

A-Engrossed
House Bill 3313

Ordered by the House June 23
Including House Amendments dated June 23

Sponsored by Representative HANNA; Representative NOLAN

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.

[Provides counties with alternative land use procedure for siting one single-family dwelling on lot, parcel or tract located within farm, forest or mixed-use zone.]

Extends deadline for owner of Metolius resort site to notify Department of Land Conservation and Development that owner has elected to seek approval of small-scale recreation community. Extends deadline for owner to apply to county for approval of small-scale recreation community. Broadens type of land on which small-scale recreation community may be built and increases acreage upon which small-scale recreation community may be built. Clarifies certain development standards and expands list of types of development allowed in Skyline Forest Sustainable Development Area.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to land use; amending sections 3, 4, 5 and 9, chapter _____, Oregon Laws 2009 (Enrolled
3 House Bill 2228); and declaring an emergency.

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

5 **SECTION 1.** If House Bill 2228 becomes law, section 3, chapter _____, Oregon Laws 2009
6 (Enrolled House Bill 2228), is amended to read:

7 **Sec. 3.** (1) Notwithstanding ORS 215.700 to 215.780, one or two small-scale recreation commu-
8 nities may be established *[on forestlands]* as specified in sections 2 to 5 *[of this 2009 Act]*, **chapter**
9 **_____**, **Oregon Laws 2009 (Enrolled House Bill 2228)**.

10 (2) If, within *[90 days]* **one year** after the effective date of *[this 2009 Act]* **chapter _____**,
11 **Oregon Laws 2009 (Enrolled House Bill 2228)**, the owner of a Metolius resort site notifies the
12 Department of Land Conservation and Development that it has elected to seek approval of a small-
13 scale recreation community, the owner may, within *[two]* **three** years after the effective date of *[this*
14 *2009 Act]* **chapter _____**, **Oregon Laws 2009 (Enrolled House Bill 2228)**, apply to a county for
15 approval of a small-scale recreation community.

16 (3) A small-scale recreation community authorized under sections 2 to 5 *[of this 2009 Act]*,
17 **chapter _____**, **Oregon Laws 2009 (Enrolled House Bill 2228)**, may be established only in con-
18 junction with a transfer of development opportunity from a Metolius resort site. A transfer of de-
19 velopment opportunity must be carried out through an agreement between the owner of a Metolius
20 resort site and the owner of the site proposed for development of a small-scale recreation commu-
21 nity. In the agreement, the owner of the Metolius resort site must:

22 (a) Agree to limit the use of the Metolius resort site, consistent with the management plan in
23 consideration for the opportunity to participate in the development of the small-scale recreation

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 community; and

2 (b) Agree to grant a conservation easement pursuant to ORS 271.715 to 271.795 that:

3 (A) Limits the use of the Metolius resort site to be consistent with the management plan;

4 (B) Allows public access to that portion of the site that is not developed; and

5 (C) Contains other provisions, as required by the Department of Land Conservation and Devel-
6 opment, that are necessary to ensure that the conservation easement is enforceable.

7 (4) A small-scale recreation community authorized under sections 2 to 5 [*of this 2009 Act*],
8 **chapter _____, Oregon Laws 2009 (Enrolled House Bill 2228)**, must be sited on land that is
9 **within a county that has a seasonally adjusted average annual unemployment rate over the**
10 **preceding 10 calendar years that is more than 110 percent of the unemployment rate for the**
11 **entire state over the same period, as reported by the Employment Department and that is**
12 **either:**

13 (a) Planned and zoned for forest use; **or** [*and*]

14 [*(b) Within a county that has a seasonally adjusted average annual unemployment rate over the*
15 *preceding 10 calendar years that is more than 110 percent of the unemployment rate for the entire state*
16 *over the same period, as reported by the Employment Department.*]

17 **(b) Rural and not subject to statewide land use planning goals relating to agricultural**
18 **lands or forestlands.**

19 (5) A small-scale recreation community authorized under sections 2 to 5 [*of this 2009 Act*],
20 **chapter _____, Oregon Laws 2009 (Enrolled House Bill 2228)**, may not be sited on land that is:

21 (a) Within an area identified as “Area 1” or “Area 2” in the management plan.

22 (b) Within an area described in ORS 197.455 in which destination resorts may not be sited.

