

Stevens Road Tract Housing Proposal – HB 3318A

June 19, 2021

Background: Bend is the second fastest growing city in the United States, and Deschutes County is the fastest growing county in Oregon. Housing has not kept pace with rising demand, causing home prices to skyrocket. This trend has been exacerbated by the pandemic. The median home price in Bend increased by \$130,000 this past year, reaching \$590,000 in March 2021. The average three-bedroom, two-bath house rents for \$2,800, up from \$2,000 just two years ago. There is significant and urgent need for greater development of housing – particularly affordable housing – in Bend.

Objective: To allow the City of Bend to include a 260-acre tract of Common School Fund land within its Urban Growth Boundary, expedite its comprehensive planning process, and prepare the land for housing and related uses as soon as possible. The proposal would be subject to agreement by the Department of State Lands and approval by the Department of Land Conservation Development.

Key Details: The Stevens Road Tract is directly adjacent to Bend's existing UGB and to roughly 340 acres of common school fund land within the UGB sold earlier this year. (See attached map) The property is currently undeveloped. Its soil classifications are amongst the worst in Eastern Oregon. The land has never been used for agricultural production and has no meaningful agricultural or natural resource value. There are no water rights associated with the land.

The proposed legislation would create an opportunity to automatically bring the land into the UGB and expedite its planning process, while maximizing density and percentage of affordable housing. The concept would require Bend to hit a number of housing targets:

- 1) To be master-planned and built at an overall density exceeding all planned master-planned developments to date in the City of Bend.
- 2) To provide for a mix of housing that ensures a higher percentage of attached units than any other master-planned developments to date and that exceeds the city's overall targets for attached units.
- 3) 20-acres will be conveyed to the city and dedicated to AMI-limited affordable housing, predominantly at 60AMI or lower. This will accommodate 600-800 affordable units.
- 4) Requires a complete community design that ensures affordable housing is integrated into overall community design, including walkability, access to public transit, open space, and recreation.
- 5) Local public process beyond that required by the normal land use process.

This legislation is fully supported by the Bend City Council. It's based on a concept that has been vetted publicly in front of the city council and in public hearings at the state level. The City of Bend would maintain full local control – nothing would occur until after significant local public process and a formal decision by the Bend City Council.