WHAT IS HAPPENING

At Governor Kotek's direction, the Department of Land Conservation and Development has a Rulemaking Advisory Committee (RAC) in process titled "Housing in in Unincorporated Areas".[1] The charge of the RAC is to:

1. Allow individual counties to increase housing density in all four types of rural unincorporated communities.
2. Allow individual counties to more easily expand the boundaries of rural unincorporated communities. rezoning adjacent rural residential, farm land, forests and other natural lands.
3. *Require* participating counties to zone for housing for a range of incomes, not just affordable housing.
4. *Require* participating counties to allow uses including, but not limited to, commercial, light industrial, transportation, public safety, public facilities and urban services.

Source:
1. https://www.oregon.gov/lcd/Commission/Documents/2026-04_Item%205_Final_Combined.pdf. The charge is on pages 4-5. The four types of rural communities are described on page 2.

WHAT YOU CAN DO

Take action today, before the next RAC meeting on October 12! Call or write Governor Kotek to stop the Housing in Unincorporated Areas rulemaking and keep urban development inside cities, where it belongs. CC your email to:

- Geoff Huntington, Senior Natural Resources, Climate & Energy Advisor to Governor Kotek at geoff.huntington@oregon.gov
- Rep. Pam Marsh Rep.PamMarsh@oregonlegislature.gov
- Sen. Floyd Prozanski Sen.FloydProzanski@oregonlegislature.gov
- LCDC Chair Allan Lazo Allan.Lazo@dlcd.oregon.gov
- DLCD RAC staffers Jon Jinings jon.jinings@dlcd.oregon.gov and Palmer Mason palmer.mason@dlcd.oregon.gov
- Your own state senator and representative

What to say? You can use any of the overarching statements, and the submission form, on the Protect Rual Oregon (PRO) website at https://www.protectruraloregon.com/ Or use any of the issues detailed below; please adjust the wording to be your voice. For help. use the Contact form at the PRO website or email info@thrivehoodriver.org.

THE ISSUES

Issues are categorized below, then detailed in number order. Acronyms are listed at the end.

<u>RAC membership</u>

1. The RAC membership –and consequently the expected result – appears predetermined.

<u>Housing</u>

2. The RAC is not designed to provide affordable housing.
6. The state has no idea whether any additional buildable parcels are needed for housing.
7. For the one county that has compiled data, the number of buildable parcels already exceeds the housing needed through 2047.
8. Building on rural lands drives up the price of housing for all residents.
10. Recent legislation may already have provided housing opportunities in excess of any need.

<u>Livability</u>

3. Participating counties will be *required* to allow industrial, commercial, and other undefined non-residential development in rural communities.
4. No one knows what communities will be affected.
5. The four types of rural communities are different, but the RAC charge treats them all the same.
9. Existing residents will be required to pay for development.
11. The RAC mandates sprawl.
12. Individual counties should not be allowed to opt out of Oregon's land use system.
13. The RAC's charge is contrary to the fundamental goal of land use in Oregon.

1. The RAC membership –and consequently the expected result – appears predetermined.

In Oregon, the public is to be involved in the development of public policy by agencies and in the drafting of rules. The membership of an advisory committee must represent the interests of persons and communities likely to be affected by the rule.[1] To that end, the application form for the RAC asked questions that deserve a thoughtful answer, including "What motivates you to serve on this RAC?" and "What other lived experience, skills or knowledge would you expect to bring to the RAC?". 64 people applied; 19 were appointed. Of the 19 appointed, 8 filled out nothing in the application form other than their name and organization.[5] There was obviously a secret process to be appointed to the RAC, unknowable and unavailable to the public.

Of the 19 people who were appointed to the RAC, [2]

- One is an officer or director of a pro-land-use organization: Mary Kyle McCurdy of 1000 Friends of Oregon.
- *Three* are officers or directors of the anti-land-use organization Oregonians In Action (rebranded as the Oregon Property Owners Association): Samantha Bayer, Matt Cyrus, and Dave Hunnicutt.[3]

Given the assigned members, the outcome appears predetermined.