23 (c) Within an area protected by or inventoried as a significant resource in an acknowledged
24 comprehensive plan provision implementing statewide land use planning goals relating to:

25 (A) Open space, scenic and historic areas and natural resources;

26 (B) Estuarine resources;

27 (C) Coastal shorelands; or

28 (D) Beaches and dunes.

29 (d) Within an area identified as subject to a natural hazard by an acknowledged comprehensive
30 plan provision implementing a statewide land use planning goal relating to protection from natural
31 hazards.

32 **SECTION 2.** If House Bill 2228 becomes law, section 4, chapter _____, Oregon Laws 2009
33 (Enrolled House Bill 2228), is amended to read:

34 **Sec. 4.** (1) A small-scale recreation community authorized under sections 2 to 5 [*of this 2009*
35 *Act*], **chapter _____, Oregon Laws 2009 (Enrolled House Bill 2228)**, must meet the following
36 development standards:

37 (a) The community must be located on a tract that contains [200] **320** or fewer acres of land.

38 (b) The community must consist of 240 or fewer units and have as its primary purpose the pro-
39 vision of overnight lodging units.

40 (c) The community may contain one restaurant containing 5,000 or fewer square feet, and ac-
41 cessory uses necessary to the operation of the community, including accessory recreational facili-
42 ties.

43 (d) The owner of the property must spend at least \$1.5 million on off-site resource enhancement
44 or restoration projects on nearby public lands that will be used by individuals from the community.

45 (e) The community may not include a golf course or related facilities.

1 (f) The community must be developed and operated in a sustainable manner by meeting the fol-
2 lowing criteria:

3 (A) When fully developed, the community must use reclaimed water as the primary source of
4 water for any irrigation of grounds.

5 (B) Facilities for snowmobiling or other motorized recreational activities are not permitted.

6 (C) At least 50 percent of the tract on which the community is located must be dedicated to
7 permanent open space that is contiguous and demonstrates the biological viability of the site as
8 habitat or that provides ecosystem services to the area.

9 (D) Significant natural resource functions and values on the site must be preserved.

10 (E) Impervious surfaces, including rooftops and paved roads, trails and parking areas may not
11 exceed 35 percent of the total site area.

12 (F) Potable water usage must achieve a 20 percent reduction below standard code-built devel-
13 opments. Reclaimed water usage for nonpotable water needs may account for the entire reduction
14 required.

15 (G) Stormwater must be managed on-site. Off-site runoff must be limited to predevelopment
16 runoff rates.

17 (H) A restaurant, lodge or other nonresidential building must be designed and constructed to
18 meet regionally or nationally recognized design standards for sustainable design that are acceptable
19 to the county having land use jurisdiction over the proposed development site.

20 (I) Residential buildings must be designed and constructed to meet regionally or nationally re-
21 cognized design standards for sustainable design that are acceptable to the county having land use
22 jurisdiction over the proposed development site. The developer must achieve certification for all
23 buildings, with at least 50 percent of the buildings achieving a top-tier rating under the rating sys-
24 tem selected.

25 (J) Additional housing capable of housing at least 50 percent of the peak season employees must
26 be provided on-site.

27 (2) In addition to the development standards described in subsection (1) of this section, a
28 small-scale recreation community must:

29 (a) Develop an environmental operations manual that describes core practices for operating the
30 small-scale recreation community, including:

31 (A) Waste reduction, recycling and diversion practices.

32 (B) Cleaning and site maintenance practices.

33 (C) Staff education practices.

34 (D) Commitment of the community to environmental stewardship.

35 (b) Establish a conservation stewardship organization, as a separate nonprofit entity funded
36 through income generated by the development, that is charged with:

37 (A) Development of a baseline study that establishes the current level and condition of the local
38 environment. As part of the baseline study, the organization must develop a long-term stewardship
39 plan that targets net creation and rehabilitation of resources, on-site and off-site.

40 (B) Ongoing review, election and management of habitat restoration projects that implement the
41 goal of the long-term stewardship plan.

42 (C) Education and outreach on environmental stewardship.

43 (c) Organize and manage volunteers working to conserve local resources.

44 (d) Monitor performance of energy and water usage and site development standards versus ac-
45 tual practice.

1 (e) Audit and publish annually a report of the community's performance result for the preceding
2 year.

