



CITY OF BEND - HB 2306 IMPLEMENTATION

FEBRUARY 19, 2021

RUSSELL GRAYSON, PE – CDD DIRECTOR



- **Overview of activity in Bend**
- **Understanding of HB 2306**
- **Bend's implementation process**
- **Residential Early Action Program review**
- **Q & A**





OCT 13, 2019 @ 10:48 AM 1/1,203 12 Books

Bend, Ore., Heads The Best Small Cities For Business And Careers 2016

Kurt Badenhausen, FORBES STAFF
I cover small businesses with an edge in education & local economies [FULL BIO](#)



The Deschutes River, Bend, Oregon (Photo: Christine Fiedt/Getty Images)



Why Bend, OR is a Best Place to Live

The jewel of central Oregon has great scenic amenities that are the envy of much larger metropolitan areas

By James Daily on June 19, 2013 2013



Why the Bend, location is like a gemstone. People come here and visit, and they don't want to leave. Bend is a great place to live and visit. Bend is a great place to live and visit. Bend is a great place to live and visit.

Jon Skidmore
Assistant City Manager

ABOUT BEND

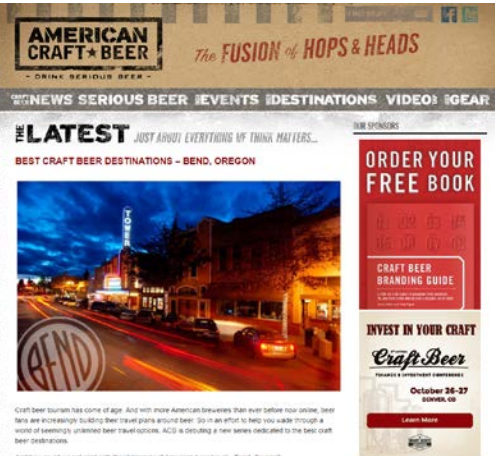


Bend-Redmond Ranked #1 Best-Performing Small City for 2016 by Milken Institute



BEND, Ore. – December 14, 2016 – Bend-Redmond, Oregon, tops the U.S. Best-Performing Small Cities index, rising from eighth the previous year. The metro improves in seven of the nine indicators. The health-care system provides economic stability. The central Oregon economy is vibrant and has been able to diversify its economic base through the new waves of innovation.

[Read the full story here.](#)



STARTING A BUSINESS August 25, 2012

Why Bend, Ore., Is the Next Big City for Entrepreneurship

Bruce Schoenfeld - MAGAZINE CONTRIBUTOR



August 28, 2016 at 05:58AM

Marijuana tourism comes to Bend

Dispensary tour could be "icing on the cake"



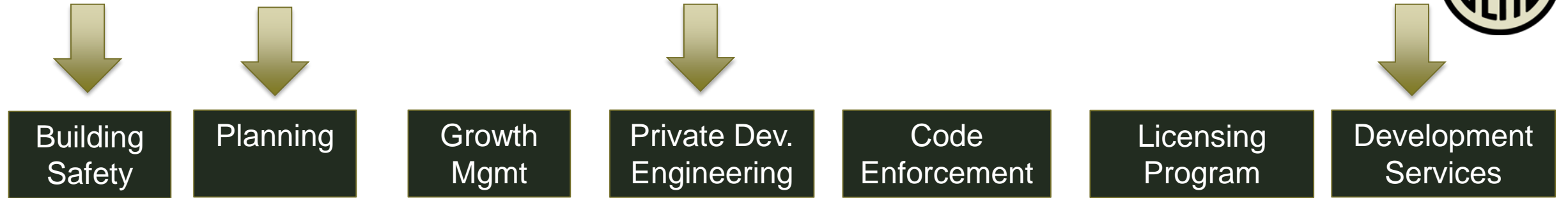


In 2020, for a City around 100,000 people:

- 5,000 Building Applications
- 1,000 Planning Applications
- 1,000 Engineering Applications
- 1,549 Residential Units Permitted (Council Goal of 3,000 units in 2-years)
 - 883 – Single-Family
 - 666 – Multi-Family
 - 332 – Affordable Housing Units



