

**B-Engrossed**  
**Senate Bill 688**

Ordered by the House May 24  
Including Senate Amendments dated April 21 and House Amendments  
dated May 24

Sponsored by Senator MORSE

**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.

Specifies that development agreement between city or county and developer is binding on city or county pursuant to terms and duration specified in agreement. Modifies requirements related to maximum duration of agreement.

**A BILL FOR AN ACT**

1  
2 Relating to vested right in approved site-specific development plan; amending ORS 94.504.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 94.504 is amended to read:

5 94.504. (1) A city or county may enter into a development agreement as provided in ORS 94.504  
6 to 94.528 with any person having a legal or equitable interest in real property for the development  
7 of that property.

8 (2) A development agreement shall specify:

9 (a) The duration of the agreement[, *which may not exceed four years for a development of fewer*  
10 *than seven lots or seven years for a development of seven or more lots*];

11 (b) The permitted uses of the property;

12 (c) The density or intensity of use;

13 (d) The maximum height and size of proposed structures;

14 (e) Provisions for reservation or dedication of land for public purposes;

15 (f) A schedule of fees and charges;

16 (g) A schedule and procedure for compliance review;

17 (h) Responsibility for providing infrastructure and services;

18 (i) The effect on the agreement when changes in regional policy or federal or state law or rules  
19 render compliance with the agreement impossible, unlawful or inconsistent with such laws, rules or  
20 policy;

21 (j) Remedies available to the parties upon a breach of the agreement;

22 (k) The extent to which the agreement is assignable; and

23 (L) The effect on the applicability or implementation of the agreement when a city annexes all  
24 or part of the property subject to a development agreement.

25 (3) A development agreement shall set forth all future discretionary approvals required for the  
26 development specified in the agreement and shall specify the conditions, terms, restrictions and re-  
27 quirements for those discretionary approvals.

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 (4) A development agreement shall also provide that construction shall be commenced within a  
2 specified period of time and that the entire project or any phase of the project be completed by a  
3 specified time.

4 (5) A development agreement shall contain a provision that makes all city or county obligations  
5 to expend moneys under the development agreement contingent upon future appropriations as part  
6 of the local budget process. The development agreement shall further provide that nothing in the  
7 agreement requires a city or county to appropriate any such moneys.

8 (6) A development agreement must state the assumptions underlying the agreement that relate  
9 to the ability of the city or county to serve the development. The development agreement must also  
10 specify the procedures to be followed when there is a change in circumstances that affects compli-  
11 ance with the agreement.

12 **(7) A development agreement is binding upon a city or county pursuant to its terms and**  
13 **for the duration specified in the agreement.**

14 **(8) The maximum duration of a development agreement entered into with:**

15 **(a) A city is 15 years; and**

16 **(b) A county is seven years.**

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