3 **SECTION 3.** If House Bill 2228 becomes law, section 5, chapter _____, Oregon Laws 2009
4 (Enrolled House Bill 2228), is amended to read:

5 **Sec. 5.** (1) An application for a small-scale recreation community under sections 2 to 5 [of this
6 2009 Act], **chapter _____, Oregon Laws 2009 (Enrolled House Bill 2228)**, may be filed only by
7 the owner of a Metolius resort site and the owner of the site on which development of the small-
8 scale recreation community is proposed and must be filed jointly by the owners. The owners shall
9 file a copy of the application with the Department of Land Conservation and Development at the
10 same time that the owners file the application with the county having land use jurisdiction over the
11 proposed development site.

12 (2) A county shall review an application for a small-scale recreation community under sections
13 2 to 5 [of this 2009 Act], **chapter _____, Oregon Laws 2009 (Enrolled House Bill 2228)**, as a
14 conditional use in a forest zone and as a land division under ORS chapter 92.

15 (3) In addition to the standards set forth in sections 2 to 5 [of this 2009 Act], **chapter**
16 **_____**, **Oregon Laws 2009 (Enrolled House Bill 2228)**, the small-scale recreation community
17 must meet the land division standards and other development standards of the county, including
18 standards for streets, utilities and services, unless the standards conflict with sections 2 to 5 [of this
19 2009 Act]. If the development standards of the county are dependent on the zoning of the site, the
20 county shall apply the development standards for [an urban] **the county's most dense rural resi-**
21 **dential zone [with the highest population density].**

22 (4) If more than two applications for a small-scale recreation community are filed under sections
23 2 to 5 [of this 2009 Act], **chapter _____, Oregon Laws 2009 (Enrolled House Bill 2228)**, and a
24 county has not yet approved an application, the department shall determine which of the applica-
25 tions may proceed, taking into consideration:

26 (a) The time at which each application was filed;

27 (b) The unemployment rate in the counties, if more than one county is involved; and

28 (c) The findings set forth in section 1 [of this 2009 Act], **chapter _____, Oregon Laws 2009**
29 **(Enrolled House Bill 2228).**

30 (5) When two applications for small-scale recreation communities have been approved, additional
31 applications may not be considered.

32 (6) A county may charge a fee to cover the costs of processing an application.

33 **SECTION 4.** If House Bill 2228 becomes law, section 9, chapter _____, Oregon Laws 2009
34 (Enrolled House Bill 2228), is amended to read:

35 **Sec. 9.** (1) As used in this section:

36 (a) "Community forestlands" has the meaning given that term in ORS 530.600.

37 (b) "Skyline Forest" means that certain real property consisting of approximately 33,000 con-
38 tiguous acres in Deschutes County owned on June 1, 2009, by Cascade Timberlands (Oregon) LLC
39 and located within sections 7, 8, 15, 16, 17, 18, 19, 20, 21, 22, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and
40 36, township 16 south, range 10 east; sections 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 22, 23,
41 24, 25, 26, 27, 35 and 36, township 17 south, range 10 east; and sections 6, 7, 8, 9, 17, 18, 19, 20, 29,
42 30, 31, 32 and 33, township 17 south, range 11 east.

43 (c) "Skyline Forest Sustainable Development Area" means a portion of up to 3,000 contiguous
44 acres of the tract known as the Skyline Forest that is located in township 16 south, range 10 east,
45 Deschutes County: portions of the northwest quarter, southwest quarter, southeast quarter, north-

1 east quarter of section 7; portions of the northwest quarter, southwest quarter, southeast quarter
 2 of section 8; portions of the southwest quarter of section 16; portions of the northwest quarter,
 3 southwest quarter, southeast quarter, northeast quarter of section 17; portions of the northwest
 4 quarter, southwest quarter, southeast quarter, northeast quarter of section 18; section 19; portions
 5 of the northwest quarter, southwest quarter, northeast quarter of section 20; portions of the north-
 6 west quarter of section 21; portions of the northwest quarter of section 29; and portions of the north
 7 half of section 30.

8 (d) "Skyline Conservation Tract" means the portion of the Skyline Forest consisting of approx-
 9 imately 30,000 contiguous acres that is not included within the Skyline Forest Sustainable Develop-
 10 ment Area.