CDD CORE SERVICE AREAS



Building Permits
Change of Use
Inspections
Project
Coordination

Land Use Review
Historic District
Development Code
Sign Code
Planning Commission
Landmarks

UGB
Area Plans
Infra. Master Plans
Policy Development

ROW Permits
Infrastructure
Traffic Control
Inspections
Franchise Utilities
Construction Mgmt

Building Enforcement
Planning Enforcement
Derelict Structures
Temp Sign Program
Snow Removal
Flammable Vegetation

Business License
Short Term Rentals
Marijuana Licensing
Noise Permits
Special Events
Vehicles for Hire
Liquor Licenses

SDC Program
Addressing
Project Coordination
Agreements
General Administration
Data Management
Business Processes
LEAP IIPA (Integrated
Inspections Permitting
Applications)



Total Staff around 100 employees including:

- Land Planners
- Building Plans Examiners
- Engineers
- Code Enforcement Officers
- Inspectors (Building and Engineering)
- Permit Technicians
- Administration and Support Staff



**Involved in HB 2306
Program**

WHAT IS HB 2306?



80th OREGON LEGISLATIVE ASSEMBLY--2019 Regular Session

Enrolled House Bill 2306

Sponsored by Representatives MARSH, STARK, SMITH DB; Representatives MEEK, NEARMAN, NOBLE, ZIKA, Senator HEARD (Presession filed.)

CHAPTER

AN ACT

Relating to residential subdivisions.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) As used in this section:

(a) "Conditions of development" means requirements that, as part of a residential subdivision, a developer, declarant or owner must construct public improvements that are contained in:

(A) A development agreement under ORS 94.504 to 94.528;

(B) Conditions of approval under ORS 92.040, 215.416 or 227.175; or

(C) Any other agreement with, or conditional approval by, a local government.

(b) "Residential subdivision" means a residential development requiring a developer, declarant or owner to subdivide land, as defined in ORS 92.010, and to obtain a permit under ORS 215.416 or 227.175.

(c) "Substantial completion" means the city, county or other appropriate public body has inspected, tested and found acceptable under applicable code requirements, unless the parties agree to a lower standard:

(A) The water supply system;

(B) The fire hydrant system;

(C) The sewage disposal system;

(D) The storm water drainage system, excepting any landscaping requirements that are

- 2019 Legislative Session
 - City was active in Bill creation
 - Substantial Completion Definition
- City implemented program early 2020
- Named: Residential Early Action Program
- Currently have several subdivisions under program.
 - 1 – Path 1 (Golden Eagle)
 - 5 – Path 2
 - 18 – Path 3 (for early permit reviews)

THE “WHY” BEHIND THE BILL

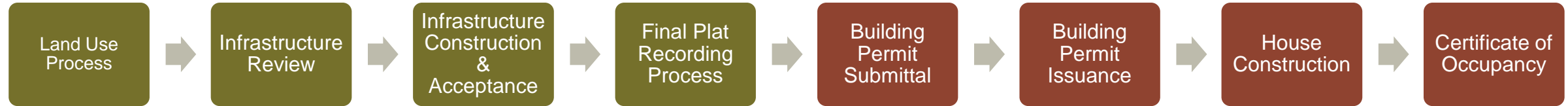


- Based on our conversations with the HBA and local/regional homebuilders:
 - Many jurisdictions were taking too long to issue permits.
 - Linear process with no overlap with infrastructure construction and building permit reviews.
 - Subdivisions were completed but sitting idle for months waiting for permits.
 - Delays in getting critical needed housing constructed.
 - Impacts to project schedules and cash flow.
- Main focus: Minimize time between subdivision completion and issuance of building permits.