At the Senate Interim Committee on Natural Resources and Wildfire, Senator Golden questioned the RAC membership, saying "I'm trying to find where the balance of membership is." DLCD staff responded that "We are happy to update this committee and any individual members and talk about any concerns you have as we move along."[4] That RAC should be halted until that update happens and some balance is achieved.

Source:
1. ORS 183.333(1) Policy Statement
2. https://www.oregon.gov/lcd/LAR/Documents/20260819_HUC_RAC_Packet1.pdf, page 4
3. 990 IRS information returns for 2024. Hunnicutt was paid $223,565 for working 20 hours a week.
4. https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2026091044 at approximately 2:19:20
5. Applications were obtained by a public records request. Bayer and Hunnicutt were among the eight appointees who did not submit any information.

2. The RAC is not designed to provide affordable housing.

Quite the opposite. The charge of the rulemaking is to *require* participating counties to zone for a mix of housing types and incomes. So a county that choses to participate in order to provide low-income housing complexes, for example, will be *required* to zone for inherently expensive housing on full lots and on acreage, expanding boundaries and subsuming adjacent rural residential, Exclusive Farm Use and other lands to do so.

Source:
https://www.oregon.gov/lcd/Commission/Documents/2026-04_Item%205_Final_Combined.pdf. Bullet 5 in the charge on pages 4-5.

3. Participating counties will be *required* to allow industrial, commercial, and other undefined non-residential development in rural communities.

The RAC is titled "Housing in Unincorporated Areas", but it is charged with ***requiring*** participating counties to allow uses "*including but not limited to*, appropriate *commercial and light industrial* uses, transportation, public safety, public facilities and urban services"[1]. In short, the charge is to *require* sprawl.

Light industrial, commercial and transportation uses are all defined by individual counties, not the state. Here are two examples.

A. At the September 9 legislative information session, LCDC staff stated "we don't believe data centers is something that could be approved under existing rules or approvable under future rules".[2] That is not true. In Lane County, the current light industrial zoning can be used to site data centers.[3]
B. In early 2026, Hood River County approved a 49,000 square foot Amazon distribution center as a light industrial use. It would have generated a total of 548 daily trips, including about 32 line-haul semi-trucks, 134 vans and 382 passenger vehicles.[4] (The application was ultimately withdrawn.)

Source:
1. https://www.oregon.gov/lcd/Commission/Documents/2026-04_Item%205_Final_Combined.pdf, at the sixth bullet in the charge on pages 4-5.
2. https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2026091044 from time 2:09 onward.
3. Lane County's zoning ordinance for lands outside UGBs is at LC 16.224(1) and 16.224 (1)(f)
4. Hood River County's light industrial zone is defined in zoning ordinance Article 32

4. No one knows what communities will be affected.

The most fundamental data -- the names and types of rural unincorporated communities affected by this rulemaking – is missing for 1/3 of Oregon's counties. For those that are listed in the RAC initiation document, the information is out of date. For example, of the eight areas listed for Hood River County, the status is correct for only two (Rockford and Oak Grove).

The RAC is making rules for hundreds of rural unincorporated communities without knowing where they are, which of the four types each is and therefore what existing rules already allow, and how changes in the rules will affect them.

Source:
https://www.oregon.gov/lcd/Commission/Documents/2026-04_Item%205_Final_Combined.pdf, pages 9-21.

5. The four types of rural communities are different, but the RAC charge treats them all the same.

Resort communities, rural communities, rural service centers, and urban unincorporated communities are fundamentally different in their purpose, use and infrastructure. Existing rules already allow for relatively dense housing in urban unincorporated communities, But the rulemaking lumps all four types together and imposes the same development charge on all of them with this single statement: "The rulemaking scope addresses all unincorporated communities, given the limited number of urban unincorporated communities."[1] Oregon's very success in limiting sprawl to one type of rural community is used to justify imposing it on the other three, a non sequitur if there ever was one!

Source:
1. https://www.oregon.gov/lcd/Commission/Documents/2026-04_Item%205_Final_Combined.pdf, page 3.

