MINORITY REPORT MEASURE: SB 1544 B CARRIER: Rep. Hunt

76th OREGON LEGISLATIVE ASSEMBLY – 2012 Regular Session STAFF MEASURE SUMMARY

House Committee on Transportation and Economic

REVENUE: Revenue statement issued **FISCAL:** Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Signers of Report: Rep. Hunt and Rep. J. Smith **Prepared By:** Patrick Brennan, Administrator

Meeting Dates: 2/16

WHAT THE MINORITY REPORT DOES: Specifies that a designated 465-acre site within the City of Redmond may be subject to revision of the Redmond Comprehensive Plan and Zone Map without determining whether the change will have a significant effect on existing or planned transportation facilities. Outlines requirements for zoning designation of site if Comprehensive Plan changes are adopted. Directs the City of Redmond and Department of Transportation to enter into an agreement to address transportation impacts and outlines requirements for that agreement. Establishes a sunset date of January 2, 2015 for Redmond development provisions. Authorizes additional lottery bond authority for the following purposes: \$10 million to finance grants and loans for transportation projects under the *Connect*Oregon IV program; \$10 million to finance water and sewer infrastructure projects through the Special Public Works Fund; and \$10 million to finance community college capital construction. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- History and features of the Redmond site
- Economic conditions in central Oregon
- Recent amendments to the Transportation Planning Rule
- Efficacy of addressing specific sites through legislation
- Definition of "statewide strategic economic development importance"
- Conditions required by measure to allow revision of Redmond Comprehensive Plan
- Types of development to be allowed on site

EFFECT OF MINORITY REPORT AMENDMENT: Revises section 1(3)(a) by deleting the requirement that one of three conditions be met (necessary to support planned employment, not large-scale retail activities, or help contain overall trips within the site) and replacing it with a requirement that commercial activities on the site be necessary to support planned employment and either not be large-scale retail commercial activities or help contain overall trips within the site. Authorizes additional lottery bond authority for the following purposes: \$10 million to finance grants and loans for transportation projects under the *Connect*Oregon IV program; \$10 million to finance water and sewer infrastructure projects through the Special Public Works Fund; and \$10 million to finance community college capital construction for workforce development. Creates reporting requirement for projects funded by *Connect*Oregon IV to assess the public benefit of the project. Declares an emergency, effective upon passage.

BACKGROUND: The Legislative Assembly created the *Connect*Oregon program in 2005 to provide funding in the form of grants and loans for non-highway transportation projects, including aviation, marine, passenger and freight rail and public transportation projects. The initial program provided \$100 million in lottery-backed bonds, which provided funding for 38 projects; it was followed by an additional \$100 million in 2007 (30 projects) and 2009 (40 projects). The Legislative Assembly approved \$40 million for *Connect*Oregon IV in 2011; to date, the Department of Transportation has received 70 applications for a total of \$84 million. House Bill 4028-B authorizes an additional \$10 million in lottery bonds to be awarded to qualified applicants for *Connect*Oregon IV projects.

The Special Public Works Fund, administered by the Oregon Business Development Department's Infrastructure Finance Authority, provides funds in the form of grants and loans for publicly owned facilities that support economic and community development. The funds can be used for planning, design, purchasing, improving and constructing facilities, replacing publicly-owned essential facilities, and emergency projects. House Bill 4028-B allocates \$10 million in lottery bond proceeds to the Special Public Works Fund to finance low-interest loans to local governments for water and sewer infrastructure projects. House Bill 4028-B also provides \$10 million in lottery bond proceeds to the Oregon Community Colleges and Workforce Development Department to finance one defined capital project related to workforce development at each of the state's 17 community colleges.