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**Testimony before Joint Committee on Semiconductors**  
By Jeff Stone, Executive Director – Oregon Association of Nurseries  
February 1, 2023

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Co-Chair Sollman, Co-Chair Bynum, members of the committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. I thank you for the opportunity to provide a few summary comments on the important issue of job-producing industrial lands and the challenges that must be addressed before full implementation.

**Background on the Nursery and Greenhouse Industry**

The nursery and greenhouse industry are the state’s largest agricultural sector, and the industry ranks third in the nation, with over \$1.19 billion in sales annually to customers in Oregon, the rest of the United States, and abroad. In fact, nearly 80% of the nursery stock grown in our state leaves our borders – with over 50% reaching markets east of the Mississippi River. The nursery industry employs over 22,000 full time workers with an annual payroll over \$327 million. We send ecologically friendly, carbon sequestering, green products out of the state, and bring traded sector dollars back to Oregon. Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill, and Multnomah Counties.

**Nurseries are both Urban and Rural**

I have served 17 years at the OAN, the last 12+ years as its executive director. During that time, farmland was decreasing at an alarming rate. The economics of farming is a complicated one – labor, equipment, transportation costs must deal with a product that the customer sets the price. This is where the common phrase “price taker, not price maker” comes from. Before my time at the association, I served as Chief of Staff at Metro – the regional government that had the responsibility of helping communities grow, preserve farm land and expand the Urban Growth Boundary (UGB) with economic priorities of the 24 cities and 3 counties within the Metro boundary. As a senior staff member, I assisted the Metro Council expand the UGB on numerous occasions – recognizing that Oregonians with a job and housing near each other helped advance the economic fabric of the region.

Super siting is something that should be rarely used – and needs to involve stakeholders from both the desired use (in this case semiconductor location) and farm interests. This is important to us because the nursery industry is both urban and rural. We have become the largest sector of agriculture due much to the quality of the land, ample water and expensive investment in infrastructure to coincide with rapid access to our transportation system.

### **A Decade ago – an agreement on Urban and Rural Reserves became law**

The need for industrial sites is not in question. However, the OAN would urge this joint committee to examine closely the process put in motion and its ramifications on working lands that are just as much an industry as the technology sector – only the agricultural sector is without walls.

Approximately ten years ago, the Oregon Farm Bureau and OAN led the effort to establish Urban and Rural Reserves. This effort was laborious and extended to every corner of the state. The goal was simple: create a process that would provide certainty for both job and housing creation in an urban setting, while provide solace to farm operations that they would be able to continue to farm over a 50 year period. We are less than 10 years into that 50-year agreement and while circumstances change, the wisdom of the law was intended to minimize the debate on where and how the state would authorizing the siting of industrial projects on rural lands. The OAN honors its agreement and are open minded on where lands are sited if they are within an urban reserve. This is why we would repeat that placing industry on already working lands of agriculture in rural reserves should treated with great care and caution.

### **Why Rural Reserves in the first place**

1. The urban and rural reserves was that compromise to allow urbanization of some of the best farmland in the state to protect the rest of the agricultural lands.
2. The farm community was hesitant, not trusting the agreement would be abided by for the 50 years called for in it. Reluctantly and warily, the final decision by the state was accepted.
3. The urban and rural reserves was designed to create certainty for both communities. The urban side so they would know where they needed to play for jobs and housing. The rural side so they would know where to plant long term crops and put in the investments to grow those crops.
4. Once farmland is lost – it is lost. This is why it is critical to ensure that the highest producing farmland be protected. The rural side isn't asking for urban reserves to be converted to rural uses.

### **The OAN stands ready to engage and help find a solution**

If the legislature decides to make exceptions to farm protection and UGB's, the state needs to make sure that the lands identified are planned and infrastructure provided and zoned so no other uses are considered or else it reverts to the prior use. Economic stability is all parts of the state is a worth working toward. Other sites outside of the urban area are just as valuable and complex as the sites being examined in the Portland Metro area. I would volunteer myself and our association to work with you to roll up our sleeves and develop a common-sense and farm friendly policy Thank you for your time and attention.

