

Oregon Senate Senate Committee On Natural Resources and Wildfire Family Farmers' Testimony in Support of Senate Bills 77 and 78 March 6, 2025





531,000+

Number of jobs
associated with the
agriculture, food and
fiber industry



Farmgate production

\$5.5 billion

According to the 2022 US Census of Agriculture, about one half of the total market value of agricultural products sold came from counties east of the Cascade Range.

Sources: "Oregon Agriculture, Food and Fiber: An Economic Analysis" OSU 2021
2022 Census of Agriculture, USDA, National Agricultural Statistics Service

Oregon Forest Industries Jobs

**TIMBER HARVEST, BY OWNER
(2020)³**

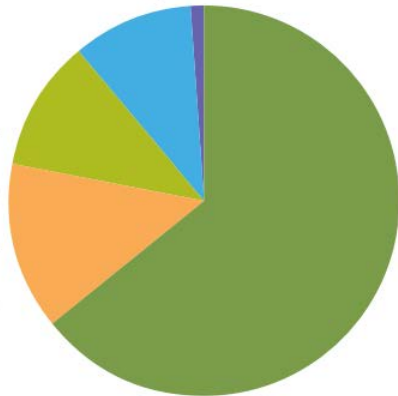
65%

14%

11%

10%

<1%



FEDERAL

LARGE PRIVATE

OTHER PRIVATE

STATE/COUNTY

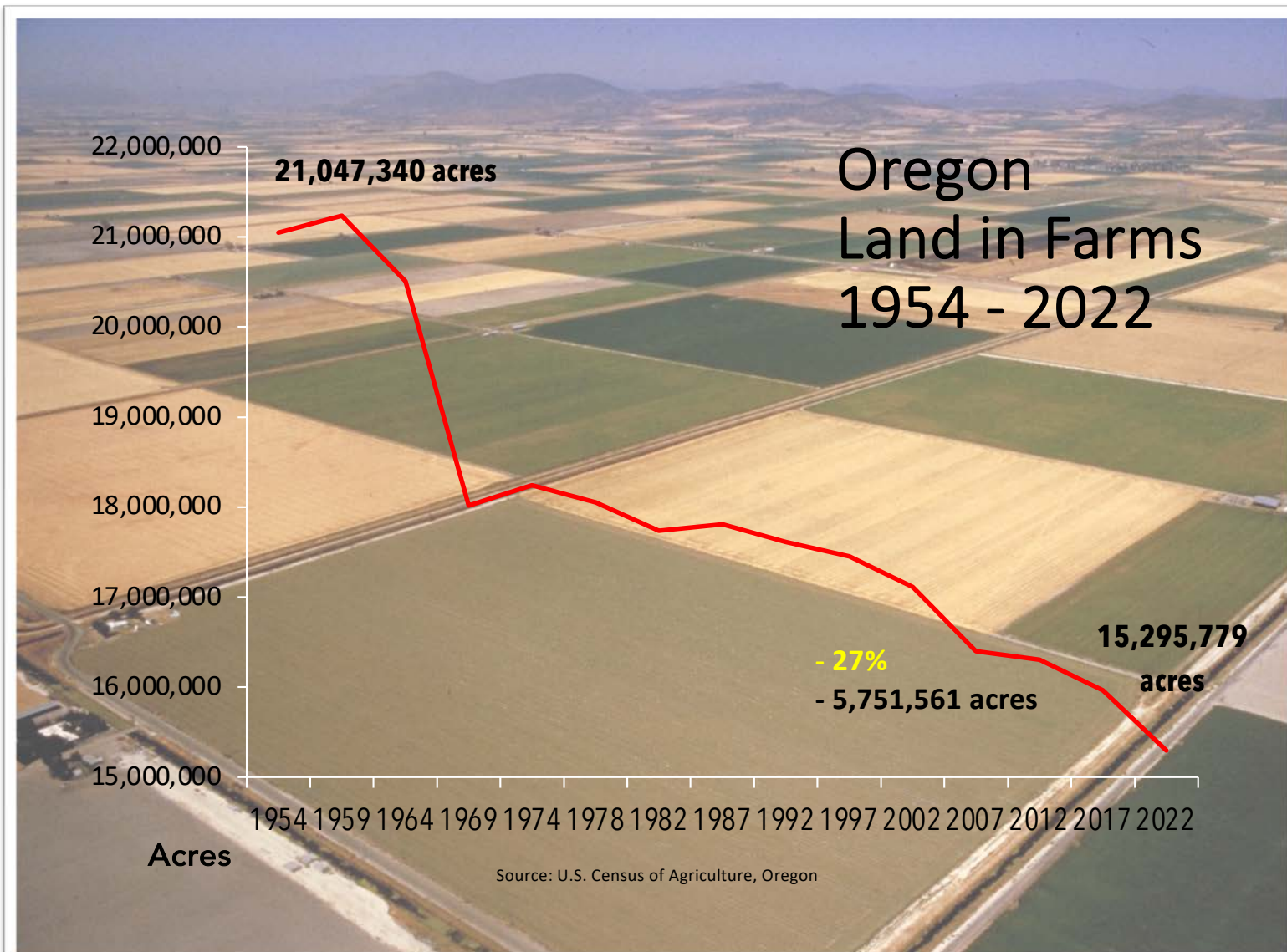
TRIBAL

62,000 jobs in forest industries (2021)

vs.

43,000 jobs in computer and electronics manufacturing (2023)

Sources: Oregon Forest Resources Institute & Oregon Office of Economic Analysis



Land in Farms (million acres)

