



HB 2723 Urban Agricultural Zones

We imagine that most Oregonians love passing by verdant community gardens, school gardens and small urban farms. Some of us belong to CSAs, garden ourselves and/or shop at our neighborhood farmers markets; everything about it feels, and is, quite positive.

But does that mean this bill is a way to support and encourage urban farming? Not as written.

There really are no guidelines in this bill to provide insight into how tax assessors will know which property is eligible for this urban agricultural property tax abatement and which is not. There are no requirements re size, productivity, income, or product specificity (vegetables, fruit trees, nursery or animal stock, farm soil, flowers, and holly cuttings).

Without far more clarity, and probably even with more clarity, this bill would create an administrative nightmare imposing considerable cost on tax assessors while at the same time reducing property tax revenue.

Further, the advocates seem unclear in their intentions. Will this give the lessors or lessees more profit? Will owners, without leasing to anyone, be able to ask for tax reductions, and appeal assessor decisions, over any small bit of gardening, unproductive apple tree, or an old dog run now called a chicken run?

Oregon's current property tax law relative to small farm and forest properties is antiquated and often gamed by those who have properties of two acres or more who want reduced property taxes while they enjoy or hold for investment, plots of land, including their own yards or forest settings. The gross income requirements are but \$100 per acre or \$650 for a plot of 6.5 acres or less, three out of every five years. These are gross, not net income numbers. Had the \$650 value been indexed for inflation since its introduction, it would be \$3500 today.

HB 2723 proposes to expand the problem, as it doesn't include any size or income values at all. We urge you to reject this feel good, but impractical proposed legislation.

We read the bills and follow the money