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May 16, 2013

To: Senate Committee on Business and Transportation State Capitol, 900 Court Street NE Salem, OR 97301

Re: HB 2839A – Support

Dear Chair Beyer and Committee Members:

1000 Friends of Oregon supports HB 2839A. The bill addresses a situation that does not occur often but, when it does, can result in barriers to cities making reasonable decisions as to which land inside its urban growth boundary (UGB) should be designated for industrial use.

Currently, if land inside a UGB has been designated for residential use for a long time, yet has remained undeveloped, a city might determine that given how other development has grown up around it, that an industrial designation is in the long-term interest of the city and its residents. Yet because in general, the value of land for industrial use is often less than its short-term value for residential use, a city might decide *not* to make the plan and zone change to industrial because the city faces the possibility of having to pay a landowner for the loss in value. While the actual value of a particular piece of land as residential or industrial varies on a case-by-case basis, the uncertainty has a chilling effect on cities and therefore potential good, new industrial sites inside UGBs are lost.

HB 2839A removes this barrier by removing the requirement to pay compensation when planning and rezoning land from residential to industrial. The bill requires that, as in any plan and zone change, a full public, citizen participation process take place. The bill also limits its scope to lands inside UGBs, or that are being brought into a UGB for industrial use.

Thank you for consideration of our comments; we urge support of HB 2839A.

Sincerely,

Mary Kyle McCurdy

Mary Kyle McCurdy Policy Director

Since 1975, 1000 Friends has worked to promote efficient use of urban lands, protect working farms and forests, and engage Oregonians in shaping their communities' future. **Learn more at www.friends.org.**