

REVENUE: No revenue impact

FISCAL: No fiscal impact

| | |
|-----------------------|---------------------------------|
| Action: | Do Pass the A-Engrossed Measure |
| Vote: | 4 - 0 - 2 |
| Yeas: | Edwards, Girod, Starr, Beyer |
| Nays: | 0 |
| Exc.: | Monroe, Thomsen |
| Prepared By: | Patrick Brennan, Administrator |
| Meeting Dates: | 5/16 |

WHAT THE MEASURE DOES: Authorizes public entity to rezone land within urban growth boundary to zoning classification allowing industrial uses and removes requirement to pay landowner compensation if industrial classification reduces fair market value of property. Exempts certain landowners from entitlement to compensation if land is planned and rezoned to industrial zoning classification within urban growth boundary or is planned and rezoned for inclusion within urban growth boundary.

ISSUES DISCUSSED:

- Property value impacts of rezoning
- Desire for industrial uses to occur on land zoned for industrial uses
- Legislative intent regarding downzoning from rural residential to forest use outside urban growth boundaries

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Ballot Measure 37 (2004) provided a process for property owners to receive compensation for reduced property value resulting from a state or local land use regulation that took effect after the claimant took ownership of the property. If the restriction reduced the fair market value of the property, the property owner may be entitled to just compensation. The applicable regulatory restrictions are outlined in ORS 195.305; the statute also specifies which land use regulations do not entitle a landowner to compensation.

House Bill 2839-A authorizes local governments to rezone land within an urban growth boundary (UGB) to a zoning classification that allows industrial uses without being required to pay the landowner compensation if the rezoning results in a reduction of the property's fair market value.