Tuesday, March 1, 2016 TESTIMONY-SB 1573-A Eng House Rules Committee

NO ONE wants to return Oregon to the days before SB 100 when wanton real estate development threatened land markets property rights and cities throughout the state.

But that is what SB 1573-A will do.

Most of the concerns that arose when SB 100 was discussed are still with us.

In discussions about land use, who speaks for productive land? heritage land? recreational land (hiking, hunting, fishing)? land for rare and unusual plants and animals? land recognized around the world for its beauty?

This bill, SB 1573, is the land speculators dream bill because it limits citizen involvement so NONE of those concerns will get their due.

And SB 1573 attacks city charters specifically in communities where citizens claim their right to express legitimate concerns at the ballot box.

SECTION 2. (1) This section applies to a city whose laws require a petition proposing annexation of territory to be submitted to the electors of the city.

Make no mistake, this is a direct attack on the city charters of ONLY cities where taxpayers exercise their right to vote on annexations. As such SB 1573 also attacks not only home rule but also Oregon Land use Planning Goal 1, citizen involvement.

SB 1573 takes a wrecking ball to property tax limitations and their fiscal restraint on growth for the sake of growth.

SB 1573 is strictly market-based so the only thing that matters is getting land under city control where city taxpayers MUST pay for improving the land.

Here's how SB 1573 INVITES major unintended consequences.

Sec 2(2)(a) The territory is included within an urban growth boundary adopted by the city or Metro, as defined in ORS 197.015

But recent LCDC reform clarifies urban growth boundary expansion for cities so SB 1573 clouds that reform BEFORE it can take effect.

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Sec 2(2)(b) The territory is, or upon annexation of the territory into the city will be, subject to the acknowledged comprehensive plan of the city;

This bill recognizes that cities have comprehensive plans but does not respect those same comprehensive plans and forces them to add-in whatever annexation comes along.

SB 1573 does not care if cities have the resources to provide legally required infrastructure. Measures 5 and 50 limit property tax revenues available for real estate development. How many properties are subject to those limitations (compression) in cities across the state?

Sec 2(2)(c) At least one lot or parcel within the territory is contiguous to the city limits or is separated from the city limits only by a public right of way or a body of water:

With this, SB 1573 may reopen settled law regarding island annexations.

And it opens the floodgate for <u>any size of territory</u> even though only "one lot or parcel" is contiguous to the city.

Sec 3 requires "any additional territory described in ORS 222.111 (1) that must be annexed in order to locate infrastructure and right of way access for services necessary for development of the territory..."

Just like the "one lot or parcel" rule this also opens the floodgate to "any additional territory" regardless of the city funding capacity or the will of the taxpayers.

Sec 2(3)(2) Specifies population density "equal to the average residential density within the annexing city."

This focus on "average residential density" DISREGARDS whether the city has the tax base to fund ANYMORE density, "average" or not.

And it DISREGARDS the range of real estate development impacts on people's lives that are triggered by density.

THERE IS NO "EMERGENCY" - THERE IS NO "EMERGENCY"

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Some Oregon economic indicators are improving <u>but "improvement" is not true for many Oregon cities.</u>

How can there be **no revenue impact** statement regarding the bill? After decades of development like that proposed in SB 1573 many Oregon communities cannot afford to fund long overdue repairs and maintenance on infrastructure.

How can there be **no fiscal impact?**

SB 1573 forces cities to take on not only more land <u>but also the requirement to provide</u> new infrastructure at a time when cities are most vulnerable.

Only voting on annexations gives taxpayers and their cities a voice in annexations that may either encourage community-centric growth or discourage land speculation and sprawl. SB 1573 wipes that out.

Please do not turn back the clock to the days before SB 100.

Please allow citizens and taxpayers to continue to express their concerns at the ballot box.

Thank you.

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