



133 SW 2<sup>nd</sup> Avenue, Suite 201 • Portland, OR 97204 • (503) 497-1000 • fax (503) 223-0073 • [www.friends.org](http://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  
Central Oregon Office • 155 NW Irving Ave • Bend OR 97703 • (541) 797-6761

February 7, 2019

House Committee on Agriculture and Land Use  
State Capitol  
900 Court Street NE  
Salem, OR 97301

RE: Testimony on HB 2456

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Chair Clem and Committee members:

Thank you for the opportunity to provide testimony on HB 2456. 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.

**1000 Friends of Oregon opposes this bill.** It will be detrimental to Oregon's agricultural industry in eastern Oregon, and undermine the land use base and system on which that industry depends.

There are parts of Oregon, especially rural Oregon, which have not experienced the economic recovery and growth that the Willamette Valley and some cities around the state have. However, these bills offer a false promise that if only more raw land were available, economic development would occur and housing issues will be solved. Not only is raw land very expensive to serve with infrastructure, but true economic development is more complex.

Agriculture is the economic engine of much of rural Oregon. Land is the most critical asset for farmers and ranchers, supporting an industry that has been increasing in value steadily for decades, including through the recession.

As an example, in southeastern Oregon, there are almost 3,000 farms, producing a market value of over \$715 million, and generating many times that amount in related local jobs and businesses. Over half of eastern Oregon's agricultural sales are produced in Malheur County, and the county is #4 out of the state's 36 counties in agricultural production. It is also the state's fifth largest dairy maker, and currently leads the Pacific Northwest as the United States' seventh largest beef producer.<sup>1</sup> Agriculture is also Malheur County's largest jobs provider,<sup>2</sup> employing 21 percent of working men and six percent of working women as farm owners, managers, or pickers. The second

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<sup>1</sup> Malheur County Agriculture, OSU Extension Service, <http://www.cropinfo.net/about/malheurCountyAgriculture.php>

<sup>2</sup> Malheur County's seasonally adjusted unemployment rate in February 2017 (4.6%) was a tad below the national average (4.7%) and a bit above the state average (4.0%). [http://oregonemployment.blogspot.com/2017/03/twenty-three-counties-were-at-their.html?utm\\_source=feedburner&utm\\_medium=email&utm\\_campaign=Feed%3A+blogspot%2FaYrmO+%28Oregon+Workforce+and+Economic+Information%29](http://oregonemployment.blogspot.com/2017/03/twenty-three-counties-were-at-their.html?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+blogspot%2FaYrmO+%28Oregon+Workforce+and+Economic+Information%29)

largest jobs provider, construction, does not provide even half as many jobs.<sup>3</sup> However, according to the latest Census of Agriculture (2012), the amount of land in agricultural production in Oregon declined one million acres from a decade earlier.

Oregon's rural communities cannot afford to lose this industrial land base, yet these bills threaten to do that by allowing more land to be divided and/or converted from farm to nonfarm use, increasing the cost of farmland and increasing conflicts between farm and nonfarm uses.

According to DLCD's *2014-2015 Farm and Forest Report*, the continuing break-up of large ranch properties through land divisions can make it increasingly difficult to generate reasonable economic returns from agriculture on these properties. These bills will give way to further division and development of ranchland as these counties are exempted from the land use system.

Instead of opening Eastern Oregon's farm and ranchlands to residential development, we recommend that the state invest in growing existing agriculture-related businesses, improving transportation needs of agriculture, incentivizing value-added production and helping new farms get access to affordable farmland.

Eastern Oregon's cities and towns can grow and thrive in collaboration with the agricultural land base and farm economies. Compact urban development is cheaper and more efficient. These bills disincentivize smart planning efforts for Eastern Oregon cities and towns because instead of promoting smart growth, they will promote uninhibited sprawl across iconic and valuable farming and ranching landscapes.

In conclusion, we strongly oppose this bill, which will substantially weaken Oregon's agriculture economy and the land use program that supports it.

Respectfully submitted,

Meriel L. Darzen  
Rural Lands Staff Attorney

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<sup>3</sup> City-Data.com, "Malheur County, Oregon (OR)", accessed September 10, 2013, [http://www.city-data.com/county/Malheur\\_County-OR.html](http://www.city-data.com/county/Malheur_County-OR.html)