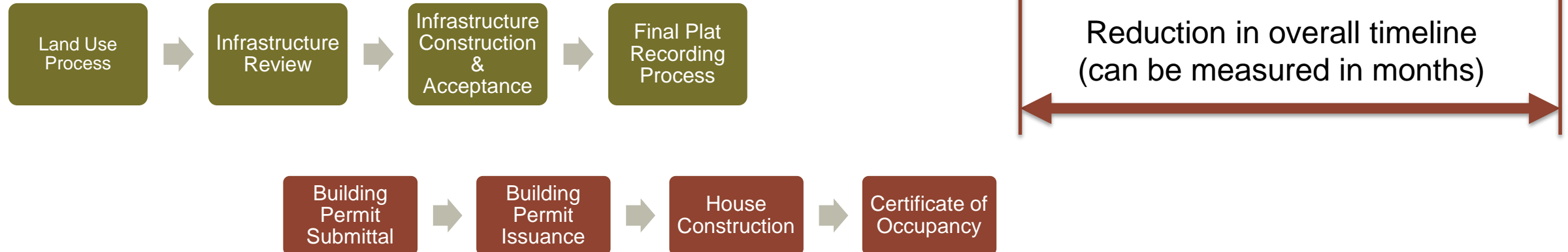
THE “WHY” BEHIND THE BILL



How to make this:



Look more like this:





- Applies to Residential Subdivisions only.
- “Substantial completion” means the City has inspected, tested and found acceptable:
 - (A) The water supply system;
 - (B) The fire hydrant system;
 - (C) The sewage disposal system;
 - (D) The storm water drainage system, excepting any landscaping requirements that are part of the system;
 - (E) The curbs;
 - (F) The demarcating of street signs acceptable for emergency responders; and
 - (G) The roads necessary for access by emergency vehicles.



- A city may not deny a building permit allowing the construction of residential dwellings, if:
 - (a) Substantial completion of conditions of development for the residential subdivision occurs; and
 - (b) The developer, declarant or owner, to secure the completion of the remaining public improvements included as conditions of development for the residential subdivision:
 - (A) Obtains and maintains a bond; or
 - (B) Undertakes an alternative form of financial guarantee.
- Does not prevent a city from declining to issue CO's if all conditions of development are not fully completed or the conditions for the release of the bond are not fulfilled.

IMPORTANT LOCAL MUNICIPAL AND DEVELOPMENT CODES

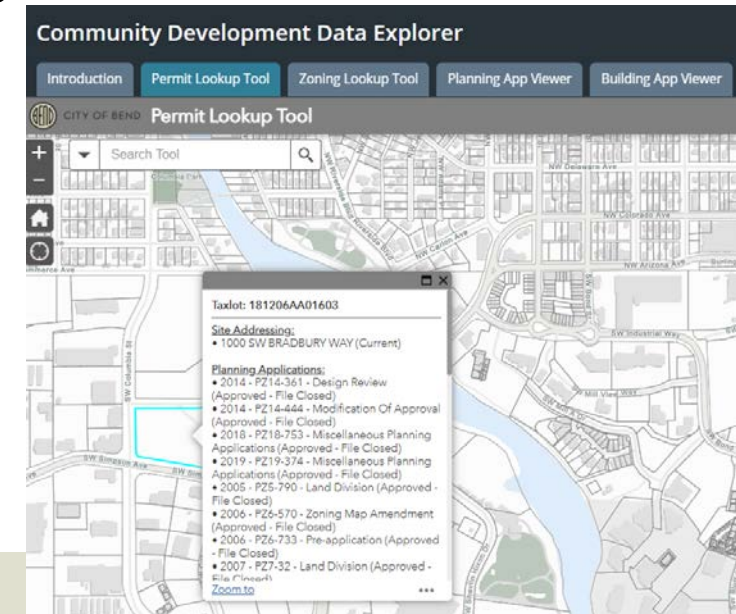
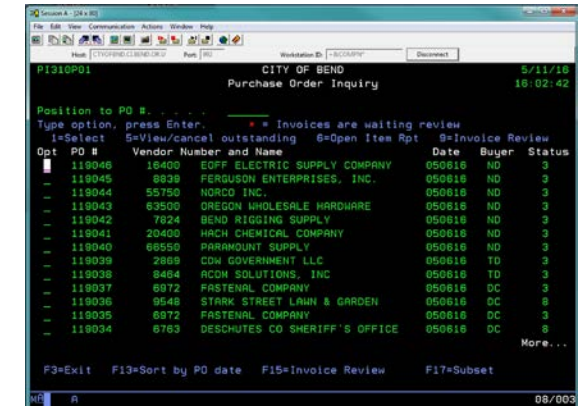


- Municipal Code: The ability of the Building Official to enforce all City codes not just the building code. We use that section to justify being able to hold up CO's for infrastructure completion and Land Use Conditions of Approval.
- Development Code: Ability to post a performance bond for infrastructure (at the discretion of the City Engineer).

