



# THE CITY OF **MADRAS**

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March 23, 2017

Representative Ann Lininger, Chair  
House Committee on Economic Development and Trade  
Oregon State Capital  
900 Court Street NE, Room 453, Salem, OR 97301

Subject: **Support of HB 2743** – A bill directing the Land Conservation and Development Commission to establish and implement pilot program to implement master plan for economic development on land adjacent to airport in rural area

Dear Chair Lininger, Vice-Chair Marsh, Vice-Chair Smith, Representatives Clem, Gomberg, Helm, Lewis, Post, and Reschke:

The City of Madras owns 1,175 acres of airport property adjacent, but outside of its Urban Growth Boundary (UGB), and also owns 920 acres of airport property that is within its UGB. The area outside is currently under a county zoning designation of "airport management." The City recently utilized the Regional Industrial Large Lot Program to bring in 195 acres into the UGB for the Daimler development area. Madras is not currently allowed under this particular program to bring in any single lot larger than 199 acres per the Region's current allotment (only Bend and Redmond were allowed to go larger than 200 acres).

Passage of HB 2743 will benefit the State of Oregon and the Madras community by allowing that remaining 1175 acres to be brought into the City's UGB in one action rather than in several incremental steps (and is much more cost effective – estimate savings of \$350,000 and years of effort). The existing incremental method also makes it difficult for the City to streamline the development process and to get ahead of each new economic development opportunity. The benefits of this bill for economic development and local government sustainability are:

- 1) Grants a more streamlined permitting process for economic development by not requiring permitting through both the City and the County;
- 2) Allows the City to better integrate other urban infrastructure master plans (i.e. utilities and roads) on the airport property for supporting economic development; property outside the UGB is not allowed under existing rules to be planned for future infrastructure (case example Trans. System Plan)
- 3) Authority given to the City to utilize its ordinances and standards for administering the airport master plan requirements with the Federal Aviation Administration (single agency coordination more efficient and less confusion to new development on which standards to follow).
- 4) Grants the City the ability to extend its tax base, through annexation of area inside its UGB, over this property for cost recovery of services provided and to capture new growth; and
- 5) A best management approach that is consistent with the City's adopted Urban Growth Area Management Plan for only annexing properties that are within its Urban Growth Boundary.

In review of HB 2743, the City of Madras requests the following minor revisions hereby enabling the City to apply for the pilot program:

- 1) The clarification of adjacency to an airport in Section 1 (3): "A City may nominate a site **adjacent** to its jurisdiction for participation in the pilot program." It is not clear on how this prior language "within its jurisdiction" is to be interpreted since the program is intended to bring land in from outside a jurisdiction's urban growth boundary.
- 2) Recommend considering airports that have an adopted or approved Airport Master Plan. Section 1 (5) (b) "Adjacent to an airport **with an approved airport master plan;**"
- 3) Ask for either additional criteria or change in criteria for type of land: Propose Section 1 (5) (c) "Designated as **non-resource land;**" Madras' 1150 acres is not designated as urban reserve land. Rather it is currently zoned as "airport management" property which is a developable designation for uses compatible with aviation.
- 4) Request clarification language consistent with FAA grant assurances: Propose the following additional language - Section 1 (5) (e) "Planned and zoned for **aviation compatible** commercial and industrial uses."
- 5) Request clarification language consistent with FAA grant assurances: Propose the following additional language - Section 2 (3) (b) "Remain planned and zoned for **aviation compatible** commercial and industrial uses as otherwise provided in rules adopted pursuant to Section 1 of this 2017 Act."

In summary this bill provides very strategic assistance needed to allow the City of Madras to better support economic development at the Madras Municipal Airport. Over the last year, the City of Madras has been working closely with the Regional Solutions Team and DLCD to identify possible pathways to moving the UGB around the remaining airport management zoned property in a more expedited and efficient manner. There have been several alternatives identified, much of which are piecemeal options. One pathway was identified by DLCD that would annex all the property (without moving the UGB) which the City is open to except for the conflict with our Urban Area Growth Management Agreement that does not permit this type of action, and for the issue with the City not being able to plan for urban infrastructure in its master plans such as the Transportation System Plan when the UGB is left behind.

Madras is sensitive to this bill requiring additional time and resources on the part of the Department of Land Conservation and Development. The City of Madras, if approved as an acceptable candidate for the program, is willing to pay a reasonable fee to offset added costs to the department in exchange for an opportunity to move the Urban Growth Boundary one time versus seven or eight times as would be required under the currently available piecemeal approaches. This is a jurisdictional transfer request, and we think it makes a lot of sense for all parties involved. Please let us know if we can answer any questions in relation to this legislation or the City's economic development efforts.

