



HOUSE BILL 2001 BACKGROUND & REQUIREMENTS

BACKGROUND: OREGON HOUSE BILL 2001

Oregon is in a housing crisis

Eugene and other cities in Oregon are facing a housing affordability crisis. Oregon is one of the fastest-growing states in the U.S.; however, housing production has not kept up with the demand. Oregon underbuilt over 150,000 housing units between 2000 and 2015.ⁱ As a result of the strong demand for housing outpacing supply, home prices and rents have risen rapidly. Like many other cities, Eugene is identified as a “severely rent burdened community,” meaning over a quarter of its renter households spend more than 50% of their income on housing. Over 42% of Eugene households can’t afford the cost of an average rental; approximately 66% of households can’t afford to buy a median home without being cost burdened.ⁱⁱ Low vacancy rates, rising housing prices and lower than state average wages are creating a dynamic that leaves both existing and new community members struggling to find local housing that meets their basic needs at a price they can afford. This has put a particular strain on lower-income households, which have fewer choices in where to live.

What is the purpose of House Bill 2001?

In recognition of this statewide issue, the Oregon Legislature passed House Bill 2001 (HB 2001) in August 2019 to help provide Oregonians with more housing choices, especially housing choices that more people may be able to afford in the long term. The Bill lets people build certain traditional housing types—duplexes, triplexes, quadplexes, cottage clusters, and townhomes, collectively known as “middle housing”—in areas where they otherwise might only be allowed to build single-family detached housing. Building up the supply of housing will make homes more affordable and help meet the housing needs of many younger people,



MIDDLE HOUSING CODE AMENDMENTS

Expanding housing options for Eugene

MIDDLE HOUSING TYPES

HB 2001 addresses five types of housing:

DUPLEXES:

Two dwelling units on a lot, usually in a single building.



TRIPLEXES AND QUADPLEXES:

Three or four dwelling units on a lot, usually in a single building.



TOWNHOUSES (ROWHOUSES):

Homes constructed in a row of attached units, each on a separate lot.



COTTAGE CLUSTERS:

Small dwellings clustered around a common courtyard. HB 2001 limits the footprint of each dwelling to 900 square feet.



older people, and people who can’t afford a large detached house of their own.

Implementation of HB 2001 through amendments to the Eugene Land Use Code is an important component in the City’s ongoing work related to housing. The Land Use Code is our agreement about what, where, and how we build in Eugene. One thing we can do together as a community is set regulations that are fair and protect things the community values such as open space, but



also do not create barriers to development of the housing the community needs. Updating our regulations to reduce barriers can allow our community to build new housing more quickly, in more places, with less cost, and increase social equity and diversity.

Advantages of Middle Housing

Beyond expanding housing options in neighborhoods, middle housing has many advantages:

- Provides options that are accessible to both renters and owners at more income levels
- Has a scale and appearance can fit in well within neighborhoods
- Helps meet the needs of a more diverse and inclusive cross-section of the community; provides choices for households of different age, size, and income
- Supports walkable neighborhoods.

REQUIREMENTS OF HOUSE BILL 2001

HB 2001 requires the City of Eugene and other “Large Cities” with over 25,000 residents to amend their Land Use Codes to allow:

- Duplexes on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings; and
- Triplexes, quadplexes, cottage clusters, and townhouses in areas zoned for residential use that allow for the development of detached single-family dwellings.

The City “may regulate siting and design of middle housing.” However, it may not adopt standards or requirements that result in unreasonable cost or delay in the development of middle housing. The Department of Land Conservation and Development (DLCD) will adopt minimum standards for compliance with HB 2001 as well as a model code for middle housing by December 31, 2020. The City of Eugene is required to adopt standards that are consistent with state regulations by June 30, 2022. The City has begun working with consultants to develop a set of Eugene code standards. If Eugene does not meet the project deadline, the model code will automatically apply.

How much flexibility does the City have in adopting middle housing regulations?

The state standards for complying with HB 2001 will be fairly prescriptive in defining what cities can and cannot do, but the City has some flexibility to make certain decisions related to its Land Use Code updates.

What can the City control?

Siting Standards – The City can adopt specific siting standards for middle housing, within certain limits. The state’s rules specifically limit certain siting standards, such as minimum lot size requirements and how many parking spaces the code can require. The limitations for duplexes are a bit stricter than for other middle housing types. The draft rules state that duplex standards cannot be more restrictive than those applicable to detached single-family dwellings.

What are siting standards?

Siting standards (also known as development standards) regulate the size and location of buildings and other features on a site. Examples include:

- Setbacks (how far a structure must be from the street or other property lines)
- Maximum building height
- Maximum lot coverage (the portion of a lot covered by buildings)

Design Standards – The City also can adopt specific design standards for middle housing (other than duplexes). However, unless it sticks to design standards in the Middle Housing Model Code, adopts standards that are less restrictive than those in the Model Code, or applies the same design standards to middle housing that are applied to detached single-family dwellings, the City will need to justify any new design standards and demonstrate how they do not cause unreasonable cost or delay (based on a set of factors determined by the state’s rules).



What are design standards?

Design standards regulate the appearance of buildings and other features on a site. Examples include:

- Building orientation (where the main entry faces)
- Architectural design requirements such as minimum window area

What is out of the City's control?

Housing Types – HB 2001 dictates what types of middle housing must be allowed by the Land Use Code: duplexes, triplexes, quadplexes, townhouses, and cottage clusters. The Bill also has specific definitions for “townhouse” and “cottage cluster.”

Zones – HB 2001 also dictates where middle housing must be allowed in the city. Duplexes must be allowed on every residential lot that allows detached single-family dwellings. Other “higher-level” middle housing types must be allowed within all single-family zones, but not necessarily on every lot. However, the state’s rules limit cities’ flexibility in determining which portions of residential zones will allow higher-level middle housing. As such, if the City decides to limit development of middle housing other than duplexes on certain lots in its

residential zones, it will need to provide the state with a strong justification for doing so.

Number of Dwellings in an Area – The Land Use Code currently limits the number of dwellings that are allowed within a certain area in its residential zones. The state’s rules say that these limitations cannot apply to middle housing (except for townhouses). For example, since a quadplex must be allowed on a single-family lot, the Land Use Code will need to allow up to four times the number of dwellings compared to what is currently allowed on that lot, depending on the minimum lot size in the zone. Eugene will also need to amend its Comprehensive Plan to ensure consistency between the City’s Land Use Code and Comprehensive Plan and to comply with HB 2001.

Design Standards for Duplexes – The state’s rules say cities must apply the same design standards to duplexes that apply to single-family detached dwellings.

Additional Limitations – Also as noted above, the state’s rules place specific limitations on many of the siting and design standards that the City may adopt for middle housing. These limitations are too detailed to summarize here, but you can read the draft rules on the State of Oregon website:

<https://www.oregon.gov/lcd/LAR/Pages/Housing.aspx>.

ⁱ Housing Underproduction in Oregon (2018), <https://www.upforgrowth.org/research/housing-underproduction-oregon>

ⁱⁱ Housing Affordability in Eugene, <https://www.eugene-or.gov/DocumentCenter/View/38749/Housing-Affordability-in-Eugene>



MIDDLE HOUSING CODE AMENDMENTS

Expanding housing options for Eugene