IMPLEMENTATION QUESTIONS AND ISSUES



- Addressing and permitting system configuration
- Infrastructure acceptance process (two-tier system)
 - Partial acceptance of water and sewer systems:
 - Allows for water meters and sewer connections
 - Fire protection for construction
 - Performance Guarantees for non-completed items
 - Developer agrees to repair any infrastructure damage prior to final acceptance
 - Final Infrastructure acceptance prior to CO
- Construction of structures without final property corners
 - Post Construction Surveys
 - Developer agrees to all remedies for issues
- Completion of all Land Use Conditions prior to CO



HOW WE IMPLEMENTED HB 2306 – 3 PATHS



Path 1 – As defined by HB 2306

- *Final Plat **is not recorded** prior to building permit issuance*
- Allows building permit issuance prior to full infrastructure acceptance
- Partial acceptance of infrastructure w/ performance bond
- Performance Guarantees for non-accepted infrastructure
- Agreement required
- Post-Construction building location survey required

Path 2 – Preferred path

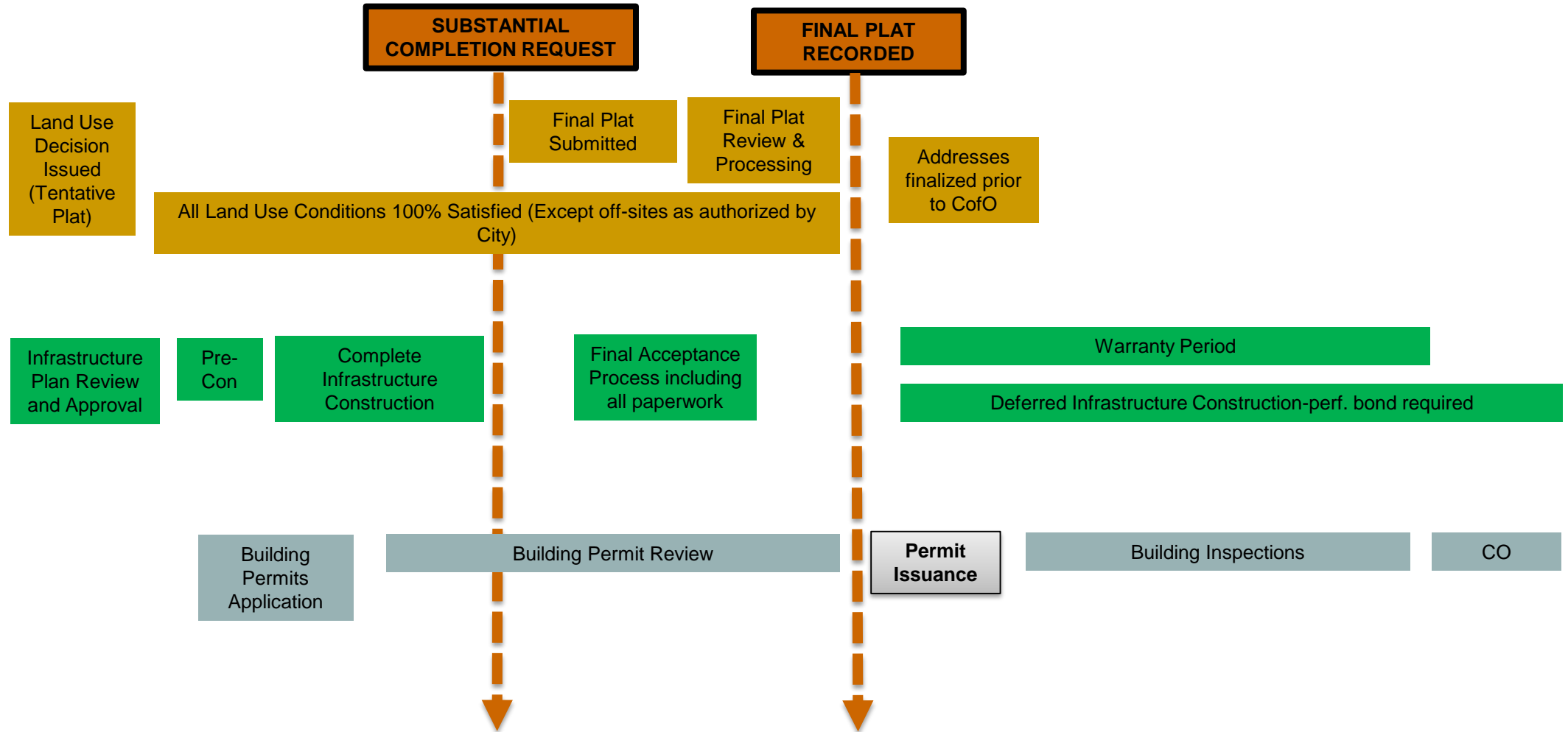
- *Final Plat **is recorded** prior to building permit issuance*
- Allows building permit issuance prior to full infrastructure acceptance
- Partial acceptance of infrastructure w/ performance bond
- Performance Guarantees for non-accepted infrastructure
- Agreement required
- Post-Construction building survey is not required

