

HB 2743 A STAFF MEASURE SUMMARY

House Committee On Economic Development and Trade

Action Date: 04/17/17

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Clem, Gomberg, Helm, Lewis, Lininger, Marsh, Post, Reschke, Smith DB

Fiscal: Has minimal fiscal impact

Revenue: Has minimal revenue impact

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WHAT THE MEASURE DOES:

Requires Land Conservation and Development Commission (Commission) to establish a pilot program to implement a master plan for economic development on land adjacent to a rural airport. Creates City Economic Development Pilot Program Fund (Fund). Requires Commission to use Fund to finance the establishment and implementation of the pilot program. Requires Commission to report on the pilot program to the legislative committees related to housing and human services during the 2022 session of the Legislative Assembly.

ISSUES DISCUSSED:

- Economic development history around of the City of Madras airport
- Land use costs from airport economic development
- Potential interested from businesses on City of Madras airport lands

EFFECT OF AMENDMENT:

Creates City Economic Development Pilot Program Fund (Fund). Requires Commission to use Fund to finance the establishment and implementation of the pilot program. Limits sites eligible to participate in the pilot program.

BACKGROUND:

Deschutes County received two Technical Assistance Grants from the Department of Land Conservation and Development (DLCD) in 2010 to evaluate Central Oregon's opportunities, competitiveness, and ability to recruit new and locally grown firms requiring new large scale development. Deschutes County used the grant funding to develop a Regional Economic Opportunity Analysis (REOA). The REOA identified a need for industrial lands of 100-200 acres in size in Deschutes, Jefferson, and Crook Counties. The DLCD subsequently adopted administrative rules (OAR 660-0024-0040 and 660-024-0045) to allow cities in Deschutes, Jefferson, and Crook Counties a specific path to include in their urban growth boundary (UGB) three sites of at least 50 acres, two sites of between 100 and 200 acres, and one site over 200 acres.

The City of Madras currently owns roughly 1,200 acres of land adjacent to their airport outside of their UGB, with an additional 920 acres of airport property within their UGB. The City is in the process of adding one 195 acre industrial large lot into their UGB near their airport after interest from potential businesses interested in utilizing the site at significant cost.

House Bill 2743 A requires the DLCD to establish a pilot program to implement a master plan for economic development on land adjacent to a rural airport and report on that pilot program to the Legislative Assembly in 2022.