

House Bill 2510

Sponsored by Representative CLEM (Pre-session filed.)

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 **as introduced**.

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. Modifies deadline for submission of master plan for development in Skyline Forest Sustainable Development Area.

A BILL FOR AN ACT

1
2 Relating to land use; amending sections 3, 6 and 9, chapter 636, Oregon Laws 2009.

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

4 **SECTION 1.** Section 3, chapter 636, Oregon Laws 2009, as amended by section 1, chapter 888,
5 Oregon Laws 2009, and section 1, chapter 404, Oregon Laws 2011, is amended to read:

6 **Sec. 3.** (1) Notwithstanding ORS 215.700 to 215.780, one or two small-scale recreation commu-
7 nities may be established as specified in sections 2 to 5, chapter 636, Oregon Laws 2009.

8 (2) If, within [*one year after June 29, 2009*] _____ **years after the effective date of this 2015**
9 **Act**, the owner of a Metolius resort site notifies the Department of Land Conservation and Devel-
10 opment that it has elected to seek approval of a small-scale recreation community, the owner may,
11 within [*six years after June 29, 2009*] _____ **years after the effective date of this 2015 Act**, ap-
12 ply to a county for approval of a small-scale recreation community.

13 (3) A small-scale recreation community authorized under sections 2 to 5, chapter 636, Oregon
14 Laws 2009, may be established only in conjunction with a transfer of development opportunity from
15 a Metolius resort site. A transfer of development opportunity must be carried out through an
16 agreement between the owner of a Metolius resort site and the owner of the site proposed for de-
17 velopment of a small-scale recreation community. In the agreement, the owner of the Metolius resort
18 site must:

19 (a) Agree to limit the use of the Metolius resort site, consistent with the management plan in
20 consideration for the opportunity to participate in the development of the small-scale recreation
21 community; and

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

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

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

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

27 (4) A small-scale recreation community authorized under sections 2 to 5, chapter 636, Oregon
28 Laws 2009, must be sited on land that is within a county that has, on June 29, 2009, a seasonally
29 adjusted average annual unemployment rate over the preceding 10 calendar years that is more than
30 110 percent of the unemployment rate for the entire state over the same period, as reported by the

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 Employment Department and that is either:

2 (a) Planned and zoned for forest use; or

3 (b) Rural and not subject to statewide land use planning goals relating to agricultural lands or
4 forestlands.

5 (5) A small-scale recreation community authorized under sections 2 to 5, chapter 636, Oregon
6 Laws 2009, may not be sited on land that is:

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

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

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

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

12 (B) Estuarine resources;

13 (C) Coastal shorelands; or

14 (D) Beaches and dunes.

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

18 **SECTION 2.** Section 6, chapter 636, Oregon Laws 2009, as amended by section 3, chapter 5,
19 Oregon Laws 2010, and section 1, chapter 144, Oregon Laws 2011, is amended to read:

20 **Sec. 6.** (1) There is established the Oregon Transfer of Development Rights Pilot Program in the
21 Department of Land Conservation and Development. Working with the State Forestry Department,
22 the State Department of Agriculture and local governments and with other state agencies, as ap-
23 propriate, the Department of Land Conservation and Development shall implement the pilot pro-
24 gram.

25 (2) The Land Conservation and Development Commission shall adopt rules to implement the pi-
26 lot program. The commission, by rule, may:

27 (a) Establish a maximum ratio of transferable development rights to severed development inter-
28 ests in a sending area for each pilot project. The maximum ratio:

29 (A) Must be calculated to protect lands planned and zoned for forest use and to create incen-
30 tives for owners of land in the sending area to participate in the pilot project;

31 (B) May not exceed one transferable development right to one severed development interest if
32 the receiving area is outside of urban growth boundaries and outside unincorporated communities;

33 (C) May not exceed two transferable development rights to one severed development interest if
34 the receiving area is in an unincorporated community; and

35 (D) Must be consistent with plans for public facilities and services in the receiving area.

36 (b) Require participating owners of land in a sending area to grant conservation easements
37 pursuant to ORS 271.715 to 271.795, or otherwise obligate themselves, to ensure that additional
38 residential development of their property does not occur.

39 (3) The commission, by rule, shall establish a process for selecting pilot projects from among
40 potential projects nominated by local governments. The process must require local governments to
41 nominate potential projects by submitting a concept plan for each proposed pilot project, including
42 proposed amendments, if any, to the comprehensive plan and land use regulations implementing the
43 plan that are necessary to implement the pilot project.

