

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means
Vote:	6 - 1 - 1
Yeas:	Beyer, Gilliam, Krieger, Roblan, Schaufler, Clem
Nays:	Wingard
Exc.:	VanOrman
Prepared By:	Beth Patrino and Cheyenne Ross, Administrators
Meeting Dates:	3/5, 4/24, 4/28

WHAT THE MEASURE DOES: Establishes Oregon Transfer of Development Rights Pilot Program in Department of Land Conservation and Development (DLCD). Authorizes Land Conservation and Development Commission (LCDC) to adopt rules establishing process for selecting pilot projects and specifies required findings. Requires owner of sending area to grant conservation easement or otherwise obligate themselves to ensure residential development does not occur on their property. Requires that sending areas not exceed 10,000 acres, be planned and zoned for forest use, and be likely to experience significant development over the next twenty years. Establishes priority list for selection of receiving areas by local governments. Authorizes LCDC to allow local government to select lower priority lands over higher priority lands under certain conditions. Requires pilot projects to include affordable housing. Authorizes local government to amend comprehensive plans and local regulations to allow residential development in receiving areas. Authorizes LCDC to determine ratio of sending area rights to receiving area rights on a case-by-case basis specific to each pilot project and sets maximum ratios. Authorizes LCDC to select up to five pilot projects.

Allows up to two pilot projects to be elected by resort site owners in sending area of Metolius resort site. Authorizes development of small-scale recreation community in a receiving area only in conjunction with transfer of development opportunity from sending area of Metolius. Requires notice of election to DLCD within 90 days, and application to county of receiving area within one year, of effective date of Act. Sets criteria for receiving areas and limits on development. Specifies areas where small-scale recreation community may not be developed. Requires resort site owner in Metolius sending area to permit public access on undeveloped portion of land. Reduces the total number of pilot projects available on a one-for-one basis if Metolius resort site owner elects to pursue approval of small-scale recreation community.

Authorizes owner of Skyline Forest and South County tract to retain up to 3,000 acres of land and, within retained area, develop up to 197 combined residential and overnight lodging units on single node of 640 acres if owner transfers Skyline Forest to land trust and South County tract to either a land trust or state or federal land management agency to create a community forest. Authorizes development on single node to include a restaurant, small community store and other small-scale uses. Prohibits golf course installation. Restricts annual water use to 150-acre-feet. Requires owner of Skyline Forest and South County tract to complete land transfer within five years of effective date of Act to develop 640 acres.

Requires DLCD to report to Legislative Assembly on pilot program by February 1, 2013. Declares an emergency; effective upon passage.

ISSUES DISCUSSED:

- Voluntary participation in pilot program
- Viability of community forest proposal without legislation
- Economic viability of potential developments
- Percentage of overnight accommodations
- Number of houses per acre

- Water use restriction
- Potential benefit to rural areas
- Means to maintain and revive working forests

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: Transferable development right programs have been used by many units of government around the country to transfer development from places where communities are trying to limit development to other places where communities are encouraging development. Current state law contains an authorization for the use of TDRs.

House Bill 2228A establishes a pilot TDR program and also identifies specific areas, including the Metolius River Basin, for participation in a TDR project on a voluntary basis.