Path 3 – Standard path

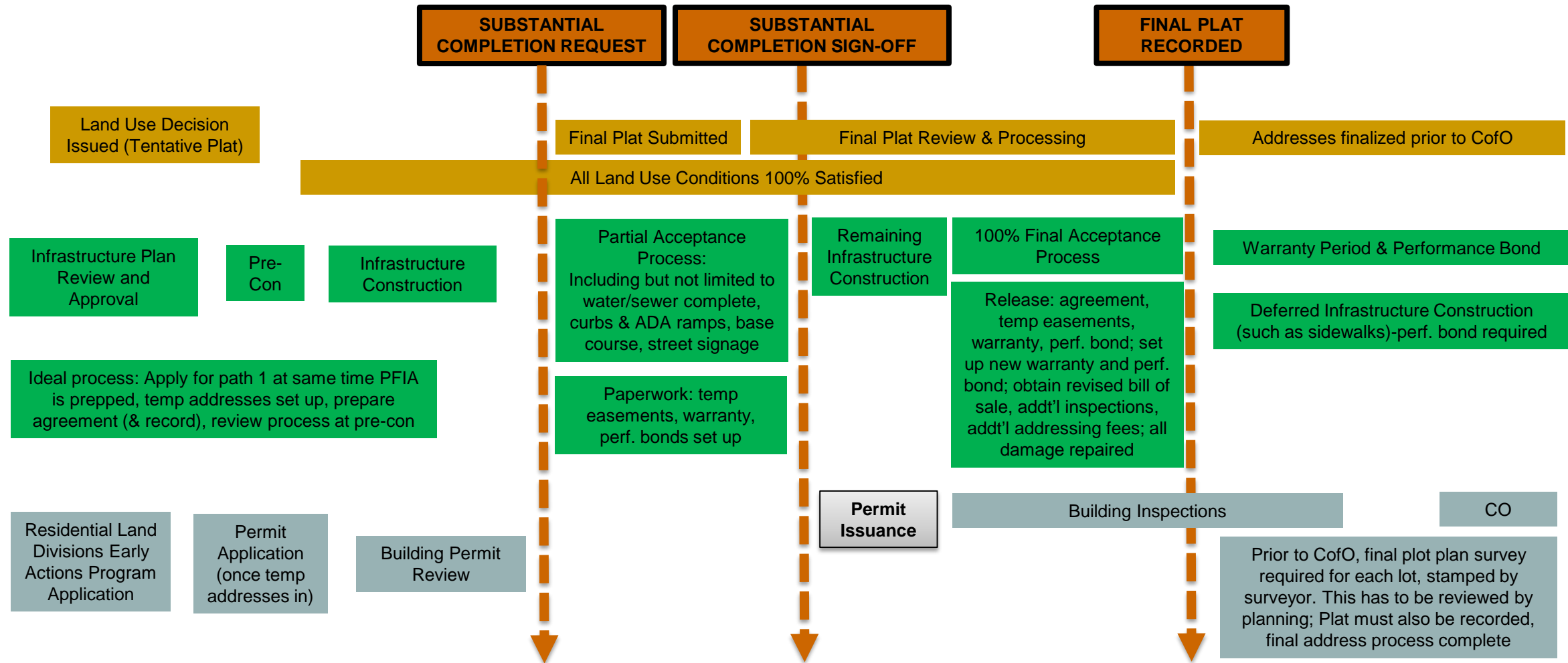
- Infrastructure Full Acceptance prior to Final Plat
- Final Plat is recorded prior to building permit issuance

