

133 SW Second Ave., Suite 201 • Portland, OR 97204 • (503) 497-1000 • fax (503) 223-0073 • www.friends.org Southern Oregon Office • PO Box 2442 • Grants Pass, OR 97528 • (541) 474-1155 • fax (541) 474-9389 Willamette Valley Office • PO Box 51252 • Eugene, OR 97405 • (541) 520-3763 • fax (503) 575-2416

February 10, 2016

Senator Beyer, Chair Senate Committee on Business and Transportation State Capitol Salem, OR

Re: SB 1588

Dear Senator Beyer and Committee Members:

Thank you for the opportunity to provide testimony on SB 1588. 1000 Friends of Oregon advocates 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 1588, which would allow jurisdictions with populations under 50,000 to adopt plans that do not comply with state goals.

SB 1588 is the same bill as SB 25, which did not pass in the 2015 full session. SB 1588 suspends the goals of Oregon's statewide land use program in eight Oregon counties.¹

This bill undermines Oregon's agricultural economy and it undermines decades of agreements that balance natural resources and other uses.

Farmland effects

SB 1588 would remove protection against non-farm uses on lands that have been in continuous farm use for generations. It would allow certain counties to re-designate any or all farm and forest lands for development even if they are still in active production or are vital for wildlife.

Protecting farmland, forestland, and other natural areas is a fundamental goal of Oregon's land use program, and there is good reason for it. Agriculture is Oregon's second largest industry: 1 out of 8 jobs in this state is agriculture-related, and the industry is directly and indirectly linked to about \$22 billion in sales of goods and services, accounting for 15% of the statewide total of sales involving all industry sectors. Agriculture is traded-sector - 80% is sold out of state and 40% is exported out of the country, bringing new dollars into Oregon. And those figures have been

¹ This would apparently apply to Baker, Gilliam, Grant, Harney, Malheur, Sherman, Wallowa and Wheeler counties.

increasing almost steadily for two decades. No other Oregon industry can tell that story.

We should protect this key asset: agricultural land should stay in agricultural use to support Oregon second largest industry and the hundreds of thousands of Oregonians who depend on it. Removing these counties from the land use program does not serve the agricultural community and will result in taking more farmlands out of farm use and the loss of farm jobs.

Eastern Oregon is very productive range land. Three of Oregon's top five producing agricultural counties are in Eastern Oregon. The top five are Marion County at \$616.9 million, Umatilla County at \$503.2 million, Morrow County at \$477.1 million, Clackamas County at \$332.9 million, and Malheur County at \$296.1 million.

Six of the eight highest grossing agricultural commodities in the state have a strong nexus to Eastern Oregon. The top eight are Cattle and Calves at \$779.8 million, Nursery/Greenhouse at \$641.1 million, Dairy at \$523.9 million, Wheat at \$521.5 million, Hay at \$413.6 million, Grass seed at \$294.9 million, Potatoes at \$165.2 million, and Onions at \$132.6 million. Agriculture is a consistent economic engine of Eastern Oregon.

SB1588 does not mandate that farmland be rezoned, but changing the foundation on which four decades of land use zoning and planning are based creates uncertainty, and uncertainty is bad for business and investment. Increased uncertainty for farm operators near cities will cause them to decrease investments in their lands, bringing valuable agriculture land out of production and making farming even more difficult for their neighbors. Furthermore, uncertainty leads to land speculation, and when farmers are competing with out-of-state investors for land, Oregon's farm economy suffers.

Wide-ranging effects on wildlife and collaborative processes

In the eight counties, the bill would also decouple transportation planning, infrastructure planning, planning for needed housing, protection of wildlife and natural places, avoidance of natural hazards, and citizen participation from each other and from land use planning. Population growth is only a small part of what planning addresses.

This could have wide-ranging effects. For example, the land use program is the method that Oregon has identified as its method of complying with federal decisions regarding the listing of sage grouse under the Endangered Species Act. Without the assurance that land use planning provides, the state's compliance with federal agreements regarding sage grouse would be in jeopardy. This highlights the importance of the land use program in Eastern Oregon to wildlife.

Another aspect of Oregon's land use law that is beneficial to conservation and environmental goals is the protection of farmland as farmland and forestland in forest status. These working lands provide a matrix between wilderness and wildlands, provide viable migratory corridors, and in general provide a better landscape for environmental and conservation goals than the alternative: subdivision and development. 80% of wildlife in Oregon spend at least part of their lifecycle on farm or forest lands, and many plans and approaches for wildlife management rely on Goal 5: Natural Resources within the land use planning program

There is no quantitative evidence that land use planning limits economic development in rural counties. In fact, the evidence points the other direction. Washington state provides that evidence. Its Growth Management Act went into full effect in 1990. It allows rural counties to opt out of the program. Ten counties have taken advantage of this and opted out. Twenty-one rural counties have opted in. The counties that have chosen to opt-in saw their median household incomes rise by 39.61% from 1990 to 2010 while the opt-out counties had theirs rise by only 36.18% -- more than 3 percentage points less. The rural counties in Washington that have embraced the GMA have benefitted economically.

Finally, Oregon's land use program enjoys strong support across the state. According to the Oregon Values and Beliefs Survey, "[t]wo-thirds of Oregonians (66%) consider protection of productive farm and forest land from development very or somewhat important. The question leading to this result made clear that saying important implied support for some increase or reallocation in tax dollars to improve these protections."² These results were fairly consistent across urban and rural regions. Oregonians see an economic value in protecting our natural resource lands.

Oregonians have seen firsthand the success of the land use program. It has prevented rural sprawl – between the 2000 census and the 2010 census no net rural housing units were added in Oregon while in Washington rural housing units went up by 6.2% and in Idaho they went up 16.7%. As a result, farmers can keep farming and foresters can keep managing forests without conflict from incompatible uses. In fact, ninety-eight percent of all non-Federal land in Oregon that was in resource land uses in 1974 remained in these uses in 2009.³ In short, the land use program has broad support within Oregon and it works.

To protect Oregon's working landscapes we ask you to oppose SB 1588

² The findings are drawn "from three surveys conducted in April and May 2013. Final sample sizes were 3971 respondents for Survey #1, 1958 for Survey #2, and 1865 for Survey #3. The questionnaires and findings are available at www.oregonvaluesproject.org."

³ Oregon Department of Forestry, "Land use Change on Non-federal Land in Oregon and Washington" available at http://www.oregon.gov/odf/RESOURCE_PLANNING/land_use_in_OR_WA_web_edited.pdf

Respectfully submitted,

Jern Min 6

Jason Miner Executive Director