11 (e) "Southern Conservation Tract" means that certain real property consisting of approximately
 12 34,700 [*contiguous*] acres in Deschutes and Klamath Counties owned on June 1, 2009, by Cascade
 13 Timberlands (Oregon) LLC and located within one of the following areas:

14 (A) "Area one" consists of approximately 14,000 acres of land located within sections 1, 2, 3, 10,
 15 11, 12, 13, 14, 15, 21, 22, 23, 25, 26, 27, 28, 29, 32, 33, 34 and 35 of township 22 south, range 9 east,
 16 Deschutes County; **and** sections 5, 6, 7, 8, 17, 18, 30 and 31 of township 22 south, range 10 east,
 17 Deschutes County;

18 (B) "Area two" consists of approximately 9,700 acres of land located within sections 2, 3, 4, 5,
 19 9, 10, 11, 14, 15, 17, 19, 20, 21, 22, 23, 27, 28, 29, 30, 31, 32, 33 and 34 of township 23 south, range 9
 20 east, Klamath County and the portion of Parcel 3, Partition Plat No. 34-08 located in township 23
 21 south, range 9 east, Klamath County; and

22 (C) "Area three" consists of approximately 11,000 acres of land located within sections 14, 23,
 23 24, 25, 26, 34 and 35 of township 23 south, range 9 east; sections 3, [*4 and 9*] **4, 8, 9 and 17** of
 24 township 24 south, range 9 east; section 1 of township 25 south, range 7 east; sections 1, 2, 3, 4, 9,
 25 10, 12, 13, 14, 15, 16 and 17 of township 25 south, range 8 east; Parcel 1, Partition Plat No. 34-08
 26 located in township 24 south, ranges 7 and 8 east, **and township 25 south, range 8 east**, Klamath
 27 County; **and** the portion of Parcel 3, Partition Plat No. 34-08 located in township 24 south, ranges
 28 8 and 9 east, Klamath County and [*the land*] lying west of U.S. Route 97.

29 (f) "Land trust" means the Deschutes Land Trust, an Oregon nonprofit corporation or another
 30 nonprofit conservation organization that is either accredited by the Land Trust Accreditation Com-
 31 mission or is nationally recognized as a land conservation organization, the primary mission of
 32 which is land conservation.

33 (2) Contingent upon satisfaction of the requirements of subsection (3) of this section, the Skyline
 34 Forest Sustainable Development Area may be developed and used for the following purposes:

35 (a) The Skyline Forest Sustainable Development Area may contain up to 282 residential units,
 36 a caretaker's residence, a restaurant, a small community store, a small-scale community conference
 37 center, an equestrian facility, small-scale recreational, commercial and basic service uses, and all
 38 utility, maintenance and security facilities necessary to support the development. The residential
 39 units may be permanent residences, rental units or lodging units. The specific number of residential
 40 units allowed within the Skyline Forest Sustainable Development Area, up to a maximum of 282, is
 41 dependent upon the number of acres of the Skyline Conservation Tract and the Southern Conser-
 42 vation Tract conveyed to a land trust or a federal or state agency pursuant to this section. Up to:

43 (A) 137 residential units shall be allowed within the Skyline Forest Sustainable Development
 44 Area in exchange for the conveyance of the Skyline Conservation Tract to a land trust;

45 (B) 183 residential units shall be allowed within the Skyline Forest Sustainable Development

1 Area in exchange for the conveyance of the Skyline Conservation Tract and area one of the South-
2 ern Conservation Tract to a land trust or to a federal or state agency;

3 (C) 224 residential units shall be allowed within the Skyline Forest Sustainable Development
4 Area in exchange for the conveyance of the Skyline Conservation Tract, area one and area two of
5 the Southern Conservation Tract to a land trust or to a federal or state agency; or

6 (D) 282 residential units shall be allowed within the Skyline Forest Sustainable Development
7 Area in exchange for the conveyance of the Skyline Conservation Tract, area one, area two and
8 area three of the Southern Conservation Tract to a land trust or to a federal or state agency.

9 (b) The Skyline Forest Sustainable Development Area may not contain a golf course or golf-
10 related facilities.

