

**Testimony of John A. Charles, Jr.
President & CEO
Regarding Senate Bills 432, 602, 608, 612 and 618
April 6, 2017**

Advocates of land-use planning strongly believe that the benefits of planning always outweigh the costs.

But no regulatory system is perfect. Certainly the Oregon program can be improved, if we have the will.

The most obvious problem is that land-use regulation imposes a static vision on a dynamic economy. Oregon demands “urban containment” as the top priority, enforced through urban growth boundaries and rural exclusionary zoning. This has to result in an imbalance between housing supply and demand, leading to rapid price escalation. There is no other logical outcome unless planning advocates have invented a new economic theory that only they understand.

The bills under discussion today may not be the perfect responses to current problems, but surely at least one of them could be used by the Committee as a vehicle for modest reform.

I encourage the Committee to pick one flaw in the Oregon system and address it going forward. You could focus on the dysfunctional urban growth boundary management process; the punitive “Transportation Planning Rule”; or perhaps farmland preservation requirements that are disconnected from economic reality.

It doesn’t matter which problem you address, but to say that no flaws exist and all reform bills must be killed year after year is not plausible.

Failure to address obvious problems will undermine public confidence in the legislative process. Please use the remaining time in this session to solve at least one problem related to zoning.