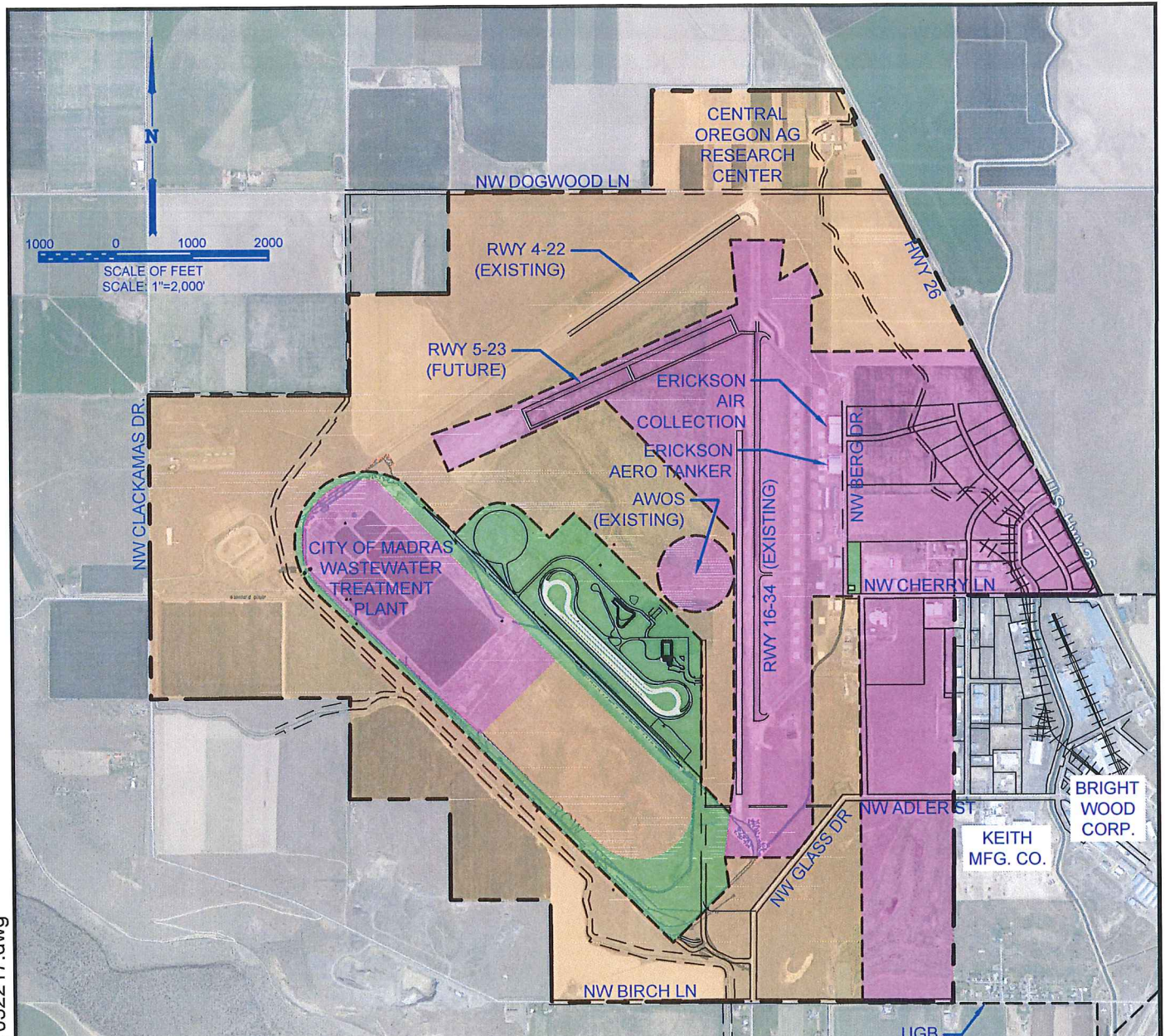
Sincerely,



Royce Embanks  
Mayor

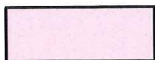
Encl. Madras Municipal Airport Visual Aid Exhibit





**AREA SUMMARY**

AREAS OF AIRPORT OPERATIONS  
IN UGB. (780.00 ACRES)



DAIMLER LEASE AREAS IN UGB  
(195.00 ACRES)



REMAINING AIRPORT PROPERTY  
(COUNTY ZONE "AIRPORT MGT")  
TO BRING INTO UGB (1,175.91 ACRES).



DESIGNED BY:  
WHB

DRAWN BY:  
WHB

CHECKED BY:  
WHB

DATE:  
MARCH 2017

PROJECT NO:  
10149.030.01

SCALE:  
1"=1,600'

**CITY OF MADRAS  
MADRAS MUNICIPAL AIRPORT**

**UGB EXPANSION  
AIRPORT AREA SUMMARY**

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