

Testimony in Opposition to HB 2696: State Supersiting with Potential Negative, Unintended Consequences for Key Transportation Assets and Oregon Industries and Jobs

For Public Hearing Scheduled on April 8, 2013, Before the House Committee on Transportation and Economic Development

To Chair Read, Vice-Chairs Bentz and Gorsek, and members of the House Committee on Transportation and Economic Development:

The City of Wilsonville opposes HB 2696, which appears to direct the State to supersite a proposed new toll highway on Oregon's most productive farmland just south of Wilsonville across French Prairie, "Oregon's breadbasket."

The City has serious concerns about this proposed legislation, including:

- 1. State supersiting that pre-empts local-government authority;
- 2. Potential detrimental impacts to key Oregon transportation facilities, including I-5;
- 3. Encouragement of urban sprawl on prime farmland that is contrary to Oregon land-use law;
- 4. Potential negative, unintended consequences for important Oregon industries and jobs;
- 5. Poor and illogical precedent that undercuts already-funded State transportation improvements;
- 6. Lack of need for legislation to provide ODOT with tolling authority.

HB 2696 – State Supersiting that Preempts Local Government Authority

As a general principal, the City of Wilsonville opposes efforts to have the State supersite land-uses that pre-empt local-government authority. The proposed legislation discusses a proposed "Coastal Parkway" highway "from I-5 to Highway 18" that would cut across French Prairie in northern Marion County. On behalf of a private developer, the bill directs that the Oregon Dept. of Transportation (ODOT) "shall approve a tollway project proposed by a private entity," Section (2)(1), and "shall exercise its power of eminent domain for acquisition of all properties necessary for the project that the private entity is unable to purchase," Section (2)(5).

Already, the Board of Commissioners of our southern neighbors in Marion County has on multiple occasions over more than a decade stated emphatically that they do not support a proposed "Coastal Parkway" highway. Formal protestations against the proposed Coastal Parkway have included Marion County Board of Commissioners Resolution 01-17R, May 2, 2001; Resolution 03-4R, Feb. 12, 2003; and Resolution 06-5R, Feb. 27, 2006, all entitled identically: "In the matter of opposing the development of a regional bypass across northern Marion County."

HB 2696 – Potential Detrimental Impacts to Key Oregon Transportation Facilities

The City of Wilsonville is very concerned that the Coastal Parkway could produce potential detrimental impacts to key Oregon transportation facilities and harm the state's long-term economic potential. The City's engineers have observed over time that major highway arterials that directly connect in a "T"-fashion to I-5 (such as I-205, Hwy 217, Hwy 551) tend to produce a greater level of traffic congestion and accidents.

During the I-5/99W Connector Study conducted over the 2008-10 timeframe, data showed that the proposed Connector arterial would increase traffic congestion on I-5 by 10% over the natural rate of increase. This increase in traffic volume has the effect of severely diminishing the traffic-handling capacity of I-5 and increasing congestion and that is detrimental to the timely movement of freight.

Given the South Metro/North Willamette Valley I-5 bottleneck of the Boone Bridge over the Willamette River at Wilsonville—the only bridge for a 28-mile stretch between Oregon City and Newberg—a potential substantial increase in traffic diverted onto I-5 could portend negative economic consequences. This is especially so when you consider that **the I-5 Boone** Bridge in Wilsonville carries nearly as much traffic (only 4% less) as the Columbia River Crossing Interstate Bridge — and actually 34% more truck traffic (total of over 34,000 trucks per day) than the CRC!

HB 2696 – Encouragement of Urban Sprawl on Prime Farmland that Is Contrary to Oregon Land-Use Law

As a matter of policy, the City of Wilsonville opposes policies and programs that encourage urban sprawl onto prime farmland and are contrary to Oregon land-use law. History and past practices demonstrate that urban sprawl tends to follow transportation facilities near urbanized areas.

As a major new transportation facility near urban areas, the proposed Coastal Parkway would tend to facilitate urbanization at intersections/interchanges, and along routes leading to the new arterial. At the least, the proposed highway may have the effect of encouraging land

speculation on farm and forest lands in anticipation of urbanization. Land speculation harms the agricultural industry by artificially driving-up the cost of land, and correspondingly the cost of doing business, which can make these businesses uncompetitive in a global economy.

What makes this scenario even more objectionable is that it would happen without benefit of any form of environmental review — apparently not even an environmental assessment or an "environment/society/economy/energy" assessment as required for exceptions to the Statewide Planning Goals.

HB 2696 – Potential Negative, Unintended Consequences for Important Oregon Industries and Jobs

While State and Local government efforts have focused on encouraging "traded-sector" economic development and job creation, the proposed legislation poses potential negative, unintended consequences for important Oregon industries and jobs.

The high-value farmlands of French Prairie in northern Marion County where the Coastal Parkway would be sited are a major powerhouse for Oregon's agricultural industry. These foundation farmlands form the key inputs for the traded-sector "ag" industry where a majority of products are destined for export out of Oregon. During the Great Recession, agriculture was the one Oregon economic sector to weather the storm better than other sectors and it is enjoying a speedier recovery.

The proposed Coastal Parkway may have the unintended consequence of severely interfering with farming operations, encouraging urban sprawl and land speculation that is detrimental to the rural ag industry, and harming the cluster of ag-related businesses and jobs in the North Willamette Valley.

A large traded-sector employer with operations in both Tualatin and Wilsonville is a major food-processor on the national level. This home-grown, Oregon-based natural foods employer farms over 1,000 acres in the fertile lands of French Prairie, and additional acreage in the Mid-Willamette Valley area. Facilitating conversion of more farmland to urban uses and encouraging speculation on lands can have the effect of harming the competitive position of this existing, growing Oregon employer in the national and global economy.

HB 2696 – Illogical and Poor Precedent that Undercuts Already-Funded State Transportation Improvements

The City objects to HB 2696 since it sets an illogical and poor precedent that undercuts already-funded State transportation improvements. The Jobs & Transportation Act of 2009,

"JTA" (HB 2001), provided new State revenues to facilitate specific, major transportation improvements across Oregon.

The Number One project to receive the largest amount of ear-marked funds of \$192 million in the JTA was the Hwy 99W/OR 18 Newberg-Dundee Bypass. Yet, the Coastal Parkway project of HB 2696 is allegedly designed to "solve the Newberg-Dundee traffic problem."

Why would the State, after making a significant commitment of public funds for a project that was well studied and supported by local jurisdictions, undercut its own efforts with a competing un-studied project, not supported by the locals, and that creates further funding competition and carries significant potential unintended consequences?

HB 2696 - Lack of Need for Legislation to Provide ODOT with Tolling Authority

The City understands that some have argued that ODOT needs special legislation for tolling authority. ODOT's existing "Innovative Partnerships Program" allows a project with private financing to be brought to the department for consideration. ORS Chapter 383 grants the Oregon Transportation Commission authority over toll rates, and over tolling state highways. OTC's role is to provide policy guidance for developing, evaluating and implementing tollway projects in Oregon in a manner consistent with Oregon statutes as well as existing Commission policies and the Oregon Transportation Plan. Therefore, the proposed legislation is unnecessary to advance an authority which ODOT already possess and for a process that already exists for ODOT to consider transportation projects with a private financing component.

Based on the potential risky and unintended consequences that may flow from the proposed legislation, the contrary nature to Oregon land-use law and the lack of need, the City of Wilsonville respectfully urges a DO NOT PASS vote by the committee on HB 2696. We thank you for your time and consideration.

Sincerely,

Tim Knapp, Mayor

City of Wilsonville