



CITY OF REDMOND
Community Development Department

716 SW Evergreen Avenue
Redmond, OR 97756
(541) 923-7721
Fax: (541) 548-0706
www.ci.redmond.or.us

February 16, 2012

Representative Cliff Bentz, Co-Chair
Representative Dave Hunt, Co-Chair
House Committee on Transportation and Economic Development Committee
Oregon Legislature
900 Court Street, Room 453
Salem, Oregon 97301

RE: SB 1544

Dear Co-Chairs Bentz and Hunt, Committee Members:

SB 1544 provides the opportunity to add a 465 acre tract of land to the state-wide land inventory for economic development projects. This land is prime economic development land, in that it is located within the city limits, is served by water and sewer infrastructure, is in close proximity to Oregon Highway 126 and US Highway 97, is relatively flat, is currently unproductive, and is next to the Roberts Field, a commercial aviation airport serving the Central Oregon region. Furthermore this land is in the very unique situation of originally being zoned Industrial to support economic development projects in Redmond's first zoning map in 1971, but was rezoned Open Space Park Reserve in 1980 to support a Deschutes County Fairgrounds project, and when that finally located on another tract of land, this property could not be restored to its originally industrial zone due to the new passage of the Transportation Planning Rule established in 1991 and subsequently amended.

In a state that has demonstrative needs for large industrial lot inventory to be competitive on a national and global scale for economic development projects, and in a region that has suffered high unemployment rates between 12 – 15% for the past three years, this land could serve a significant state-wide and regional need for job creation and economy.

Senate Bill 1544 exempts this site from state transportation planning regulations so that it can be rezoned for economic development purposes, however it provides a process to work with the Oregon Department of Transportation on an alternative agreement for mitigation of transportation impact to state facilities.

Currently, the solution for the constraints afforded by the transportation planning rule is a \$250 million dollar US Highway 97 bypass project. This project is not acknowledged as a funded project on any planning document within the next twenty years. The City of Redmond believes that with phased local mitigation efforts (including a \$3 million dollar 9th Street improvement project), we can alleviate some of the impact on US Highway 97 that occurs at full build-out of this property. (Please see Exhibit A).

We have been working on restoring the zoning on this property back to its original Industrial zone since 2000. State-wide transportation planning standards have prevented that effort. In 2007, a developer who had an option on approximately 200 acres of the 465 acres submitted a land-use application for a Comprehensive Plan Amendment and Zone Change. This application was in response to a Letter of Intent for one economic development project and serious interest expressed from two other economic

development projects. One project was a local relocation effort for expansion needs. One project was a regional consolidation effort. And one project was an expansion project from another state.

A traffic impact analysis showed that three intersections on US Highway 97 were adversely impacted per performance standards in the Oregon Highway Plan and the zone change could not move forward. With that, the local company that was interested in expanding closed their business in Redmond. The company that was interested in consolidating services did so in another community and closed their business in Redmond. And the third company chose to locate in another community.

Since 2007, Redmond has had several other economic development projects interested in this property due to its site assets. Most of those interests have been out-of-state interests. All have become immediately disinterested due to the zoning issues associated with the property.

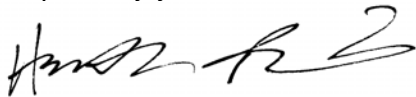
We understand and support the intent of the state transportation planning regulations. However, we believe that this is a very unique situation, in that the property was originally zoned for industrial uses.

The City of Redmond has a 465 acre tract of land within its city limits that is served with water and sewer infrastructure, is prime economic development land due to its location and proximity to the Redmond Airport and highway infrastructure, and is comprised of several large parcels that can provide large-lot industrial inventory for the state and the region, but cannot be zoned appropriately due to transportation planning standards that plan for the worst-case scenario. We believe that phased local mitigation and transportation management can restore this property back to its original purpose to serve economic development needs of Redmond, Central Oregon and the State of Oregon.

We participated in the recent discussions to amend the Transportation Planning Rule and do not find any fault with the final conclusions, however we do not believe that they will serve this property, since this is really an unique situation. The bill that you have before you is a collaborative drafting between ODOT, DLCD and the City of Redmond. We are prepared to work as partners to position this property for economic development purposes.