All paths allow building permit application prior to Final Plat Recording

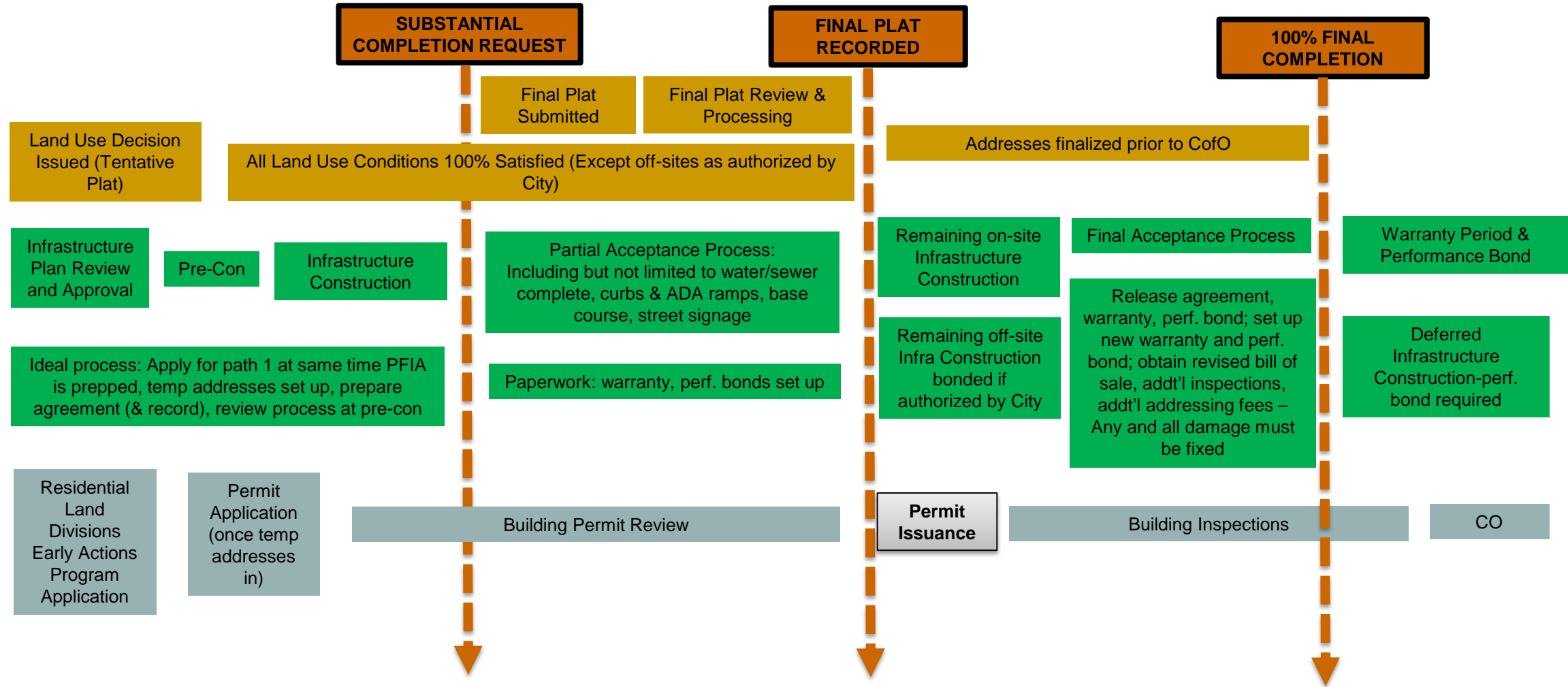
PATH 3 : EARLY PERMIT SUBMITTAL AND ISSUANCE (STANDARD INFRASTRUCTURE/FINAL PLAT PROCESS)



