

House Bill 2853

Sponsored by Representative EVANS (Pre-session filed.)

SUMMARY

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

Digest: This Act replaces an old industrial siting program with a new program that allows for UGB growth. (Flesch Readability Score: 65.1).

Authorizes cities to bring certain lands within their urban growth boundaries for light industrial and open space uses.

Sunsets January 2, 2037.

Sunsets 2011 program under which the Economic Recovery Review Council designated regionally significant industrial areas.

A BILL FOR AN ACT

1
2 Relating to urban growth boundaries; creating new provisions; amending ORS 285B.637; and repeal-
3 ing ORS 197.722, 197.723, 197.724, 197.726, 197.727 and 197.728.

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 of ORS chapter 197A.**

6 **SECTION 2. (1) The governing body of a city outside of Metro with a population of less**
7 **than 55,000 may identify land that is suitable for the expansion of its urban growth boundary,**
8 **that is contiguous to the urban growth boundary and that the city determines is suitable for**
9 **the purposes under subsection (3)(b) of this section.**

10 **(2) Lands identified under subsection (1) of this section:**

11 **(a) May not be larger than 80 acres; and**

12 **(b) Must be contiguous to each other or to the urban growth boundary.**

13 **(3) Within 100 days of notice of the identification of lands under this section, each local**
14 **government with jurisdiction over the property identified under subsection (1) of this section**
15 **shall:**

16 **(a) Notwithstanding any other provision of this chapter, amend the city's urban growth**
17 **boundary only to include the identified lands;**

18 **(b) Amend its comprehensive plan and land use regulations with respect to the identified**
19 **lands to:**

20 **(A) Allow no more than 50 percent of the lands to be used for industrial use, including**
21 **semiconductor manufacturing or other high-tech facilities; and**

22 **(B) Require that the remaining lands be preserved as open space or park use; and**

23 **(c) Provide the Land Conservation and Development Commission with copies of the**
24 **amended comprehensive plan and land use regulations.**

25 **(4) The actions required by subsection (3) of this section may be taken notwithstanding**
26 **any provision of this chapter or any statewide land use planning goals related to:**

27 **(a) Agriculture;**

28 **(b) Forest use; or**

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) **Urbanization.**

2 (5) **Notwithstanding ORS 197.830 to 197.845, appeals from a decision under this section**
 3 **may be heard only under ORS 34.010 to 34.100.**

4 (6) **A city may only expand its urban growth boundary once under this section. Expansion**
 5 **of an urban growth boundary under this section does not preclude a county from taking**
 6 **actions allowed under ORS 197.716.**

7 **SECTION 3. A city may not rezone lands brought into its urban growth boundary by an**
 8 **amendment to the boundary under section 2 (3)(a) of this 2025 Act for a period of 30 years**
 9 **following the date of the amendment.**

10 **SECTION 4. Section 2 of this 2025 Act is repealed on January 2, 2037.**

11 **SECTION 5. ORS 197.722, 197.723, 197.724, 197.726, 197.727 and 197.728 are repealed.**

12 **SECTION 6. ORS 285B.637 is amended to read:**

13 285B.637. (1) The Oregon Business Development Department shall establish and administer the
 14 Oregon Industrial Site Readiness Assessment Program. The purpose of the program is to provide
 15 grants on a competitive basis from funds that are available in the Oregon Industrial Site Readiness
 16 Assessment Program Fund established in ORS 285B.640, to:

17 (a) Public owners of regionally significant industrial sites or public entities that have entered
 18 into development agreements or other agreements with private owners with respect to regionally
 19 significant industrial sites, to perform due diligence assessments, define development-related con-
 20 straints and create detailed development plans to move the site toward a state of market-readiness;
 21 and

22 (b) Public owners of regionally significant industrial sites or public entities that have entered
 23 into development agreements or other agreements with private owners with respect to regionally
 24 significant industrial sites, acting on behalf of regions for the purposes of performing regional in-
 25 dustrial land inventories and prioritizing sites for due diligence assessment and site preparation as-
 26 sistance.

27 (2) In each fiscal year of a biennium:

28 (a) Eighty percent of all moneys available for making grants under this section is reserved for
 29 grants to be made pursuant to subsection (1)(a) of this section; and

30 (b) Twenty percent of all moneys available for making grants under this section is reserved for
 31 grants to be made pursuant to subsection (1)(b) of this section.

32 (3) The department may prioritize grants to be made under this section based on established
 33 targets for regional allocations.

34 (4) Public owners of regionally significant industrial sites or public entities that have entered
 35 into development agreements or other agreements with private owners with respect to regionally
 36 significant industrial sites may apply to participate in the program by submitting an application in
 37 writing in a form prescribed by the department by rule.

38 (5) The department shall establish by rule criteria and standards for successful applicants under
 39 the program. At a minimum, the applicant must demonstrate that:

40 (a) For grants made under subsection (1)(a) of this section:

41 (A) The applicant has obtained a willing property owner;

42 (B) The applicant has received the support of the region in which the regionally significant in-
 43 dustrial site is located, or the regionally significant industrial site is located in an area that has
 44 been designated a regionally significant industrial area as defined in ORS 197.722 (2023 Edition);

45 (C) The regionally significant industrial site is not currently market-ready and has not been

1 certified by the department as ready for development within six months or less as of the date on
2 which the application is submitted; and

3 (D) The applicant can provide matching funds in an amount to be determined by the department.

4 (b) For grants made under subsection (1)(b) of this section:

5 (A) The applicant is committed and has the ability to perform regional industrial land invento-
6 ries for a specific region;

7 (B) The applicant is committed and has the ability to prioritize regionally significant industrial
8 sites in a region for due diligence assessment and site preparation funding; and

9 (C) The applicant can provide matching funds in an amount to be determined by the department.

10 (6) Grants made under subsection (1)(a) of this section may not exceed \$100,000 per site. Grants
11 made under subsection (1)(b) of this section may not exceed \$50,000 per region.

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