

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: Atkinson, Boquist, Hass, Prozanski, Dingfelder

Nays: 0

Exc.: 0

Prepared By: Beth Herzog, Administrator

Meeting Dates: 4/7, 4/23

WHAT THE MEASURE DOES: Makes legislative findings and defines key terms. Authorizes one or more governmental unit to establish a transferrable development credit (TDC) system that allows the transfer of development interests from one governmental unit to another. Requires governmental units that allow transfers between jurisdictions to describe the process in an intergovernmental agreement that includes the Department of Land Conservation and Development (DLCD). Requires that TDC system provide for: an owner to voluntarily sever and sell development interests for use in a receiving area; a developer of land in a receiving area to purchase a TDC in order to be allowed a higher intensity of use; the governmental units administering the program to decide the allowable uses in the receiving area; and a requirement that the holder of a recorded instrument encumbering a lot be given written notice of the proposed transaction to approve or disapprove. Requires governmental unit administering the TDC system must: designate sending and receiving areas, provide bonuses and incentives to stimulate the purchase and sale of TDC, keep appropriate records, and provide periodic summaries to DLCD. Requires that receiving area be within an urban growth boundary (UGB) or an urban reserve with limitations. Requires that land in receiving area be appropriate and suitable for development and not be subject to limitations designed to protect natural resources, scenic and historic areas, or other resources. Authorizes governmental unit administering TDC system to establish TDC bank. Requires DLCD to report to the 77th Legislative Assembly. Declares an emergency; takes effect on passage.

ISSUES DISCUSSED:

- Other states have implemented TDC programs
- Local tool for land use planning
- Clarification and guidance will encourage local governments to use TDC programs

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: Transferable development credit 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 encourage development. Current state law contains an authorization for the use of TDCs. Southern portions of Deschutes County have used this authorization to develop a program to address a potential ground water quality problem.