

February 7, 2016

Representative Brian Clem, Chair, Rep.BrianClem@state.or.us
Committee on Rural Communities, Land Use and Water, hrciw.exhibits@state.or.us
Beth Reiley, Committee Administrator, Beth.Reiley@state.or.us

RE: House Bill 4079

My name is Kathryn Jernstedt. I live at 6540 Lowry Drive in West Linn in Clackamas County and also have an interest in the family's Century Farm in Yamhill County. My perspective is from rural and suburban experience and as a board member of Friends of Yamhill County. I wish to testify in opposition to HB 4079.

The bill takes on the significant challenge of promoting affordable housing however I do not see how circumventing the existing Urban Growth Boundary process will serve that end. Affordable housing is needed close in to jobs, transportation, schools, and other essential services. Developing it outside of the urban growth boundary is costly, inefficient, and counter productive.

The language in Section 5(3) permits mixed income housing in the pilot projects. Repeal of the ban on inclusionary zoning seems to figure in many of the bills discussing affordable housing. In my opinion that should be tried before taking as drastic of a step as undermining Oregon's preeminent land use planning system. If the concepts in the bill really have merit they could be tried within the 20 year supply of buildable lands.

There are a number of terms still awaiting definition and concepts to be fleshed out. Defining affordable housing, affordable sale prices or rental rates; how lands will be dedicated to affordable housing over long spans of over time. What rule or regulation, short of outright public ownership, can ensure future affordability and withstand legal challenge?

The UGB protects farm, forest and resource lands but it also promotes efficient and cost effective infrastructure. Section 2 (4)(d) calls for utilities and facilities be "planned and reasonably likely to be provided in the near future" but is silent on engineering and funding to create and support this capacity. Boundary decision makers are not always conversant in infrastructure feasibility. System development charges and capital planning are complex disciplines in their own right. They also figure prominently in the greater expense of building at the edge rather than within an existing community.

I would like to share what I call **The Parable of Fischers Mill**.

Built before SB 100 took effect, it is a development of 26 homes on a rural parcel between Redland and Springwater Road. It is served by a collective septic and sand filter onsite treatment system. The system is sited approximately ¼ mile from a bend in Clear Creek, a tributary of the Clackamas River.

After some years the system was no longer performing adequately. The developer was either unavailable or unwilling to take action. Build out of municipal systems had not gotten near enough for them to connect. The Clackamas County Board of Commissioners agreed to take over the system. Depending on who is telling the story they were persuaded by graft, cronyism, public relations, or concern for environmental and public health. Repair and maintenance was assigned to what was then known as the Department of Utilities within the Roads Division.

Growth and the Clean Water Act come along. The sand needs to be removed and disposed of (as contaminated material) periodically. New Special District treatment facilities were built in Milwaukie and Oregon City under the governance of CC BCC but not near to Fischers Mill. Subsequent Commissioners have had other priorities. One board would want every rate to be based on actual cost of service. Another would be concerned that rates were equalized across all districts.

When I came to work for the county in 2000 it was Water Environment Services that ran and maintained Fischer Mill and other larger service districts. This is also when I first became aware of the operation. Among the capital planning discussions underway at the time was the need to make a significant capital investment because the original system did not meet current clean water standards. There was no way that the 26 homeowners could fund the work as they had not always been able to cover the routine costs. This put the matter into the complex system of public finance.

I would imagine that the parties behind these pilot projects envision success rather than this sort of outcome. However, there is no guaranty. Decades on the costs from this example of development outside the UGB are being underwritten by others. Developers and public officials come and go but once these things get built they do not ever go away.

As a member of the fourth generation on the family farm I treasure SB 100 and all it entails for protecting that legacy. As a retired safety professional who has worked in construction and public utilities I have come to see its contribution to cost effective infrastructure as well as the incredibly long tail on problems when it is not done well. Please do not advance this bill without further revision, however high minded the goals.

Sincerely,

Kathryn Jernstedt
Friends of Yamhill County

Cc: Rep.TinaKotek@state.or.us