11 (c) All development, not including access roads and utility lines to the Skyline Forest
12 Sustainable Development Area and up to five acres for maintenance and security facilities, shall be
13 located on 1,200 contiguous acres within the Skyline Forest Sustainable Development Area. The
14 owner shall use the remaining undeveloped 1,800 acres of the Skyline Forest Sustainable Develop-
15 ment Area for the primary purposes of minimizing the risk of wildfire and maintaining wildlife
16 habitat value. However, an equestrian facility may be located within the otherwise undeveloped
17 1,800 acres if the facility is located on no more than 40 acres contiguous to the developed portion
18 of the Skyline Forest Sustainable Development Area. The owner shall cause a conservation ease-
19 ment pursuant to ORS 271.715 to 271.795 to be recorded on the entirety of the undeveloped 1,800
20 acres prohibiting partitions and development, but allowing **access roads, utility lines, mainte-**
21 **nance and security facilities and** recreational uses, such as picnic grounds, trails, **the equestrian**
22 **facility** and restrooms. [*The equestrian facility permitted by this section shall also be allowed within*
23 *the conservation easement.*] The conservation easement must be held by a land trust and shall contain
24 terms agreed to by the State Department of Fish and Wildlife and the State Forestry Department.

25 (d) Roads, utility corridors and all utility facilities necessary to serve the Skyline Forest
26 Sustainable Development Area shall be allowed as outright permitted uses within the Skyline Forest
27 Sustainable Development Area, the Skyline Forest and on nearby lands regardless of the compre-
28 hensive plan or zoning designation of the lands.

29 (e) The uses allowed by this subsection shall be allowed only upon approval of a master plan
30 as provided by subsection (5) of this section. The master plan shall contain design criteria and
31 standards to ensure that sustainability principles will be incorporated into the development and
32 operation of uses within the Skyline Forest Sustainable Development Area. The design criteria and
33 standards shall promote sustainable building design, water conservation and energy conservation.

34 (f) The master plan described in subsection (5) of this section shall incorporate design criteria
35 and standards to ensure that there will be negligible visual impacts under normal daylight viewing
36 conditions from Awbrey Butte and the Plainview scenic turnout located on the McKenzie-Bend
37 Highway No. 17, also known as U.S. Route 20, near milepost 9. The design criteria and standards
38 shall also require all outdoor lighting to be downward facing, to the extent practicable.

39 (g) The Skyline Forest Sustainable Development Area shall be served by one primary access
40 route and by one or more emergency and secondary access routes that use existing roads as much
41 as practicable. The access routes may be private or public roads, including roads managed by the
42 United States Forest Service. The primary access route shall intersect the McKenzie-Bend Highway
43 No. 17, also known as U.S. Route 20, between mileposts 3 and 6 to provide access from the eastern
44 boundary of the Skyline Forest Sustainable Development Area to the referenced highway.

45 (h) The Skyline Forest Sustainable Development Area, including all access roads, must be de-

1 veloped in consultation with the State Department of Fish and Wildlife to minimize impacts on
2 wildlife, particularly deer and elk populations.

3 (i) The Skyline Forest Sustainable Development Area, including all access roads, must be de-
4 veloped in consultation with the State Forestry Department and the United States Forest Service
5 to minimize wildfire risks.

6 (j) The owner of the Skyline Forest Sustainable Development Area shall provide adequate
7 firefighting facilities and services to address the needs of the development. All structures shall be
8 designed and maintained consistent with the default wildfire safety standards of the Oregon
9 Forestland-Urban Interface Fire Protection Act of 1997, as set forth in administrative rules of the
10 State Forestry Department.

11 (k) Any wells used to provide water for uses within the Skyline Forest Sustainable Development
12 Area shall be sited to minimize impacts of groundwater use on Whychus Creek and Melvin Springs.

13 (3) The land uses described in subsection (2) of this section shall be allowed within the Skyline
14 Forest Sustainable Development Area upon the satisfaction of the following conditions:

15 (a) The owner of the Skyline Forest and the Southern Conservation Tract transfers:

16 (A) The Skyline Conservation Tract to a land trust for the purpose of creating community
17 forestlands; and

18 (B) The Southern Conservation Tract, whether to a single buyer or multiple buyers, to a land
19 trust for the purpose of creating community forestlands or to a federal or state agency. However,
20 the owner may choose to retain all or a portion of the Southern Conservation Tract, in which case
21 the number of residential units allowed within the Skyline Forest Sustainable Development Area
22 shall be limited as set forth in subsection (2)(a) of this section.

