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May 10, 2019

Chair Nathanson and Committee Members House Committee on Revenue State capitol Salem, OR 97301

Re: HB 2456A

Dear Chair Nathanson 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. We believe HB 2456 is detrimental to eastern Oregon agriculture, and it is unnecessary.

1000 Friends recognizes the economic development needs facing this region, in part due to its proximity to the Boise, Idaho area. That is one reason 1000 Friends supported the legislation that designated the eastern Oregon Border Region, and why we worked collaboratively with many local partners to ensure that a freight re-load facility could be sited in Nyssa. We admire the work of the Eastern Oregon Border Council. The four other bills the Council has proposed directly address the region's economic needs, including a bill addressing workforce housing.

However, we do not support HB 2456A. The bill would waive Oregon's land use laws to *rezone* exclusive farm use land and allow houses – not related to farming – to be built in the "eastern Oregon border region," which includes the Malheur County cities of Ontario, Vale, and Nyssa, the areas of Willow Creek and Brogan, and the farm and ranch lands in between – about 55,000 acres of land. As many as 100 new homes on EFU land could be allowed.

Agriculture is the economic engine of Malheur County. The county is always in the top 5 farm counties in the state, and is a leader in dairy, beef, and onions. While HB 2456A exempts soil classes I, II, and III, much of the productive farm lands in Malheur County consist of lesser quality soils, or are higher quality when irrigated.

Additionally, wildfire maps show areas of "very high" and "high" risk in this region, on EFU lands outside Ontario and Vale. Most wildfires are caused by humans, and the cost of fighting fires is much higher when structures and humans are at risk. Putting up to 100 new homes in this area is very risky.

Farm land rezoned under HB 2456A would be allowed to keep its farm tax assessment for 5 years, or until a dwelling occupancy permit is issued. In addition, a "taxpayer who sells" the house would be eligible for a tax credit of up to \$5000 if the buyer "intends" it to be their "primary residence." This seems both unenforceable and unfair. It would mean Oregonians are subsidizing housing on EFU land that is not for a farmer, rancher, or farm workers.

Finally, HB 2456 is unnecessary. In 2008, Ontario designated approximately 2200 acres as an urban reserve around the existing urban growth boundary, to accommodate future growth. As of 2017, approximately 1500 acres remained in the urban reserve; and 700 acres have been added to the urban growth boundary. The Ontario UGB and urban reserve have land for housing.

We urge you to not pass HB 2456. Thank you for consideration of our comments.

Sincerely,

Mary Kyle McCurdy

Policy Director and Staff Attorney

Mary Kyle McCurdy