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February 1, 2016

Senator Gelser, Chair
Senate Committee on Human Services & Early Childhood
State Capitol
Salem, OR

Re: SB 1548

Dear Chair Gelser and Committee Members:

1000 Friends of Oregon is a 40-year old, non-profit, statewide organization. We advocate for livable urban and rural communities, protecting family farms and forests, and conserving natural areas, through the implementation and improvement of Oregon's land use planning program.

We oppose SB 1548, which would allow cities to expand urban growth boundaries (UGBs) for residential use, without regard to whether there was a need for additional land. It would also allow those expansions to go first on to farm and forest lands.

The bill provides that if the number of new "households" exceeds the number of new housing units built in a calendar year inside a city, and if a city has a rental vacancy rate of under 6%, the city may expand its UGB by an unspecified amount of land. This bill has fundamental flaws:

- It is structured as if there is no 20-year UGB requirement in Oregon land use law. Rather, it seems structured on an assumption that the land inside the UGB is pretty much built out, so that if new households appear, they will not have options, or enough options, to choose from. However, cities are required to have a long-term land supply of 20 years, not a 1-year land supply. If a city is short on land, it already can expand its UGB.
- The bill incorrectly assumes that each new "household" translates into a housing unit.
- The bill perpetuates the notion that it is a reasonable assumption that lands outside UGBs can be served within a year of being brought inside the UGB by all needed infrastructure. That has never happened in any UGB expansion of which we are aware.
- It also continues the notion that any resulting housing would be affordable. The actual cost of the full set of infrastructure to UGB expansion areas seems to be running about \$50,000 to \$100,000 per unit regardless of the region of the state.
- The bill allows unneeded UGB expansions on to working industrial land – agricultural land. Agriculture is Oregon's #2 industry, one that has been increasing in value steadily for decades. As the Department of Agriculture reported at the end of 2015:

“[A]griculture is directly and indirectly linked to about \$50 billion in sales of goods and services, which is more than 13 percent of the statewide total of sales involving all industry sectors. *** Oregon agriculture directly or indirectly supports more than 326,000 full or part-time jobs, making up almost 14 percent of total jobs in the state. Overall, Oregon agriculture is responsible for \$22.9 billion or 10.6 percent of the net state product.”

We ask that SB 1548 not be considered further. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Mary Kyle McCurdy". The signature is written in a cursive, flowing style.

Mary Kyle McCurdy
Policy Director and Staff Attorney