



American Planning Association
Oregon Chapter

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Making Great Communities Happen

March 1, 2017

Rep. Brian Clem, Chair
House Committee on Agriculture and Natural Resources
Oregon State Legislature
900 Court Street
Salem, OR 97301

RE: Oregon Chapter of the American Planning Association testimony in opposition to the House Committee on Agriculture and Natural Resource regarding House Bills 2039 and 2040

Dear Chair Clem and Committee Members,

The Oregon Chapter of the American Planning Association (OAPA) is an independent, statewide, not-for-profit educational organization with 850 members that provides leadership in the development of vital communities by advocating excellence in community planning, promoting education and citizen empowerment, and providing the tools and support necessary to meet the challenges of growth and change.

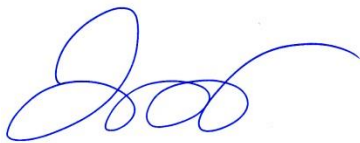
Our organization has reviewed House Bills 2039 and 2040 and oppose the bills as drafted. **We respectfully ask that the Committee do not pass these bills out of committee for the following reasons:**

- 1. The intent and purpose of HB 2039 (annexation) is unclear.** Specifically, OAPA is uncertain of the intent or need for or the purpose of the 100 acre thresholds and text for single majority vote for annexation pursuant to ORS 222.750. The significance of the 100 acre threshold for territorial vote is not made clear by this bill. Specifically, we believe this bill will cause interference with existing intergovernmental agreements between cities and counties that pertain to annexation. This bill also interferes with the ability for cities and counties to create an orderly and efficient transition to provide urban services, which is contrary to Goal 14 (Urbanization) as part of the Statewide Planning Goals and Guidelines (OAR 660-015-0000(14)). Annexation according to state law under ORS 222 is best left for cities and counties to decide how to annex. We see no cause or reason to create a new form of double majority vote as it will only hinder the ability to provide services in an orderly and efficient manner.
- 2. Not only is the intent and purpose of HB 2040, concerning annexation and extraterritorial services unclear, HB 2040 will interfere with the efficient urbanization of land, including making it more difficult for cities to annex properties that could benefit from urban services.** Specific problems with the bill include:
 - Interference with efficient urbanization of land under Goal 14 and will likely interfere with existing agreements between cities, counties and service districts.

- Text introduced to this bill is poorly constructed and confusing. It is unclear which extraterritorial services either would or would not be subject to an annexation agreement.
- The bill loosely defines extraterritorial services, and introduces constraints to providing and extending necessary services, thereby making it more difficult to achieve the purpose of urbanization established under Goal 14. Cities that provide utility services together with the funding and capacity for growth, should not be hindered in their ability to provide future services to outlying areas.
- As drafted, HB 2040 would require extraterritorial services to be provided through an intergovernmental agreement (IGA) and the comprehensive plan for the area. This element creates some uncertainty for local governments as to how to address such an agreement in a comprehensive plan, for example, whether a simple plan policy requiring a contract for service would suffice, or if an additional product would need to be incorporated to support any policies and the intergovernmental agreement.
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For the reasons as stated above, **we respectfully request that the Committee do not pass HB 2039 and HB 2040.**

Sincerely,



Jeannine Rustad, JD

President