



**Department of Land Conservation and Development** 

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February 15, 2012



TO: The Honorable Representatives Cliff Bentz and Dave Hunt, Co-Chairs House Transportation and Economic Development Committee

Bob Rindy and Matt Crall, FROM: Department of Land Conservation and Development

#### SUBJECT: Senate Bill 1544A

The Department of Land Conservation and Development appreciates this opportunity to provide information about Senate Bill 1544 and report to the committee regarding recent amendments to LCDC administrative rules concerning transportation planning. The department does not have a position on Senate Bill 1544A.

### 1 - Economic Development on the Southeast Redmond Employment Site

The department supports the City of Redmond efforts to authorize development of employment uses on the 465-acre site that is the subject of this bill. This site is already within the urban growth boundary (UGB) and rezoning the site for economic development would be an efficient use of land consistent with Oregon land use planning goals. Moreover, due to its large size and public ownership, this site presents a unique opportunity to attract industries or uses that could not be accomodated on smaller lots elsewhere in Redmond.

### 2 - Recent Amendments to the DLCD Transportation Planning Rules (TPR)

Last December LCDC completed a review and update of the Transportation Planning Rules (TPR), as required by Senate Bill 795 (2011). Amendments to OAR 660-012-0060 were adopted to streamline the process for rezoning land or making other amendments to comprehensive plans or land use regulations. The amendments were adopted by Land Conservation and Development Commission (LCDC) in December of 2011 and took effect on January 1, 2012. A brief summary of the amendments is attached to this letter and the complete text of the amended rule is available online at the following link:

http://www.oregon.gov/LCD/docs/rulemaking/2009-11/TPR/TPR Amendments-Summary-Text.pdf

To accomplish this task, LCDC convened a rulemaking advisory committee with 22 members representing a wide spectrum of interests including local governments, economic development, transportation planning and the public. The advisory committee reached a consensus on the overall direction of the rule amendments and on the specific text for most sections. LCDC adopted the final amendments after holding a public hearing and resolving the remaining issues. The entire process was closely coordinated with the Oregon Department of Transportation (ODOT) and with their process for complementary amendments to the Oregon Highway Plan (OHP), adopted by the Oregon Transportation Commission (OTC) on December 21, 2011.

SB 795 mandated changes to the TPR to "streamline, simplify and clarify the requirements." In response, the TPR was amended to exempt proposed local rezonings from requirements of the rule when a rezoning is consistent with the local government's comprehensive plan map designation and transportation system plan (see section (9) of the amended rule). The TPR amendments provide that a proposed rezoning that includes transportation demand management measures to prevent any increase in traffic will not be defined as having "a significant effect" on transportation and thus will not be subject to this rule.

SB 795 also mandated substantive changes to state regulations "to better balance economic development and the efficiency of urban development with consideration of development of the transportation infrastructure." In response, the TPR amendments create a process for approval of local economic development projects that does not require full mitigation of traffic impacts. Another section of the amended TPR will allow local governments to designate areas where compact urban development is desirable and thus projected traffic congestion will not be a factor in zoning decisions.

More information is available online on DLCD's website at: www.oregon.gov/LCD/Rulemaking\_TPR\_2011.shtml

### 3 – The Department Worked with the City in Revising the Original Bill

The department appreciates the willingness of the City of Redmond to work with the department and ODOT to improve the original bill. The department believes that the A-Engrossed bill provides a good foundation for continued collaboration between the city and the state to achieve the economic development objectives for this site.

### **Further Information**

Thank you for the opportunity to present this information to the committee. If committee members have further questions, we may be reached at:

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Land Conservation and Development Commission

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# Summary of Amendments to the Transportation Planning Rule (TPR) Regarding Plan and Land Use Regulation Amendments



Oregon Administrative Rule 660-012-0060

## **Summary of New Sections**

### Rezoning Consistent with Comprehensive Plan Map - Section (9)

If a proposed rezoning is consistent with the existing comprehensive plan map designation, and consistent with the acknowledged transportation system plan, then it can be approved without considering the effect on the transportation system. Special provisions in subsection (c) apply if the area was added to the urban growth boundary (UGB).