As a Percent Change 2017 to 2022, by State

Oregon: Land in Farms

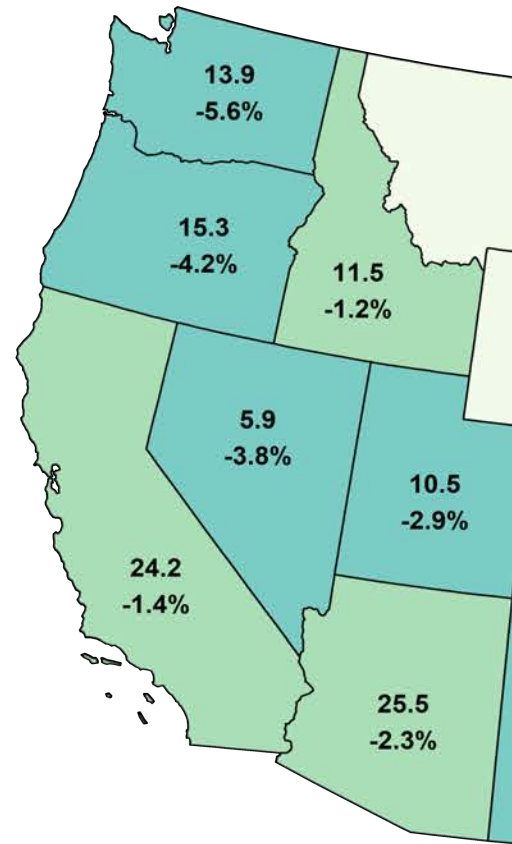
2022: 15,295,779 acres

2017: 15,962,322 acres

-666,543 acres

2007-2022: -1,103,868 acres -6.7%

2012-2022: -1,005,799 acres -6.2%



Source: USDA NASS 2022 Census of Agriculture

Estimated
Market
Value of
Land and
Buildings:
Selected
Counties

	Avg. \$/Farm			Avg. \$/Acre		
	2017	2022		2017	2022	
Oregon	1,032,545	1,589,147	+53.9%	2,433	3,693	+51.8%
Baker	1,337,390	2,630,243	+96.7%	1,250	1,942	+55.4%
Benton	821,618	1,268,333	+54.4%	6,438	12,931	+100.8%
Deschutes	786,080	1,253,846	+59.5%	8,867	12,883	+45.3%
Harney	1,996,031	3,934,938	+97.1%	682	1,268	+85.9%
Hood River	685,502	1,025,330	+49.6%	13,926	19,141	+37.4%
Jackson	677,191	1,051,685	+53.3%	8,494	12,421	+46.2%
Jefferson	1,707,699	2,829,728	+65.7%	855	1,816	+112%
Linn	1,292,898	1,894,386	+45.5%	12,367	17,033	+37.8%
Morrow	1,269,551	2,318,652	+82.6%	1,127	2,202	+95.4%
Polk	852,419	1,371,288	+60.9%	7,116	10,255	+44.1%
Sherman	2,349,030	3,279,620	+39.6%	850	1,410	+65.9%
Umatilla	1,430,953	2,249,721	+57.2%	1,824	2,437	+33.6%
Washington	1,020,247	1,577,317	+54.6%	17,099	22,445	+31.3%
Wasco	2,127,529	3,864,528	+81.6%	911	1,809	+98.6%

Source: USDA
NASS 2022 Census
of Agriculture

“Younger producers can’t compete with all the people who are pushing up the price of these smaller parcels.”

“Demand is probably driven by the potential for nonagricultural uses.”

Dan Bigelow, OSU Economist, based upon an analysis of 17,655 Oregon farmland transactions between 2000 and 2023 on lands located outside UGBs and zoned EFU and between 5 and 2,000 acres in size.

Source: Capital Press, February 21, 2025

According to John Lee, principal broker for Lee Real Estate in Salem , Oregon, any house, no matter the quality, pushes prices higher. ***“It can even be an old 800-square foot house built in the ‘20s, all boarded up.”*** Oregon laws make it difficult to construct new homes on exclusive farm use property, but existing homes could be replaced or renovated in most cases.

Source: Capital Press, February 21, 2025

