

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Referred to the Committee on Rules

Vote: 4 - 1 - 0

Yeas: Atkinson, Hass, Prozanski, Dingfelder

Nays: Boquist

Exc.: 0

Prepared By: Beth Herzog, Administrator

Meeting Dates: 5/26, 5/28

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 (Commission) 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 must contain four or fewer dwelling units per square mile. Establishes priority list for selection of receiving areas by local governments. Authorizes Commission to allow local government to select lower priority lands over higher priority lands under certain conditions. Authorizes local government to amend comprehensive plans and local regulations to allow residential development in receiving areas. Authorizes Commission 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 Commission to select up to three 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 two years, 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.

Authorizes a maximum development of 282 residential units in Skyline Forest Sustainable Development Area. Stipulates that actual quantity of residential units is dependent on number of acres conveyed to a land trust or state or federal agency. Prohibits golf course or golf-related activities. Requires that all development except for access roads, utility lines, and up to five acres for maintenance and security facilities be located on 1,200 contiguous acres. Requires conservation easement on remaining undeveloped 1,800 acres prohibiting partitions and development, with primary purposes of minimizing fire risk, but allowing recreational uses. Places additional requirements and establishes conditions for land uses and transfer of development rights. Requires that application for approval of master plan be submitted to Deschutes County within five years after Act takes effect.

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

ISSUES DISCUSSED:

- Entering into pilot project is voluntary
- Potential revenue from development
- Viability of Skyline Community Forest proposal without legislation

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This summary has not been adopted or officially endorsed by action of the committee.

EFFECT OF COMMITTEE AMENDMENT: Changes definition of Metolius resort site. Provides that owner of Metolius resort site has two years to apply for county approval of small scale recreation community if they notify DLCD within 90 days after Act takes effect. Requires small-scale recreation community consist of 240 units or less and have as primary purpose overnight lodging units. Changes authorization to allow Commission to select up to three pilot projects for transfer of development rights. Requires sending area of pilot project contain four or fewer dwelling units per square mile. Removes requirement that sending area be likely to experience significant forest dwellings development within 20 years after Act takes effect. Replaces third priority lands for receiving area with land within urban unincorporated community or rural community in acknowledged comprehensive plan and removes fourth, fifth, and sixth priority lands. Removes requirement that pilot project include affordable housing. Defines key terms and logistics of Skyline Forest Sustainable Development Area.

BACKGROUND: Transferable development right (TDR) 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.