

## Deschutes County Position Paper – February 22, 2013 Support of LC 3770 La Pine Industrial Land

## Background

Deschutes County owns the La Pine Industrial Park. Proceeds from the sale of properties within the Park have been deposited by the County into an Industrial Development Revolving Fund. The expenditure of industrial land proceeds is governed by ORS 275.318(3).

## Issue

Deschutes County is seeking to use approximately \$200,000 of the Industrial Development Fund proceeds to match funds from the Oregon Department of Transportation (ODOT) for transportation upgrades to the US 97/First Street intersection in the City of La Pine. Without these improvements, applications for industrial and other development projects in the La Pine Industrial Park and surrounding area will be denied under existing land use regulations because the traffic generated by such projects will cause the intersection to fail. Recently, development of a grocery store in the area was denied due to the anticipated impact of the project on this intersection.

Deschutes County Legal Counsel has issued a legal opinion that the narrow purview of ORS 275.318 limits the use of Industrial Development Fund proceeds to specific components of project development and cannot be used for necessary off-site utility or transportation infrastructure improvements, such as installation of a traffic control device.

## Solution

The Deschutes County Board of Commissioners supports LC 3770, which would allow Deschutes County to spend industrial proceeds to help fund installation of a warranted traffic control device at the intersection of US 97/First Street in La Pine. This important legislative fix is critical to the future development of the La Pine Industrial Park and surrounding privately held industrial properties. Such development will facilitate much needed industry and jobs to the City of La Pine and surrounding area.

The land is currently zoned as industrial, but without improvements to the transportation infrastructure, the Oregon Highway Plan's mobility standards and other legitimate safety concerns (e.g., high school student pedestrian crossing) will limit its development. Signalization of the intersection of US 97/First Street will improve the traffic flow and safety of the entire US 97 corridor. A well-functioning US 97 corridor is vital to the well being of Central Oregon. Economic growth and job development rely heavily on safe, effective, and reliable transportation systems.