44 (4) When selecting a pilot project, the commission must find that the pilot project is:

45 (a) Reasonably likely to provide a net benefit to the forest economy or the agricultural economy

1 of this state;

2 (b) Designed to avoid or minimize adverse effects on transportation, natural resources, public
3 facilities and services, nearby urban areas and nearby farm and forest uses; and

4 (c) Designed so that new development authorized in a receiving area does not conflict with a
5 resource or area inventoried under a statewide land use planning goal relating to natural resources,
6 scenic and historic areas and open spaces, or with an area identified as a Conservation Opportunity
7 Area in the "Oregon Conservation Strategy" adopted by the State Fish and Wildlife Commission and
8 published by the State Department of Fish and Wildlife in September of 2006.

9 (5) The commission may select up to [three] _____ pilot projects for the transfer of develop-
10 ment rights under sections 6 to 8, chapter 636, Oregon Laws 2009.

11 (6) A sending area for a pilot project under sections 6 to 8, chapter 636, Oregon Laws 2009:

12 (a) Must be planned and zoned for forest use;

13 (b) May not exceed 10,000 acres; and

14 (c) Must contain four or fewer dwelling units per square mile.

15 (7) The commission may establish additional requirements for sending areas.

16 (8)(a) Except as provided otherwise in paragraph (b) of this subsection, a local government par-
17 ticipating in a pilot project shall select a receiving area for the pilot project based on the following
18 priorities:

19 (A) First priority is lands within an urban growth boundary.

20 (B) Second priority is lands that are adjacent to an urban growth boundary and that are subject
21 to an exception from a statewide land use planning goal relating to agricultural lands or forestlands.

22 (C) Third priority is lands that are:

23 (i) Within an urban unincorporated community or a rural community; or

24 (ii) In a resort community, or a rural service center, that contains at least 100 dwelling units
25 at the time the pilot project is approved.

26 (D) Fourth priority is exception areas approved under ORS 197.732 that are adjacent to urban
27 unincorporated communities or rural communities, if the county agrees to bring the receiving area
28 within the boundaries of the community and to provide the community with water and sewer service.

29 (b) The commission may authorize a local government to select lower priority lands over higher
30 priority lands for a receiving area in a pilot project only if the local government has established,
31 to the satisfaction of the commission, that selecting higher priority lands as the receiving area is
32 not likely to result in the severance and transfer of a significant proportion of the development in-
33 terests in the sending area within five years after the receiving area is established.

34 (c) The minimum residential density of development allowed in receiving areas intended for
35 residential development is:

36 (A) For second priority lands described in paragraph (a)(B) of this subsection, at least five
37 dwelling units per net acre or 125 percent of the average residential density allowed within the ur-
38 ban growth boundary when the pilot project is approved by the commission, whichever is greater.

39 (B) For third priority and fourth priority lands described in paragraph (a)(C) and (D) of this
40 subsection, at least 125 percent of the average residential density allowed on land planned for resi-
41 dential use within the unincorporated community when the pilot project is approved by the com-
42 mission.

43 (d) For third and fourth priority lands described in paragraph (a)(C) and (D) of this subsection
44 that are within one jurisdiction but adjacent to another jurisdiction, the written consent of the ad-
45 jacent jurisdiction is required for designation of the receiving area.

1 (e) A receiving area may not be located within 10 miles of the Portland metropolitan area urban
2 growth boundary.

3 (9) The commission may establish additional requirements for receiving areas.

4 (10) The commission, by rule, may provide a bonus in the form of a higher transfer ratio if a
5 substantial portion of the new development in the receiving area of the pilot project is affordable
6 housing within an urban growth boundary.

7 **SECTION 3.** Section 9, chapter 636, Oregon Laws 2009, as amended by section 4, chapter 888,
8 Oregon Laws 2009, is amended to read:

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

10 (a) “Community forestlands” has the meaning given that term in ORS 530.600.

11 (b) “Skyline Forest” means that certain real property consisting of approximately 33,000 con-
12 tiguous acres in Deschutes County owned on June 1, 2009, by Cascade Timberlands (Oregon) LLC
13 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
14 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,
15 24, 25, 26, 27, 35 and 36, township 17 south, range 10 east; and sections 6, 7, 8, 9, 17, 18, 19, 20, 29,
16 30, 31, 32 and 33, township 17 south, range 11 east.

17 (c) “Skyline Forest Sustainable Development Area” means a portion of up to 3,000 contiguous
18 acres of the tract known as the Skyline Forest that is located in township 16 south, range 10 east,
19 Deschutes County: portions of the northwest quarter, southwest quarter, southeast quarter, north-
20 east quarter of section 7; portions of the northwest quarter, southwest quarter, southeast quarter
21 of section 8; portions of the southwest quarter of section 16; portions of the northwest quarter,
22 southwest quarter, southeast quarter, northeast quarter of section 17; portions of the northwest
23 quarter, southwest quarter, southeast quarter, northeast quarter of section 18; section 19; portions
24 of the northwest quarter, southwest quarter, northeast quarter of section 20; portions of the north-
25 west quarter of section 21; portions of the northwest quarter of section 29; and portions of the north
26 half of section 30.

