



TESTIMONY

SB 716

Senate Committee on Environment and Natural Resources

April 6, 2015

Chair Edwards and Members of the Committee:

Oregon Farm Bureau and Oregon Association of Nurseries urge the committee to oppose SB 716, which would open up hundreds of acres in Clackamas, Washington and Multnomah Counties to industrial development and jeopardize agricultural operations in those areas. We oppose these efforts to circumvent the carefully negotiated agreement that farmers in those counties relied on to protect their land from future development pressure, and urge the committee to oppose SB 716.

By way of background, the Oregon Farm Bureau is a voluntary, grassroots, nonprofit agricultural organization representing Oregon's farmers and ranchers in the public and policymaking arena. As Oregon's largest general farm organization, its primary goal is to promote educational improvement, economic opportunity, and social advancement for its members and the farming, ranching, and natural resources industry as a whole. Today, Oregon Farm Bureau represents over 7,000 member families professionally engaged in the industry and has a total membership of over 60,000 families.

Oregon Association of Nurseries represents wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. OAN's members are located throughout the state, with the largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill and Multnomah Counties. The nursery and greenhouse industry is the state's largest agricultural sector. Oregon's nursery industry ranks third in the nation, with over \$766 million in sales annually to customers in Oregon, the rest of the United States, and abroad.

Oregon Farm Bureau and Oregon Association of Nurseries oppose SB 716. SB 716 allows each Metro county to turn 150-500 acres of land – most likely farmland - outside the urban growth boundary into immediately developable large-lot industrial sites. The land that would be earmarked for industrial development would come from current urban or rural reserves.

While future development of urban reserves is anticipated, this legislation would require the industrial sites to be brought within the UGB, increasing the rate of development of the urban reserves, and expediting development pressure on those farmlands. However, SB 716 is most troubling in its treatment of designated rural reserves. SB 716 would allow industrial development within rural reserves – farmland that is explicitly supposed to be protected from development pressure. This would create industrial parks in the middle of protected farmland, which is contrary to the very purpose of the rural reserve.

Additionally, if land is taken out of a rural reserve for industrial development, SB 716 requires the counties to replace the land taken out of the reserve, resulting in even more farmland being earmarked for eventual development through this process.

Farmers in the impacted counties spend significant time and effort into negotiating the urban and rural reserve designations. While many farmers were uncomfortable with the idea of reserves, they agreed to the reserve designation because the rural reserves were designed to protect farmland for the next 50 years. The rural reserve designation prevents significant fluctuation in value and speculation in farmlands in the designated areas, allowing them to remain in agricultural use. This certainty allows farmers to plan for the future, and helps ensure that there is farmland available for the younger generation trying to get into farming. When 150-500 acre tracts in a community leave agricultural use for more intensive industrial use, it can greatly impact the local communities and change the character of the area, often in a manner that creates additional development pressure on the community and results in even more land leaving agricultural production.

SB 716 also discourages further development of and investment in existing industrial sites. By opening up large parcels in the Metro area for future industrial development, SB 716 will create incentives for developers to purchase in the new industrial area - where land is relatively cheap – rather than purchase in existing industrial sites, which are already within the urban growth boundary and may be comparatively more expensive to develop. At any rate, Metro has not demonstrated a sufficient need for additional industrial lands. We understand there is a significant amount of industrial land within the existing urban growth boundaries which are available for development, but where development may be slightly more costly. Given the importance of maintaining our agricultural land – which supports Oregon's second largest industry – Metro should be required to demonstrate that there is not land available for development within the UGB, and that development of rural reserves is necessary to meet that need. Metro cannot make either showing.

SB 716 not only disrupts the protection provided by rural reserves, it sends the message to farmers that these negotiated designations can be changed in the legislature despite the extensive efforts of the impacted stakeholders to reach agreement. Oregon Farm Bureau and Oregon Association of Nurseries has significant concerns about the precedent this legislation would set for land use planning in the Metro area, as well as the effect of SB 716 on agricultural operations in the impacted counties. For these reasons, we urge you to oppose SB 716.

Please contact Mary Anne Nash with the Oregon Farm Bureau or Jeff Stone with Oregon Association of Nurseries with any questions.