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February 8, 2018

House Committee on Agriculture and Natural Resources State Capitol 900 Court Street NE Salem, OR 97301

RE: HB 4075: Rural Reserves - Oppose

Chair Clem and Committee Members:

Thank you for the opportunity to provide testimony on HB 4075, a bill that would convert 1700 acres of farm land from rural reserves to urban reserves.

1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice. We are opposed to HB 4075.

1000 Friends of Oregon participated in the development of the original legislation authorizing rural and urban reserves and in the regional process by which it was implemented, as did hundreds of others. The original legislation, now codified at ORS 195.137-.145, along with administrative rules, establishes the factors the region must be applied when designating rural and urban reserves.

Clackamas, Multnomah, and Washington counties conducted their own reserves designation processes. However, Washington County applied its own set of reserve factors, contrary to advice from 9 state agencies and many other participants in the process, resulting in a reserves decision that did not adequately or legally protect some of Oregon's most fertile and productive agricultural lands. The final regional decision was appealed by many entities with different perspectives, with focuses on different geographical areas of the region.

The Oregon Court of Appeals found that Washington County relied on "pseudo-factors" in making its rural and urban reserves decision and held that "because the designation of urban and rural reserves are interrelated—particularly where Foundation Agricultural Land is involved—on remand, LCDC must, in turn, remand Washington County's reserves designation as a whole for reconsideration." (The court did *not* find error in the application of the reserve factors by Clackamas and Multnomah counties.)

The 2014 Legislature understood that the Court's decision meant either there would be no rural or urban reserves at all in Washington County (and maybe none in the whole region), or there would be a long process to re-do the Washington County reserves. In either case, the ability to expand the urban growth boundary (UGB) would be jeopardized – particularly in Washington County. Therefore, legislators from the region told the parties that if we could all reach a settlement consistent with the law, the legislature could give its stamp of approval to it.

And that is what happened. All the parties reached a settlement of the reserves litigation in Washington County. At any time, any of the parties could have walked away and there would have been no settlement, but that did not happen. Instead, every entity, including the city of Hillsboro, testified before the Legislature's Rules Committee that they supported the settlement.

While the settlement re-designated some areas as rural reserves that should have been rural reserves under a legal application of the factors all along, it also brought into the Washington County portion of the UGB – immediately – approximately 1000 acres. This benefited mostly Hillsboro, but also Forest Grove and Cornelius. Other lands in Washington County were redesignated to urban reserves or were moved to an "undesignated" category. The end result was found to have met the legal requirement for a "balance in the designation of urban and rural reserves that, in its entirety, best achieves livable communities, the viability and vitality of the agricultural and forest industries and protection of the important natural landscape features that define the region for its residents." OAR 660-027-0005.

Without this settlement, Metro would not have been able to make some of the UGB expansions it has made using urban reserves, and it would be more restricted in its ability to make the UGB expansions that some cities are seeking in 2018.

HB 4075 proposes to break a settlement entered into a few short years ago; if passed will undermine public confidence in the integrity of both law and process. It would also violate the underlying reserves factors, including the requirement for balancing regional urban and rural needs, thereby jeopardizing all the reserves, including those in Clackamas and Multnomah counties.

The land that is the subject of this request was, before the reserves process began, and still is exclusive farm use. The reserves process never changed that. It is time to stop talking about how to sprawl over some of the world's best farm land and instead focus on affordable housing, better transit service, and walkable neighborhoods inside the Urban Growth Boundary.

Thank you for consideration of our comments.

Mary Lyle McCurdy

Sincerely,

Mary Kyle McCurdy

Deputy Director