6. The state has no idea whether any additional buildable parcels are needed for housing.

The sole justification for the RAC is this single sentence:

> "Over the next 20 years, Oregon needs to produce almost half a million homes to meet housing needs across the state."[1]

Are <u>any</u> additional buildable parcels needed for those homes? Despite requests, LCDC hasn't provided any data to answer that question. It is disingenuous for DLCD to lead readers to assume that a need for more homes over 20 years equates to a need for more buildable parcels when absolutely no data has been provided on the number of buildable parcels already zoned and available, statewide or county by county, either inside and outside of UGBs.

Source:
1. The statement is at https://www.oregon.gov/lcd/Commission/Documents/2026-04_Item%205_Final_Combined.pdf, page 1. The "half a million" comes from Oregon Housing Needs Analysis (OHNA) 2025 Production Targets and Adopted Methodology, page 37.

7. For the one county that has compiled data, the number of buildable parcels already exceeds the housing needed through 2047.

While the state hasn't compiled any data on available buildable parcels, Deschutes County has. The Deschutes County 2024 Rural Housing Profile projects that unincorporated Deschutes County will add 5,046 more residents between 2022 and 2047, which translates to 2,077 housing units. It then details vacant lots and other opportunities for rural residences that *already* exist – a total that is about six times the calculated need.

Vacant parcels in rural areas		
Resort areas		714
Rural residential zone & rural communities		2,944
Anticipated: areas not yet platted but slated for applications or approval in the future.		126
Total vacant parcels in rural areas		3,784
Rural properties eligible for Accessory Dwelling Units (ADUs)		8,600
Total opportunities for rural residences that *already* exist		12,384
Housing units needed outside UGBs through 2047		2,077
Opportunities already available in excess of need through 2047		10,307
Housing opportunities already available, as % of need through 2047		596%

Source:
https://www.deschutescounty.gov/DocumentCenter/View/1849/2024-Deschutes-County-Rural-Housing-Profile-Report

8. Building on rural lands drives up the price of housing for all residents.

Deschutes County has been the most aggressive in the state in building houses on rural land. The County's 2020 and 2024 rural housing profiles show that:

- the total number of vacant parcels in rural residential zones, resort areas and rural communities decreased 16%, presumably because homes were built on them
- median household income county-wide increased 29%
- the average prices of homes in the six rural residential areas increased between 48% and 112%
- the median value of owner-occupied housing units county-wide increased 56%.

In other words, building on rural land appears to attract households with higher incomes, which is correlated with a disproportionate increase in the price of housing in both rural areas and all areas, for all residents.

Source: Compiled from https://www.deschutescounty.gov/596/Deschutes-County-Rural-Housing-Profile. The detailed calculation is available by request to info@thrivehoodriver.org

9. Existing residents will be required to pay for development.

Urban levels of development require urban infrastructure, including municipal water, stormwater and septic systems. Existing residents are typically required to pay for a portion of the capital costs of that infrastructure, and required to connect to them.

As an example, Windmaster Corner is a rural center located a half mile outside of the City of Hood River's UGB. Septic systems for residences there failed for decades because of hardpan soil and ongoing development. Ultimately, Hood River County built lines to move wastewater into the City sewer system, then required existing residents to abandon their septic systems and connect to it.

10. Recent legislation may already have provided housing opportunities in excess of any need.

In the last three years, there have been more than 40 amendments to land use law for housing.[1] Counties haven't been able implement all the housing "opportunities" already made available by those laws. No one knows, by county, how many housing units could be built on parcels that are already legislatively authorized but not yet locally planned and zoned.

Here's an example. The OHNA assigned the calculated "half a million" housing units needed over the next 20 years to each incorporated city statewide, then established annual targets for issuance of building permits. Hood River County's two incorporated cities were tasked with building a total of 47 housing units annually that are affordable to those making 0-60% of Area Median Income.[2] Legislation in 2021 and 2023 allows counties to 1) authorize Accessory Dwelling Units (ADUs) on land zoned Rural Residential, and 2) allow second homes on Rural Residential parcels where the existing home was built prior to 1945. In Hood River County, a preliminary estimate is that up to 1,000 parcels could qualify once the changes are implemented.[3] There are potentially enough housing units just in ADUs already legislatively authorized but not yet implemented to meet the lowest income housing needs in Hood River County for the next *21 years*.

