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DATE: Fe

February 15, 2010

TO:

Lane County Board of County Commissioners

FROM:

Alex Cuyler, Intergovernmental Relations Manager

RE:

Legislative Update, Potential Position Change

SB 1055-A Engrossed: Relating to wineries in exclusive farm use zones, amending ORS 215.242

Previous Board action on this bill: January 27, 2010, MONITOR (staff recommendation SUPPORT)

Staff recommended action February 16, 2010, SUPPORT (as amended, 1055-A)

SB 1055 is a bill sponsored by Senator Jackie Winters of Portland at the bequest of the Oregon Wine Growers Council. The bill as initially drafted would allow wineries as an outright use on EFU, and allow limited use restaurants and gift type items (as well as serving wines from other wineries).

Initially assigned to Senate Environment, two public hearings were held. There were several amendments put forth, at least three of which were reviewed by Lane Co. staff.

- The dash one amendment was a clean up to the base bill (as well as slightly limiting the amount of gift type sales allowable). This amendment was adopted into the bill to become the A-Engrossed version. The Wine Growers and 1000 Friends have at least mostly agreed on the dash one amendment, with the caveat the special events language needs some work. They will seek (on the House side) language which will indicate a winery would have to have presold tickets and/or a list of attendees prior to an event.
- The dash two amendment would have amended the bill to address the very large wineries (like King Estates) and allow them to be an outright use (along with the gift type items and a full service restaurant). This amendment generated opposing viewpoints in hearing. Commissioner Linda Modrell of Benton County spoke to the variety of approaches that counties might take when examining wineries land use permitting and spoke in support of the bill. Jim Just of 1000 Friends suggested that the dash two's made a "bad bill even worse".
- The dash three's suggested a "time out" on any enforcement of the provisions of the statute that governs wineries and allowable uses. Lane County has two special use applications in the works, and the time out might (or might not) affect our ability to complete those in the time required by statute. The committee decided that the time out amendments were flawed but at the hearing the Association of Oregon Counties agreed to form an interim work group on the issue of wineries in EFU, with no specifics provided as to members, or desired outcomes.

Lane County is at the heart of the issue with King Estate (it is such a large winery as to be not even technically a winery) and Sweet Cheeks winery is attempting to address what may be an industry wide unknown, that is, how to handle concerts. Staff rather liked the dash two amendments in that they would have fixed the restaurant and the larger winery issue. However, there is little support in the Capitol for continued pursuit of the dash-two.

SB 1059-A: Relating to greenhouse gas emissions

Previous Board action on this bill: January 27, 2010, MONITOR (staff recommendation MONITOR)

Staff recommended action February 16, 2010, <u>OPPOSE SB 1059-A due to lack of funding provisions</u>, or, support if amended (removal of Section 7).

SB 1059 as initially drafted was the outcome of the Interim Workgroup on Greenhouse Gas. The bill was amended in committee to try to remove the large fiscal impact and to make technical fixes to it.

It was passed out of Senate Environment last week, without recommendation to Ways and Means. There was discussion prior to the vote about the remaining fiscal impact, especially to local governments. Section 7 of the bill requires that local governments within boundaries of MPO's shall consider immediate actions which can be taken to reduce greenhouse gas emissions, and consider how regional transportation plans could be altered to reduce greenhouse gas emissions. AOC indicated a fiscal impact of \$300,000-\$600,000, while LOC estimated the impact to be as high as \$1 M.