

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	8 - 0 - 2
Yeas:	Bentz, Cameron, Davis, Doherty, Gorsek, Lively, McKeown, Parrish,
Nays:	0
Exc.:	Nathanson, Read
Prepared By:	Troy Rayburn, Administrator
Meeting Dates:	3/11, 3/20

WHAT THE MEASURE DOES: Modifies list of new technologies and types of economic enterprises that qualify for use of moneys deposited in industrial development revolving funds of individual counties to include development of traffic control devices.

ISSUES DISCUSSED:

- Need for access to industrial land sites
- Access would make the industrial land / site more marketable
- Safety issue
- Allows Deschutes County to leverage additional moneys for industrial development
- Rural economic development
- County land use planners and legal counsel’s opinion that land use laws prevent use of industrial development revolving funds without legislative fix or approval

EFFECT OF COMMITTEE AMENDMENT: Specifies that counties can access and utilize moneys in the Industrial Development Revolving Fund for construction of off-site transportation or utility infrastructure that is necessary or appropriate to serve the development site.

BACKGROUND: 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 U.S. 97 intersection at First Street in the City of La Pine. Without these improvements, applications for industrial and other development projects in the La Center Industrial Park and the surrounding area will be denied under existing land use regulations because the traffic generated by such projects will cause the intersection to fail.

Deschutes County’s legal counsel 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 the installation of traffic control devices. The sponsors believe that development will be stymied in the area without installing the traffic control device.