Source:

1. https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2026091044 at approximately 2:22
2. Oregon Housing Needs Analysis (OHNA) 2025 Production Targets and Adopted Methodology, pages 58-59
3. Estimate provided by Hood River County staff on September 17 of the number of Rural Residential zoned parcels of 2 acres or more that could potentially have an ADU.

11. The RAC mandates sprawl.

The charge of the RAC is to allow individual counties to place urban levels of housing in any type of rural community. Counties that opt in will be r*equired* to zone for commercial, light industrial, transportation, public safety, public facilities and urban services.

At the information session on September 9, Senator Prozanski stated that this rulemaking is "basically decimating SB 100, because you are going to allow every county in the state to create mini cities anywhere." Department of Land Conservation and Development staff essentially agreed, asserting that housing has to be "supported by employment opportunities, commercial opportunities". Staff attempted to downplay the impact, saying that "the focus is on retail and small scale commercial" – but that caveat is not in any document. The stated charge of the RAC is to *require* participating counties to allow commercial, light industrial, and transportation uses, all of which are defined by counties individually.[1]

DLCD staff asserted that they don't want to create vehicle trips, commuter communities as opposed to "whole communities where people can live and work". Of course, there is no assurance that the required industrial, commercial, and transportation development will have any relation to the character of a particular rural unincorporated community. And there is no way to require that any and only those occupying housing there will work at those developments, either initially or over time.

The RAC is charged with intentionally shifting urban development from UGBs to rural areas, contravening the principles that make Oregon livable and undermining the state's climate and emissions reductions goals.

Source:
1. https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2026091044, from about 2:09 to 2:21

12. Individual counties should not be allowed to opt out of Oregon's land use system.

The rules could apply to any or all of the hundreds of rural communities, depending on how the Rules Advisory Committee proceeds. Basic questions such as what will be allowed in the rezoning, the kinds of planning and investments in infrastructure and rural services, and impacts on water supplies or wildlife will be punted to the counties. Reliant on property tax for funding, county governments are inherently biased toward overdevelopment.

At worst, this rulemaking is about dismantling Oregon's land use system, county by county. Once one county opts in, those who would overturn our land use system can knock off the others one by one with the catchy mischaracterization that those who do not opt in are "anti-housing".

13. The RAC's charge is contrary to the fundamental goal of land use in Oregon.

The heart of Oregon's land use statute and associated program is that urban development is focused on urban areas within Urban Growth Boundaries (UGBs), where infrastructure and services are positioned to support the development of complete communities. In particular, Goal 14, Urbanization, is, "To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities."

The sole rationale provided for undermining this treasured system is personal preference, not need: “Some county representatives have expressed interest in allowing unincorporated communities to provide more housing options as these areas continue to be desirable places to live”.[1]

The OHNA already assumes that a significant share of the housing need over the next 20 years can and will be built outside of UGBs using existing land uses laws and authorizations. For example, for the 11 counties in the northeast region, 13% of total housing units are presumed to be authorized and built outside of UGBs.[2] Significant housing options are already in place. An undefined preference by some for “more” does not justify overturning our system of planning and zoning.

Source:
1. https://www.oregon.gov/lcd/Commission/Documents/2026-04_Item%205_Final_Combined.pdf, page 2
2. Oregon Housing Needs Analysis (OHNA) 2025 Production Targets and Adopted Methodology. The total calculated need on page 39 is 19,966. The sum of the targets assigned to UGBs on pages 58-61 is 17,438. The difference of 2,528 is presumed to be built on parcels outside of UGBs.

ACRONYMS

DLCD: Department of Land Conservation and Development
LCDC: Land Conservation and Development Commission
OHNA: Oregon Housing Need Analysis
RAC: Rulemaking Advisory Committee
UGB: Urban Growth Boundary