## House Bill 3280

Sponsored by Representative HOLVEY, Senator PROZANSKI

## 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**.

Modifies authority for establishment of winery and for winery sales and services in exclusive farm use zone.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

2 Relating to wineries in exclusive farm use zones; amending ORS 215.452; repealing section 3, chapter

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97, Oregon Laws 2010; and declaring an emergency.Be It Enacted by the People of the State of Oregon:

5 SECTION 1. Section 3, chapter 97, Oregon Laws 2010, is repealed.

6 **SECTION 2.** ORS 215.452, as amended by sections 1 and 2, chapter 97, Oregon Laws 2010, is 7 amended to read:

8 215.452. (1) A winery may be established as an outright permitted use in an area zoned for ex-

9 clusive farm use under ORS 215.213 (1)(p) and 215.283 (1)(n) if the winery produces wine with a

10 maximum annual production of:

11 (a) Less than 50,000 gallons and [*that*]:

12 (A) Owns an on-site vineyard of at least 15 acres;

13 (B) Owns a contiguous vineyard of at least 15 acres;

14 (C) Has a long-term contract for the purchase of all of the grapes from at least 15 acres of a 15 vineyard contiguous to the winery; or

16 (D) Obtains grapes from any combination of subparagraph (A), (B) or (C) of this paragraph; [or]

17 (b) At least 50,000 gallons and no more than [100,000] **150,000** gallons and [*that*]:

- 18 (A) Owns an on-site vineyard of at least 40 acres;
- 19 (B) Owns a contiguous vineyard of at least 40 acres;

20	(C) Has a long-term contract for the purchase of all of the grapes from at least 40 acres of a
21	vinevard contiguous to the winery; or

22 (D) Obtains grapes from any combination of subparagraph (A), (B) or (C) of this paragraph; or

- 23 (c) More than 150,000 gallons and:
- 24 (A) Owns an on-site vineyard of at least 50 acres;
- 25 (B) Owns a contiguous vineyard of at least 50 acres;
- 26 (C) Has a long-term contract for the purchase of all of the grapes from at least 50 acres
- 27 of a vineyard contiguous to the winery; or

(D) Obtains grapes from any combination of subparagraph (A), (B) or (C) of this para graph.

- 30 (2) A winery described in subsection (1)(a) or (b) of this section may sell only:
- 31 (a) Wines produced [in conjunction with] by the winery; [and]

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1 (b) Items directly related to the sale and promotion of wine produced [*in conjunction with*] by 2 the winery, the sale of which is incidental to retail sale of wine on-site, including food and beverages 3 served by a limited service restaurant, as defined in ORS 624.010[.], and wine not produced by the 4 winery; and

5 (c) Services directly related to the sale and promotion of wine produced by the winery, 6 the sale and delivery of which is incidental to retail sale of wine on-site, including catered 7 dinners, weddings, charitable or political fundraisers and other private events, hosted by the 8 winery or by patrons of the winery, at which wine produced by the winery is featured.

9 (3) A winery described in subsection (1)(c) of this section may, in addition to selling the 10 items and services described in subsection (2) of this section, sell food and beverages served 11 by a restaurant, as defined in ORS 624.010.

(4) The gross income from the sale of incidental items and services under subsections
(2)(b) and (c) and (3) of this section may not exceed 25 percent of the gross income from the
sale of wine produced by the winery.

15 [(3)] (5) Prior to the issuance of a permit to establish a winery under this section, the applicant 16 shall show that vineyards described in subsection (1) of this section have been planted or that the 17 contract has been executed, as applicable.

[(4)] (6) A local government shall adopt findings for each of the standards described in paragraphs (a) and (b) of this subsection. Standards imposed on the siting of a winery [shall be] are for the sole purpose of limiting demonstrated conflicts with accepted farming or forest practices on adjacent lands and are limited solely to each of the following [for the sole purpose of limiting demonstrated conflicts with accepted farming or forest practices on adjacent lands]:

(a) Establishment of a setback, not to exceed 100 feet, from all property lines for the winery and
all public gathering places; and

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(b) Provision of direct road access, internal circulation and parking.

[(5)] (7) A local government shall also apply local criteria regarding floodplains, geologic hazards, the Willamette River Greenway, solar access, airport safety or other regulations for resource protection acknowledged to comply with any statewide goal respecting open spaces, scenic and historic areas and natural resources.

(8) This section is the exclusive manner by which a winery licensed under ORS 471.223
may be established as an outright permitted use in an area zoned for exclusive farm use
under ORS 215.213 (1)(p) and 215.283 (1)(n).

(9) When a winery meets the criteria described in subsection (1) of this section for establishment as an outright permitted use in an area zoned for exclusive farm use under ORS
215.213 (1)(p) or 215.283 (1)(n), a local government may authorize the winery to sell or deliver
items or services not described in subsections (2)(b) or (c) or (3) of this section under the
criteria for commercial activity in conjunction with farm use under ORS 215.213 (2)(c) or
215.283 (2)(a).

(10) When a winery does not meet the criteria described in subsection (1) of this section for establishment as an outright permitted use in an area zoned for exclusive farm use under ORS 215.213 (1)(p) or 215.283 (1)(n), a local government may authorize establishment of the winery in an area zoned for exclusive farm use under the criteria for commercial activity in conjunction with farm use under ORS 215.213 (2)(c) or 215.283 (2)(a).

44 <u>SECTION 3.</u> This 2011 Act being necessary for the immediate preservation of the public 45 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect  $\rm HB \ 3280$ 

- 1 on its passage.
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