27 (d) “Skyline Conservation Tract” means the portion of the Skyline Forest consisting of approx-
28 imately 30,000 contiguous acres that is not included within the Skyline Forest Sustainable Develop-
29 ment Area.

30 (e) “Southern Conservation Tract” means that certain real property consisting of approximately
31 34,700 acres in Deschutes and Klamath Counties owned on June 1, 2009, by Cascade Timberlands
32 (Oregon) LLC and located within one of the following areas:

33 (A) “Area one” consists of approximately 14,000 acres of land located within sections 1, 2, 3, 10,
34 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,
35 Deschutes County; and sections 5, 6, 7, 8, 17, 18, 30 and 31 of township 22 south, range 10 east,
36 Deschutes County;

37 (B) “Area two” consists of approximately 9,700 acres of land located within sections 2, 3, 4, 5,
38 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
39 east, Klamath County and the portion of Parcel 3, Partition Plat No. 34-08 located in township 23
40 south, range 9 east, Klamath County; and

41 (C) “Area three” consists of approximately 11,000 acres of land located within sections 14, 23,
42 24, 25, 26, 34 and 35 of township 23 south, range 9 east; sections 3, 4, 8, 9 and 17 of township 24
43 south, range 9 east; section 1 of township 25 south, range 7 east; sections 1, 2, 3, 4, 9, 10, 12, 13, 14,
44 15, 16 and 17 of township 25 south, range 8 east; Parcel 1, Partition Plat No. 34-08 located in
45 township 24 south, ranges 7 and 8 east, and township 25 south, range 8 east, Klamath County; and

1 the portion of Parcel 3, Partition Plat No. 34-08 located in township 24 south, ranges 8 and 9 east,
 2 Klamath County and lying west of U.S. Route 97.

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

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

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

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

19 (B) 183 residential units shall be allowed within the Skyline Forest Sustainable Development
 20 Area in exchange for the conveyance of the Skyline Conservation Tract and area one of the South-
 21 ern Conservation Tract to a land trust or to a federal or state agency;

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

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

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

30 (c) All development, not including access roads and utility lines to the Skyline Forest
 31 Sustainable Development Area and up to five acres for maintenance and security facilities, shall be
 32 located on 1,200 contiguous acres within the Skyline Forest Sustainable Development Area. The
 33 owner shall use the remaining undeveloped 1,800 acres of the Skyline Forest Sustainable Develop-
 34 ment Area for the primary purposes of minimizing the risk of wildfire and maintaining wildlife
 35 habitat value. However, an equestrian facility may be located within the otherwise undeveloped
 36 1,800 acres if the facility is located on no more than 40 acres contiguous to the developed portion
 37 of the Skyline Forest Sustainable Development Area. The owner shall cause a conservation ease-
 38 ment pursuant to ORS 271.715 to 271.795 to be recorded on the entirety of the undeveloped 1,800
 39 acres prohibiting partitions and development, but allowing access roads, utility lines, maintenance
 40 and security facilities and recreational uses, such as picnic grounds, trails, the equestrian facility
 41 and restrooms. The conservation easement must be held by a land trust and shall contain terms
 42 agreed to by the State Department of Fish and Wildlife and the State Forestry Department.

43 (d) Roads, utility corridors and all utility facilities necessary to serve the Skyline Forest
 44 Sustainable Development Area shall be allowed as outright permitted uses within the Skyline Forest
 45 Sustainable Development Area, the Skyline Forest and on nearby lands regardless of the compre-

1 hensive plan or zoning designation of the lands.

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

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

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

18 (h) The Skyline Forest Sustainable Development Area, including all access roads, must be de-
19 veloped in consultation with the State Department of Fish and Wildlife to minimize impacts on
20 wildlife, particularly deer and elk populations.