### Compact Urban Development - Section (10)

Local governments can designate areas where traffic congestion (e.g., v/c ratio) does not have to be considered when rezoning property, amending comprehensive plan designations or amending development regulations.

- Subsection (b) lists the requirements for these multimodal mixed-use areas (MMA):
  - Must allow a range of uses, including residential (allowing at least 12 units per acre), offices, retail, services, restaurants, parks, plazas, civic, cultural and multi-story commercial buildings.
  - Must have appropriate development standards, including building entrances oriented to the street, a connected street network within and to the MMA, pedestrian-oriented street design, transit stops (if transit exists) and reduced requirements for off-street parking.
  - Must limit or prohibit low-intensity uses such as industrial, automobile sales, automobile services and drive-throughs.
  - Must be entirely within a UGB.
- If the MMA is near a freeway interchange, then the potential for backups on the off-ramps must be considered (see subsection (c)) and concurrence from the Oregon Department of Transportation (ODOT) is required.

### Economic Development – Section (11)

If a proposed rezoning qualifies as economic development, then it can be approved without mitigating the full effect on traffic.

- Two definitions of economic development in subsection (a):
  - General definition: "Industrial or traded-sector jobs created or retained," with details for these terms in paragraph (a)(C).
  - Smaller cities outside the Willamette Valley can use a broader definition that adds "prime industrial land" and "other employment uses" (which could include retail).
- Subsection (b) allows "partial mitigation," but does not define how much mitigation is required because it will be different in every case based on the balance of economic benefit and traffic impacts.
  - o Local government determines if benefits outweigh negative effects on the local system.
  - o ODOT, coordinating with Business Oregon, makes the determination for the state system.
  - Subsection (c) requires coordination with state, regional and other local governments.
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### **Summary of Changes within Existing Sections**

### Transportation Demand Management – Subsection (1)(c)

When determining whether or not there is a "significant effect," transportation demand management – or any other enforceable, ongoing condition of approval that would reduce the amount of traffic generated – can be factored in to eliminate or diminish the significant effect.

### Other Modes, Facilities or Locations – Subsection (2)(e)

- Three new options for addressing a significant effect, including improvements to:
  - Other modes (example: the significant effect is motor vehicle traffic congestion, the mitigation could be adding sidewalks and bicycle lanes).
  - Other facilities (example: the significant effect occurs along one street, the mitigation could be on another parallel street).
  - Other locations (example: the significant effect occurs at one intersection, the mitigation could be at other intersections along the same highway).
- If the significant effect occurs on a state highway, then these options are only allowed with ODOT concurrence. If on a county road within a city, then county concurrence is required.

### Failing Facilities – Subsection (3)(a)

If a facility is projected to fail to meet the performance standards at the planning horizon, and if there are no funded improvements that would fix this, then a proposed rezoning must avoid further degradation at the time of development, but is not required to provide mitigation to meet the performance standards.

### **Additional Information**

### Complete Rule Text as Amended

www.oregon.gov/LCD/docs/rulemaking/2009-11/TPR/TPR\_Amendments-Legislative\_Style.pdf

#### Rulemaking Process

These amendments were adopted by the Land Conservation and Development Commission December 8, 2011 and took effect January 1, 2012. www.oregon.gov/LCD/Rulemaking TPR 2011.shtml

#### **Oregon Highway Plan**

The Oregon Transportation Commission adopted amendments to Oregon Highway Plan in coordination with the TPR amendments. www.oregon.gov/ODOT/TD/TP/OHP2011.shtml

#### **Staff Contact**

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#### **Disclaimer**

This brief summary does not explain all of the requirements. Applying these rules to any specific situation requires careful consideration of the full text of the rule, other administrative rules, local regulations, the Oregon Highway Plan and relevant case law.

January 18, 2012