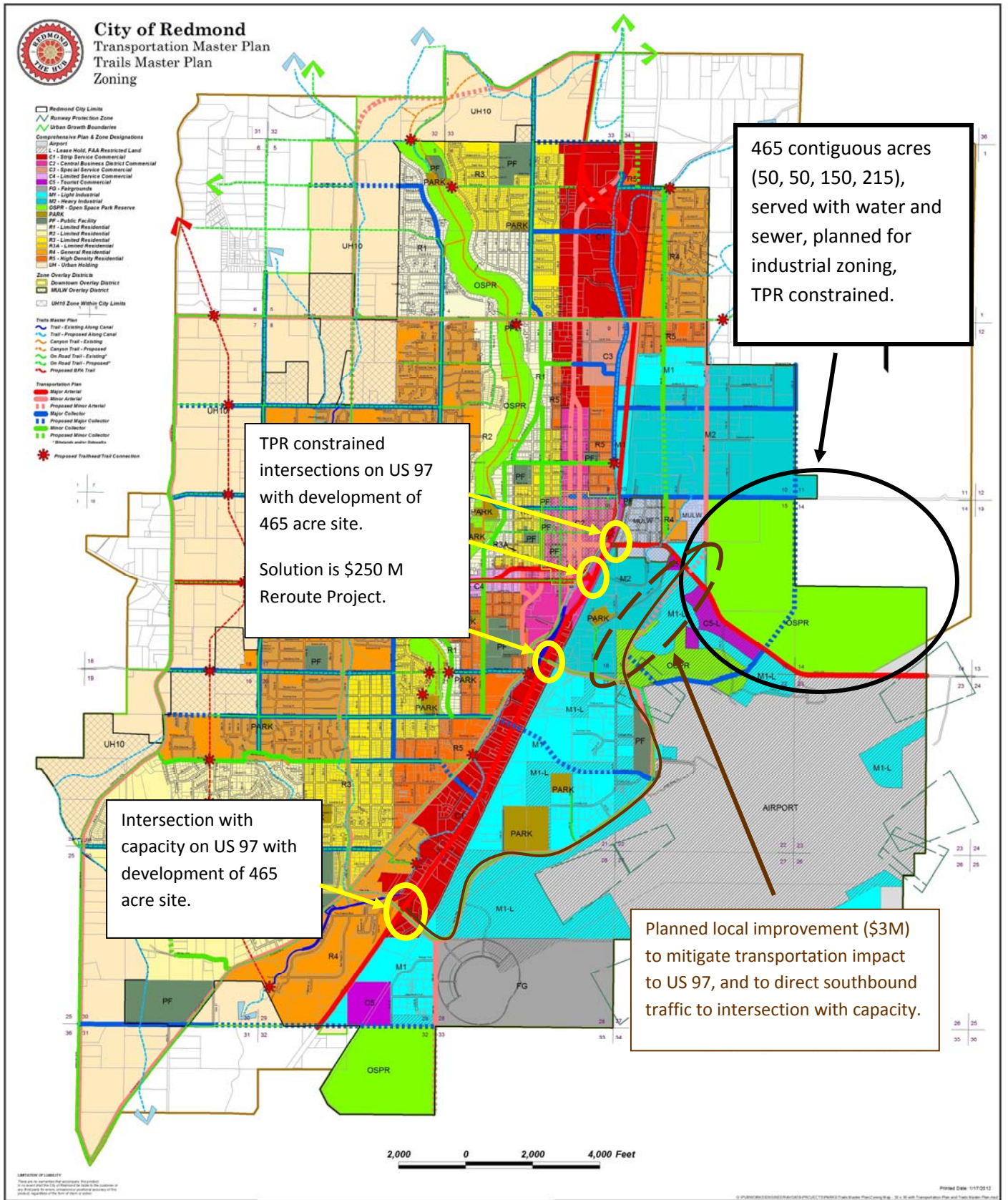
We appreciate your consideration of this matter and look forward to working with you on this very important project.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Heather Richards", written in a cursive style.

Heather Richards,
Community Development Director

Exhibit A: SB 186 Heather Richards Testimony



SB 186: 465 acres in Redmond, Oregon. Originally zoned industrial. Rezoned to Open Space Park Reserve (OSPR) for Fairgrounds project. Fairgrounds located to another site. Cannot rezone back to industrial due to Transportation Planning Rule standards that were passed after the OSPR rezone.

465 ACRES IN REDMOND – SITE OF STATEWIDE ECONOMIC DEVELOPMENT SIGNIFICANCE

Description of the Site:

465 contiguous acres owned by three public agencies (Redmond School District – 50 acre lot; Central Oregon Irrigation District – 50 acre lot, 150 acre lot; and Deschutes County – 215 acre lot). Bounded by Highway 126 on the south, 9th street on the east, Antler Ave on the north, and the city limits on the western side. The Redmond Airport (Roberts Field) is directly across Highway 126. The site is served with water and sewer infrastructure.

Topography is relatively flat, the land is generally undeveloped and contains native vegetation such as Juniper trees, sage/bitterbrush and native grasses. A sheriff's shooting range and private gun club are located in the southeastern corner of the site.

History of Land-Use Discussion:

1971: City of Redmond Zoning Map, zoned M1 – Light Industrial

1980: Rezoned from Light Industrial to Open Space Park Reserve

2000: Redmond Comprehensive Plan Update proposed rezoning to industrial zone, opposed by ODOT due to traffic concerns and the need for a transportation study for the east side of Redmond

2005: Redmond Urbanization Study, Buildable Lands Inventory identifies the property as vacant, buildable land with an expectation of rezoning to industrial zone.

August 29, 2005: Developer Option Agreement on 250 Acres

May 24, 2006: Partition of approximately 250 acres into three lots, approximately 50, 50 and 150 acres. Approval of a conceptual master plan and dedication of right-of-way.

- Economic Development Interests: Letter of intent for one project, interest from Portland manufacturing firm, and interest from regional construction looking to co-locate all facilities to one site.

February 8, 2007: Plan Amendment and Zone Change Application received by the City of Redmond from developer.

May, 2008: Transportation Impact Analysis of proposed Plan Amendment and Zone Change Application shows non-compliance with transportation planning rule standards. Plan Amendment and Zone Change Application does not move forward.

- Lost Opportunities: Letter of intent with economic development project long expired. Company that wanted to consolidate facilities did so in another community, removing its existing operations from Redmond. Manufacturing interest moved on to another community.

December 9, 2008: Eastside Framework Plan adopted showing industrial uses on 465 acres.