



June 27, 2013

House Committee on Rules
State Capitol
Salem, OR 97301

Re: HB 3267 and proposed –A3 amendments

Chair Garrett , Vice Chair Hoyle, Vice Chair Hicks, and Members of the Committee:

House Bill 3267A, as currently before you, authorizes Malheur County to supersite up to three sites, containing up to 1,000 acres each, for industrial use. The proposed amendments, A3, would substitute a different authorization. If 20% or more of Malheur County’s residents had income in the preceding 12 months that was below the poverty level, the county may “accept an application to plan and zone a site located outside an urban growth boundary” for industrial use, *notwithstanding* certain *land use laws*. Among other things, applications can be accepted even if the land is currently in a farming zone, and even if vacant industrial sites already exist in the county.

1000 Friends of Oregon opposes HB 3267A, and we also oppose the proposed –A3 amendments. Availability of land for industrial use is not the issue in Malheur County.

Malheur County (population 31,068) has a significant supply of industrial sites in its cities: it has 13 sites ranging from 85 to 261 acres, which are planned and/or zoned for industrial use, as follows:

- Ontario (population 11,268):
 - 5 sites within the UGB: 52, 8, 74, 163, and 207 acres.
 - 6 sites within Urban Reserves: 255, 135, 109, 105, 77, and 60 acres
- Vale (population 1,860): 1 site within UGB of 115 acres
- Nyssa (population 3,239): 1 site outside but adjacent to the UGB of 261 acres

While land availability is not the issue in Malheur County, land provided with infrastructure, so it is ready-to-go for business, might well be. Provision of necessary infrastructure to the existing industrial lands and implementation of an economic development plan focused on Malheur County’s unique assets would attract more economic activity than provision of more vacant land less than 50 miles from the major, competing market of Boise. Focusing on new land detracts from the region developing strategies to grow existing and locate new businesses on the lands and buildings that already are inside the county’s UGBs and have infrastructure.

Moreover, Malheur County's #1 industry is agriculture, and this bill allows speculative urban industrial development to trump an existing and highly valuable industry. *Malheur County ranks 5th in the state in overall agricultural production* based on gross sales (\$296,145,000 in 2011, ODA). Only Marion, Umatilla, Morrow, and Clackamas rank higher.¹ Malheur County includes 126,605 acres of high-value farmland soils, most in the Ontario and Vale area (Treasure Valley). Most of these lands are irrigated.²

Finally, there appear to be some potential drafting oversights in HB 3267-A3. For example, Section 1(1) appears to be written so the County can accept applications on a rolling basis between now and Dec. 31, 2020. That is, the county could look as often as it wants at its poverty level in any preceding 12-month period, and if the poverty level is above 20%, the county can accept an application for a qualifying use.

Further, *the applicant need only "commit" to provide 50 new jobs; there is no requirement to actually provide them.* And while the application must be to "plan and zone" a site for industrial use, *there is no requirement that the 50 jobs actually be industrial.* Many "industrial" zones also allow commercial and office, so this could open the entire site to a shopping mall, for example.

We recommend not passing HB 3267. Thank you for consideration of our comments.

Sincerely,



Mary Kyle McCurdy
Policy Director and Staff Attorney

¹ Malheur County ranks first in Oregon in the production of onions and in the production of cattle and calves, and ranks 4th in the production of hay and 5th in potatoes. All of the above crops rank 11th or higher in terms of the top 40 commodities produced in Oregon.

²This is primarily developed irrigation associated with irrigation districts and Bureau of Reclamation reservoirs