

A-Engrossed
House Bill 3298

Ordered by the House May 4
Including House Amendments dated May 4

Sponsored by Representative CLEM (at the request of Oregon Farm Bureau, Oregon Association of Nurseries)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires counties and metropolitan service districts that propose land for designation as urban reserve or rural reserve in written agreement to in fact designate land if specified factors are decided in affirmative.]

Provides that once counties and metropolitan service districts have designated land as urban reserve, they may not designate additional land as urban reserve until at least 50 percent of previously designated urban reserves have been included within urban growth boundary of district.

A BILL FOR AN ACT

1
2 Relating to land reserves; creating new provisions; and amending ORS 195.141 and 195.145.

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

4 **SECTION 1.** ORS 195.141 is amended to read:

5 195.141. (1) A county and a metropolitan service district established under ORS chapter 268 may
6 enter into [*an intergovernmental*] **a written** agreement pursuant to ORS 190.003 to 190.130, 195.025
7 or 197.652 to 197.658 to designate rural reserves pursuant to this section and urban reserves pur-
8 suant to ORS 195.145 (1)(b).

9 (2) Land designated as a rural reserve:

10 (a) Must be outside an urban growth boundary.

11 (b) May not be designated as an urban reserve during the urban reserve planning period de-
12 scribed in ORS 195.145 (4).

13 (c) May not be included within an urban growth boundary during the period of time described
14 in paragraph (b) of this subsection.

15 (3) When designating a rural reserve under this section to provide long-term protection to the
16 agricultural industry, a county and a metropolitan service district shall base the designation on
17 consideration of factors including, but not limited to, whether land proposed for designation as a
18 rural reserve:

19 (a) Is situated in an area that is otherwise potentially subject to urbanization during the period
20 described in subsection (2)(b) of this section, as indicated by proximity to the urban growth boundary
21 and to properties with fair market values that significantly exceed agricultural values;

22 (b) Is capable of sustaining long-term agricultural operations;

23 (c) Has suitable soils and available water where needed to sustain long-term agricultural oper-
24 ations; and

25 (d) Is suitable to sustain long-term agricultural operations, taking into account:

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 (A) The existence of a large block of agricultural or other resource land with a concentration
2 or cluster of farms;

3 (B) The adjacent land use pattern, including its location in relation to adjacent nonfarm uses
4 and the existence of buffers between agricultural operations and nonfarm uses;

5 (C) The agricultural land use pattern, including parcelization, tenure and ownership patterns;
6 and

7 (D) The sufficiency of agricultural infrastructure in the area.

8 (4) The Land Conservation and Development Commission shall, after consultation with the State
9 Department of Agriculture, adopt by goal or by rule a process and criteria for designating rural
10 reserves pursuant to this section.

11 **SECTION 2.** ORS 195.145 is amended to read:

12 195.145. (1) To ensure that the supply of land available for urbanization is maintained:

13 (a) Local governments may cooperatively designate lands outside urban growth boundaries as
14 urban reserves subject to ORS 197.610 to 197.625.

15 (b) Alternatively, a metropolitan service district established under ORS chapter 268 and a
16 county may enter into a written agreement pursuant to ORS 190.003 to 190.130, 195.025 or 197.652
17 to 197.658 to designate urban reserves. A process and criteria developed pursuant to this paragraph
18 are an alternative to a process or criteria adopted pursuant to paragraph (a) of this subsection.

19 (2)(a) The Land Conservation and Development Commission may require a local government to
20 designate an urban reserve pursuant to subsection (1)(a) of this section during its periodic review
21 in accordance with the conditions for periodic review under ORS 197.628.

22 (b) Notwithstanding paragraph (a) of this subsection, the commission may require a local gov-
23 ernment to designate an urban reserve pursuant to subsection (1)(a) of this section outside of its
24 periodic review if:

25 (A) The local government is located inside a Primary Metropolitan Statistical Area or a Met-
26 ropolitan Statistical Area as designated by the Federal Census Bureau upon November 4, 1993; and

27 (B) The local government has been required to designate an urban reserve by rule prior to No-
28 vember 4, 1993.

29 (3) In carrying out subsections (1) and (2) of this section:

30 (a) Within an urban reserve, neither the commission nor any local government shall prohibit the
31 siting on a legal parcel of a single family dwelling that would otherwise have been allowed under
32 law existing prior to designation as an urban reserve.

33 (b) The commission shall provide to local governments a list of options, rather than prescribing
34 a single planning technique, to ensure the efficient transition from rural to urban use in urban re-
35 serves.

36 (4) Urban reserves designated by a metropolitan service district and a county pursuant to sub-
37 section (1)(b) of this section must be planned to accommodate population and employment growth for
38 at least 20 years, and not more than 30 years, after the 20-year period for which the district has
39 demonstrated a buildable land supply in the most recent inventory, determination and analysis per-
40 formed under ORS 197.296. **However, once a district and a county have designated urban re-**
41 **serves under subsection (1)(b) of this section, the district and the county may not designate**
42 **additional urban reserves until at least 50 percent of the previously designated urban re-**
43 **serves have been included within the urban growth boundary of the district.**

44 (5) A district and a county shall base the designation of urban reserves under subsection (1)(b)
45 of this section upon consideration of factors including, but not limited to, whether land proposed for

- 1 designation as urban reserves, alone or in conjunction with land inside the urban growth boundary:
2 (a) Can be developed at urban densities in a way that makes efficient use of existing and future
3 public infrastructure investments;
4 (b) Includes sufficient development capacity to support a healthy urban economy;
5 (c) Can be served by public schools and other urban-level public facilities and services efficiently
6 and cost-effectively by appropriate and financially capable service providers;
7 (d) Can be designed to be walkable and served by a well-connected system of streets by appro-
8 priate service providers;
9 (e) Can be designed to preserve and enhance natural ecological systems; and
10 (f) Includes sufficient land suitable for a range of housing types.
11 (6) The commission shall adopt by goal or by rule a process and criteria for designating urban
12 reserves pursuant to subsection (1)(b) of this section.

13 **SECTION 3. The amendments to ORS 195.141 and 195.145 by sections 1 and 2 of this 2009**
14 **Act apply to written agreements entered into on or after the effective date of this 2009 Act.**

15