases.

*Please include any relevant reports, data analyses, presentations, or other documents that would be informative and useful for the full HPAC as the recommendation is discussed and considered.*