

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

---

<b>Action:</b>	Do Pass the B-Engrossed Measure
<b>Vote:</b>	4 - 1 - 0
<b>Yeas:</b>	Atkinson, Burdick, Metsger, Devlin
<b>Nays:</b>	Ferrioli
<b>Exc.:</b>	0
<b>Prepared By:</b>	Beth Herzog, Administrator
<b>Meeting Dates:</b>	6/3

---

**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 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 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:**

- Implications of super siting on land use process
- Level of development
- Stakeholder involvement

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

6/10/2009 1:56:00 PM

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

**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 2228B 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.