



Oregon

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TO: The Honorable Brian Clem, Chair
House Committee on Agriculture and Land Use

FROM: Palmer Mason, Senior Policy Advisor

RE: House Bill 2456

This bill departs from the state's long-established policy of limiting development to within the urban growth boundary and, by doing so, it raises policy issues that the House Committee on Agriculture & Land Use should consider in its deliberations. The department's comments are limited to those sections of the bill related to land use law and policy; the department offers no comments on special assessments, tax credits or any other policy area. Finally, the department is not taking a position on HB 2456, and this memorandum is offered only to bring attention to the land use issues

HB 2456 would allow lands planned and zoned for exclusive farm use (EFU) located in northern Malheur County to be rezoned to residential use without taking an exception to either Goal 3 (Preserve and Maintain Agricultural Lands) or Goal 14 (Urbanization). The net effect of the bill, if approved, would be to allow farmland in Malheur County to convert to more urban uses and to potentially affect nearby agricultural operations.

The department recognizes that HB 2456 contains limits on how such conversions might occur. For instance, a rezoning to residential use is not allowed on lands in farm use in the last 3 years nor are rezonings allowed where it will force a significant change in accepted farm or forest practices on surrounding lands. But even within these limits, rezoning to residential uses will likely increase land values, making the acquisition or leasing of land more difficult for surrounding farms (of course, the presence of water rights is a very significant factor for agriculture lands in Eastern Oregon).

Aside from the operational and economic impacts to agriculture, rezoning to residential uses could lead to more conflicts between existing farms and the newly allowed homes. Noise, dust, and farm traffic – these activities may be viewed as annoyances by residents, leading to complaints and requests for additional restrictions on agricultural operations.