ODFW’s Riparian Lands Tax Incentive Program

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JOY VAUGHAN, ODFW LAND USE AND WATERWAY ALTERATIONS COORDINATOR

JOY.R.VAUGHAN@STATE.OR.US, 503-947-6089
Brief History of the RLTIP

• Created by the 1981 Legislative Assembly to provide landowners with a tax incentive to protect, conserve or restore healthy riparian habitat on private lands adjacent to perennial and intermittent streams.

• The 1981 Legislative Assembly declared that:
  
  "It is in the best interest of the state to maintain, preserve, conserve and rehabilitate riparian lands to assure the protection of the soil, water, fish and wildlife resources of the state for the economic and social well-being of the state and its citizens".

• Codified in ORS 308A.350 to 308A.383 and OAR 141-430-0300 to 141-435-0430.
Brief History of the RLTIP

- Originally limited to properties zoned for farm or forest use and outside of urban growth boundaries
- 1997 - Program amended to provide an opportunity for lands that were planned and zoned as forest lands or outside of UGBs as of that time to be eligible
- 2001 - RLTIP amended to include lands within cities and urban growth boundaries if the city and county adopt enabling ordinances or resolutions
  - To date, no city or county has adopted enabling ordinances for the RLTIP within UGB
Brief History of RLTIP

• Qualifying property owners receive complete property tax exemption for riparian property outside of urban growth boundaries up to 100 feet from a stream, or an area not exceeding 25 acres of riparian lands per mile of stream.

• Qualifying properties within cities would receive a partial exemption, if the cities agree to participation in the program.
  • If cities adopted enabling ordinances, ODFW is limited to approval of 50 plans/year statewide.
How is Riparian Land Determined?

1. Property needs to be “zoned as eligible” by the county
   • Is the property planned and zoned for farm or forestland? If not, the property is likely not eligible for the RLTIP unless the county has adopted ordinances specific to other zones.

2. Property needs to be “biologically eligible” by ODFW
   • ODFW will evaluate the property for existing and potential functions, such as:
     • Existing riparian vegetation and vegetation restoration potential (existing wetlands, off-channel habitat, opportunity to provide sufficient shade)
     • Adjacent land uses (potential conflicting uses)
     • Site suitability and stream channel orientation (available space for measures such as riparian fencing)
     • Current use or opportunity to provide fish and wildlife habitat (sensitive or ESA listed species, OR Conservation Strategy COA)
What is the process?

- Once the county determines eligibility, a landowner works with ODFW or local SWCDs for technical assistance on plan development.

- Landowner needs to submit a Riparian Management Plan to ODFW and sign a RLTIP Agreement consistent criteria in rule.
  - The riparian management plan specifies conservation measures that will be applied to the riparian property (e.g., protect existing habitat, native plantings, invasive species removal, LWD placement, restoration of wetlands).

- ODFW must approve or disapprove plans by April 1 of the year following submittal of the plan.
  - Applications not approved or denied by April 1 are deemed approved and the land considered riparian habitat.

- ODFW notifies county assessor within 10 days of approved plan and signed agreement.
Compliance with the RLTIP

- ODFW “periodically” monitors for compliance with landowner RLTIP plan and agreement (Approximately 5 year intervals after first year)

- If noncompliance issues, ODFW provides landowner with deadline to implement remedial measures to achieve conformance to the plan
  - If landowner does not implement remedial measures, ODFW notifies tax assessor of noncompliance

- Only the county assessor may withdraw the land from designation and apply payments or penalties to the landowner

- If the property is sold or transferred, the new landowner has 120 days after recording sale to retain the RLTIP or withdraw without tax penalty.
  - New owner must sign the existing plan and agreement OR submit an amended plan and agreement
RLTIP Challenges

**Lack of Agency and Partner Capacity:**
- No dedicated staff or funding within ODFW; organizations may also have limited technical staff to assist with plan development
- If program becomes too popular, especially within cities or UGBs, could tax existing staff
- Small parcels with limited habitat benefit can still create significant workload

**Limited Eligible Parcels:**
- Program has not been heavily used due to existing tax deferrals on farm and forestland
- Riparian benefits are needed on other zoning

**Monitoring:**
- Many properties are not consistently monitored
- Database improvements are necessary
RLTIP Opportunities

• Collaboration with private landowners to achieve conservation outcomes!

• RLTIP directly supports implementation of species recovery plans and the Oregon Conservation Strategy, and offers opportunities to address the statewide challenges

• OCS includes a “Challenges and Opportunities for Private Landowners to Initiate Conservation Actions” as a “Key Conservation Issue”:
  • Continue to enhance agency and partner capacity by building capacity and collaborative leadership!
    • Enhanced information sharing/data management can assist in providing technical assistance for plan development and compliance monitoring
  • Explore opportunities for providing incentive programs on non-farm or forest zoned parcels
    • Collaborative conversations and outreach to local jurisdictions on RLTIP value for private lands