PATH 1 : EARLY PERMIT ISSUANCE & PARTIAL INFRASTRUCTURE ACCEPTANCE WITHOUT FINAL PLAT RECORDED (TRADITIONAL HB2306 PROCESS)



PATH 2: EARLY PERMIT ISSUANCE & PARTIAL INFRASTRUCTURE ACCEPTANCE WITH FINAL PLAT RECORDED (PREFERRED HB2306 PROCESS)





After recording, please return to:

City of Bend

710 NW Wall Street

Bend, OR 97703

Attn: Community Development Department

SECURITY AND IMPROVEMENT AGREEMENT

This Security and Improvement Agreement (“Agreement”) dated _____ is between the City of Bend, an Oregon municipal corporation (“City”), and <<insert owner info>> (“Owner<<(s)-if plural update all references to owner below>>”), to provide for security and schedule of completion of final infrastructure improvements for a development known as <<insert applicable phases that are part of the current plat, NOT the entire development under the tentative plat, or; phases under the INER project, which could be different than the phases under the plat>> (“the Project”). City and Owner are each a “Party” and collectively referred to as the “Parties”.



Residential Land Divisions Early Actions Program (House Bill 2306)

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Feedback

Print

The Oregon Legislature passed a number of bills during the 2019 session aimed at increasing housing supplies throughout Oregon – House Bill 2306 was one of those bills.

The intent of HB 2306 is to decrease the amount of time between when a subdivision application is approved by a local jurisdiction and when building permits can be issued for approved subdivision lots (prior to officially recording the subdivision with the County Surveyor). The bill instructs jurisdictions to approve building permits on recently approved subdivisions as long as the developer has substantially completed the public infrastructure work necessary to meet development standards and the developer financially guarantees the remainder of the work for full completion of said improvements.

In response to HB 2306, the City has identified three processes (paths) to decrease the timeline between when a subdivision is approved and when building permits can be issued for construction on the new lots. Path #1 follows HB 2306. The other paths modify the current City processes for recording a subdivision's Final Plat and accepting/issuing of building permits.

PROCESS PATHS

PATH 1: Early Permit Issuance & Partial Infrastructure Acceptance Without Final Plat Recorded (Traditional HB 2306 Process) Implementation

PROCESS PATHS

PATH 1: Early Permit Issuance & Partial Infrastructure Acceptance Without Final Plat Recorded (Traditional HB 2306 Process) Implementation Requirements

PATH 2: Early Permit Issuance & Partial Infrastructure Acceptance With Final Plat Recorded (Preferred HB 2306 Process) Implementation Requirements



[Download Path 2 Timeline Visual](#)

The goal of the HB 2306 is to get housing constructed in a quicker fashion. Although well-intentioned, implementation of the bill introduces risk that may actually deter early submittal of building permit applications. The Community Development Department proposes to change the current processes from subdivision application approval through infrastructure construction application and review through final plat review that will likely allow construction of homes in a similar timeframe to the process vaguely outlined in HB 2306 and with less risk.

The main objective of these changes is to accelerate the sequencing of events between the completion and acceptance of public infrastructure, review of the Final Plat application, and the review and issuance of Building Permits. The most significant changes are:

- Acceptance of multiple building permit applications prior to the Final Plat being recorded (as described above).
- The Final Plat can be submitted for review when the substantial completion milestone has been reached in the field and the City confirms that the project is ready to move into the final inspections, punch lists, and standard close out procedures.
- A Performance Financial Guarantee acceptable to the City will be required for all non-completed infrastructure such as landscaping, paving and deferred sidewalks.

An agreement will be prepared similar to what is outlined in Path 1 in order to capture the project requirements and responsibilities of the developer as the project moves forward.

The overall goal is once the infrastructure process is completed and signed off, the Final Plat can be immediately approved and recorded, and then the building permits can be issued quickly after the recording of the Final Plat. With proper project management and coordinate with the City, this should help reduce the developer's overall timeline for building permit issuance from anywhere from 2-4 months compared to the current procedures.

PATH 3: Early Permit Submittal and Issuance (Standard Infrastructure/Final Plat Process)

City of Bend website page:

<https://www.bendoregon.gov/government/departments/community-development/online-permit-center/development-services/early-actions-program-house-bill-2306>



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