23 (b) The consideration for any transfer does not exceed the fair market value of the property as
24 established by an appraisal based on the hypothetical condition or assumption that all development
25 rights on the properties, whether actual or potential, have been extinguished as contemplated by
26 subsection [(6)] (7) of this section. The appraisal must comply with the Uniform Standards of Pro-
27 fessional Appraisal Practice. The appraisal shall comply with the Uniform Appraisal Standards for
28 Federal Land Acquisitions if:

29 (A) The land trust or state agency proposes, in part or in whole, to use federal funds to purchase
30 the property and has demonstrated a reasonable likelihood that federal funds will be secured for the
31 purchase; or

32 (B) The property is being conveyed to a federal agency.

33 (c) The Skyline Conservation Tract and the Southern Conservation Tract will be managed so
34 that wildlife and recreational values are safeguarded and the overall forest health, including
35 sustainable timber production and wildfire prevention, is maintained over the long term.

36 (d) The owner of the Skyline Forest Sustainable Development Area obtains the land use ap-
37 provals required by subsection (5) of this section.

38 (4) The uses authorized by subsection (2) of this section shall be allowed as outright permitted
39 uses by Deschutes County, following approval of the master plan required by subsection (5) of this
40 section by Deschutes County. The uses allowed by subsection (2) of this section are allowed
41 notwithstanding those provisions of ORS 215.700 to 215.780 relating to lot size and dwelling stan-
42 dards on forestlands, those statewide land use planning goals relating to agricultural lands,
43 forestlands, public facilities and services, transportation and urbanization and those provisions of
44 Deschutes County's comprehensive plan and land use regulations limiting uses of forestlands. Ap-
45 proval of the master plan and land division applications required by subsection (5) of this section

1 for the development and use of the Skyline Forest Sustainable Development Area and all associated
2 road and utility corridors [*may*] **does** not require exceptions to any statewide planning goal or
3 amendment of any local comprehensive plan or land use regulation. Deschutes County shall apply
4 only the provisions of this section as standards and criteria for an application for, or amendment
5 to, a master plan or land division application or other development permit applications submitted
6 pursuant to this section.

7 (5) The owner of the Skyline Forest Sustainable Development Area may submit an application
8 to Deschutes County for approval of a master plan for the development and use of the area. The
9 application must be submitted within five years after the effective date of [*this 2009 Act*] **chapter**
10 **_____**, **Oregon Laws 2009 (Enrolled House Bill 2228)**, subject to the following:

11 (a) The master plan shall demonstrate compliance with subsection (2) of this section and include
12 a tentative land division application to create the lots within the Skyline Forest Sustainable Devel-
13 opment Area.

14 (b) Deschutes County shall process the master plan and all land division applications pursuant
15 to the procedural review provisions of its local land use regulations. However, Deschutes County
16 shall approve the master plan and any tentative or final land division applications if the applications
17 are consistent with subsections (2) and (3) of this section. No additional land use or land division
18 standards shall apply to the approval and development of the Skyline Forest Sustainable Develop-
19 ment Area.

20 (c) Deschutes County shall condition final approval of the master plan and land division appli-
21 cations on the execution of an agreement to record a conservation easement in accordance with
22 subsection (2)(c) of this section, an agreement to transfer the Skyline Conservation Tract to a land
23 trust for the purpose of creating community forestlands and, if applicable, an agreement to transfer
24 all or a portion of the Southern Conservation Tract either to a land trust for the purpose of creating
25 community forestland or to a federal or state agency. The agreements shall specify that recordation
26 of the conservation easement, transfer of the Skyline Conservation Tract and transfer of all or a
27 portion of the Southern Conservation Tract shall be contingent upon the following terms:

28 (A) The owner of the Skyline Forest Sustainable Development Area shall obtain all federal, state
29 and local licenses, permits, rights and other entitlements necessary for development of the Skyline
30 Forest Sustainable Development Area, each of which shall be final and no longer subject to appeal;

31 (B) The land trust or the federal or state agencies, as applicable, shall obtain adequate funding
32 to purchase the Skyline Conservation Tract or the Southern Conservation Tract, as applicable, in
33 accordance with subsection (3)(b) of this section; and

34 (C) The land trust or the federal or state agencies shall develop and implement management
35 standards that provide reasonable assurance to the owner of the Skyline Forest Sustainable Devel-
36 opment Area that the Skyline Conservation Tract and the Southern Conservation Tract will be
37 managed to establish forest health, manage wildfire risk and maintain compatibility with the Skyline
38 Forest Sustainable Development Area.