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

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

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

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

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

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

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

41 (b) The consideration for any transfer does not exceed the fair market value of the property as
42 established by an appraisal based on the hypothetical condition or assumption that all development
43 rights on the properties, whether actual or potential, have been extinguished as contemplated by
44 subsection (7) of this section. The appraisal must comply with the Uniform Standards of Professional
45 Appraisal Practice. The appraisal shall comply with the Uniform Appraisal Standards for Federal

1 Land Acquisitions if:

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

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

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

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

11 (4) The uses authorized by subsection (2) of this section shall be allowed as outright permitted
 12 uses by Deschutes County, following approval of the master plan required by subsection (5) of this
 13 section by Deschutes County. The uses allowed by subsection (2) of this section are allowed
 14 notwithstanding those provisions of ORS 215.700 to 215.780 relating to lot size and dwelling stan-
 15 dards on forestlands, those statewide land use planning goals relating to agricultural lands,
 16 forestlands, public facilities and services, transportation and urbanization and those provisions of
 17 Deschutes County's comprehensive plan and land use regulations limiting uses of forestlands. Ap-
 18 proval of the master plan and land division applications required by subsection (5) of this section
 19 for the development and use of the Skyline Forest Sustainable Development Area and all associated
 20 road and utility corridors does not require exceptions to any statewide planning goal or amendment
 21 of any local comprehensive plan or land use regulation. Deschutes County shall apply only the
 22 provisions of this section as standards and criteria for an application for, or amendment to, a master
 23 plan or land division application or other development permit applications submitted pursuant to
 24 this section.

25 (5) The owner of the Skyline Forest Sustainable Development Area may submit an application
 26 to Deschutes County for approval of a master plan for the development and use of the area. The
 27 application must be submitted within *[five years after the effective date of chapter 636, Oregon Laws*
 28 *2009]* **_____ years after the effective date of this 2015 Act**, subject to the following:

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

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

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

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

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

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

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

19 (6) The Deschutes Land Trust, an Oregon nonprofit corporation, shall have a right of first op-
20 portunity to purchase the Skyline Conservation Tract and the Southern Conservation Tract, and any
21 purchase agreement shall provide a minimum of three years for the Deschutes Land Trust to obtain
22 funding for any purchase. If at any time after two years from the date of any purchase agreement
23 or the date of filing of a master plan under subsection (5) of this section, whichever is later, the
24 Deschutes Land Trust has failed to demonstrate a reasonable likelihood it will be able to obtain the
25 funds necessary to complete the purchase, the owner of the Skyline Conservation Tract and the
26 Southern Conservation Tract may seek alternative buyers for any property that is the subject of a
27 purchase agreement under this subsection. The Deschutes Land Trust will in good faith notify the
28 owner of the Skyline Conservation Tract and the Southern Conservation Tract if at any time during
29 the period of any purchase agreement the Deschutes Land Trust concludes it does not wish to
30 complete the purchase or will be unable to obtain the necessary funding to complete the purchase.

31 (7) Development and construction of uses within the Skyline Forest Sustainable Development
32 Area may proceed according to the approved master plan once the transfer of fee title of the Skyline
33 Conservation Tract and, as applicable, all or a portion of the Southern Conservation Tract, is com-
34 plete. Following transfer of fee title of the Skyline Conservation Tract and, as applicable, all or a
35 portion of the Southern Conservation Tract, all development rights on the conveyed lands are ex-
36 tinguished and the conveyed lands shall be thereafter managed as community forestlands or as fed-
37 eral or state forestlands.

38 (8) At any time within [*five years after the effective date of chapter 636, Oregon Laws 2009*]
39 _____ **years after the effective date of this 2015 Act**, the owner of the Skyline Forest
40 Sustainable Development Area may either file an application for a master plan pursuant to sub-
41 section (5) of this section, or submit written notice to Deschutes County and the Deschutes Land
42 Trust stating the owner's intent to relinquish the development opportunities authorized by this sec-
43 tion. Until the owner of the Skyline Forest Sustainable Development Area files a master plan ap-
44 plication or submits a notice of relinquishment under this subsection, the owner may not divide,
45 develop, obtain a lot of record determination or prohibit public access to any portion of the Skyline

1 Forest. If the owner of the Skyline Forest Sustainable Development Area submits a notice of
2 relinquishment under this subsection, or the owner allows the [*five-year*] _____-**year** time period
3 to elapse without taking any action under this subsection, the development opportunities authorized
4 by this section shall expire and the owner may divide, develop and prohibit public access to any
5 portion of Skyline Forest pursuant to the laws in effect at that time.

6 (9) If the owner of the Skyline Forest Sustainable Development Area does not file a master plan
7 within [*five years of the effective date of chapter 636, Oregon Laws 2009*] _____ **years after the**
8 **effective date of this 2015 Act**, or if Deschutes County does not approve a master plan as provided
9 in subsection (5) of this section within [*10 years of the effective date of chapter 636, Oregon Laws*
10 *2009*] _____ **years after the effective date of this 2015 Act**, then the provisions of subsection
11 (2) of this section shall cease to have any force or effect.

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

15 _____