39 (d) The master plan and all associated land division plans shall govern development of the Sky-
40 line Forest Sustainable Development Area in perpetuity and shall not expire. Regulations requiring
41 the submittal of final plats within a specified time period following tentative plan approval shall not
42 apply to the Skyline Forest Sustainable Development Area. The master plan may be amended at any
43 time following an administrative review by Deschutes County. Deschutes County shall approve the
44 amendments if the amended master plan remains consistent with subsections (2) and (3) of this sec-
45 tion.

1 (6) The Deschutes Land Trust, an Oregon nonprofit corporation, shall have a right of *[last]* **first**
 2 opportunity to purchase the Skyline Conservation Tract and the Southern Conservation Tract, and
 3 any purchase agreement shall provide a minimum of three years for the Deschutes Land Trust to
 4 obtain funding for any purchase. If at any time after two years from the date of any purchase
 5 agreement or the date of filing of a master plan under subsection (5) of this section, whichever is
 6 later, the Deschutes Land Trust has failed to demonstrate a reasonable likelihood it will be able to
 7 obtain the funds necessary to complete the purchase, the owner of the Skyline Conservation Tract
 8 and the Southern Conservation Tract may seek alternative buyers for any property that is the sub-
 9 ject of a purchase agreement under this subsection. The Deschutes Land Trust will in good faith
 10 notify the owner of the Skyline Conservation Tract and the Southern Conservation Tract if at any
 11 time during the period of any purchase agreement the Deschutes Land Trust concludes it does not
 12 wish to complete the purchase or will be unable to obtain the necessary funding to complete the
 13 purchase.

14 (7) Development and construction **of** uses within the Skyline Forest Sustainable Development
 15 Area may proceed according to the approved master plan once the transfer of fee title of the Skyline
 16 Conservation Tract and, as applicable, all or a portion of the Southern Conservation Tract, is com-
 17 plete. Following transfer of fee title of the Skyline Conservation Tract and, as applicable, all or a
 18 portion of the Southern Conservation Tract, all development rights on the conveyed lands are ex-
 19 tinguished and the conveyed lands shall be thereafter managed as community forestlands or as fed-
 20 eral or state forestlands.

21 (8) At any time within five years after the effective date of *[this 2009 Act]* **chapter _____,**
 22 **Oregon Laws 2009 (Enrolled House Bill 2228)**, the owner of the Skyline Forest Sustainable De-
 23 velopment Area may either file an application for a master plan pursuant to subsection (5) of this
 24 section, or submit written notice to Deschutes County and the Deschutes Land Trust stating the
 25 owner's intent to relinquish the development opportunities authorized by this section. Until the
 26 owner of the Skyline Forest Sustainable Development Area files a master plan application or sub-
 27 mits a notice of relinquishment under this subsection, the owner may not divide, develop, obtain a
 28 lot of record determination or prohibit public access to any portion of the Skyline Forest. If the
 29 owner of the Skyline Forest Sustainable Development Area submits a notice of relinquishment under
 30 this subsection, or the owner allows the five-year time period to elapse without taking any action
 31 under this subsection, the development opportunities authorized by this section shall expire and the
 32 owner may divide, develop and prohibit public access to any portion of Skyline Forest pursuant to
 33 the laws in effect at that time.

34 (9) If the owner of the Skyline Forest Sustainable Development Area does not file a master plan
 35 within five years of the effective date of *[this 2009 Act]* **chapter _____, Oregon Laws 2009 (En-**
 36 **rolled House Bill 2228)**, or if Deschutes County does not approve a master plan as provided in
 37 subsection (5) of this section within *[15]* **10** years of the effective date of *[this 2009 Act,]* **chapter**
 38 **_____, Oregon Laws 2009 (Enrolled House Bill 2228)**, then the provisions of subsection (2) of
 39 this section shall cease to have any force or effect.

40 (10) The development opportunities provided by this section are fully transferable and will run
 41 with the land in the event of a change of ownership of the Skyline Forest or all or a portion of the
 42 Southern Conservation Tract.

43 **SECTION 5. This 2009 Act being necessary for the immediate preservation of the public**
 44 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
 45 **on its passage.**