“The American Farmland Trust estimated that roughly half of the farmland conversion in Oregon between 2001 and 2016 was due to **low-density residential development**. This happens even while land remains under exclusive farm use zoning.”

2018-19 DLCD Farm& Forest Report page 3



Inn the Ground

Home Occupation approved by Yamhill County in a replacement dwelling | Operating a 9-bedroom B&B

King-sized suites currently running ~\$500-\$650 per night.





Home Occupations

The 1977 legislature authorized home occupations in exclusive farm use zones* to ensure the protective zoning did not prevent a homeowner from conducting **“accessory occupations”** within the home, **“such as giving piano lessons or doing part-time accounting work.”**

Measure Explanation of SB 819 (1977)

*ORS 215.213(2)(n) and 215.283(2)(i)

Senate Bill 77 Home Occupations

Home occupations in farm and forest zones must be:

- small businesses run by a homeowner who is also a resident of the home
- accessory, incidental and subordinate to the residential use of the home
- not a hotel, restaurant, resort or event center masquerading as someone's house.

Senate Bill 78: Replacement Homes

New homes will not:

- (i) Exceed the floor area of the dwelling being replaced by more than 10 percent; or
- (ii) Have a floor area greater than 2,500 square feet.



**REPLACEMENT DWELLING ON 235
ACRES IN EASTERN OREGON
EXCLUSIVE FARM USE ZONE**

- **17,088 sq ft home built in 2008 to replace former home**
- **Listed for sale at \$13,777,000**
- **Listing says property last sold in 2006 for \$788,183 before former dwelling was replaced**

Jason Lett, wine grapes, Yamhill County



*The
Eyre
Vineyards*



Yamhill County Exclusive Farm Use Zone

26,000 square foot Italian-style villa
approved as a “farm dwelling” by Yamhill County

DelMar Villa “Home Occupation”

- Vacation rental rates vary from \$1,995-\$5,595+ per night
- Accommodates 30 overnight guests for 3-day minimum stay



Yamhill County Exclusive Farm Use Zone

OUR OREGON WINERY HOTEL

**Foley Entertainment Group
Black Walnut Inn & Vineyard**

**Luxury bed & breakfast approved as a “Home Occupation” in a
“Farm Operator” dwelling.**

Yamhill County Exclusive Farm Use Zone

Foley Entertainment Group

The Grange Estate nine-suite bed & breakfast approved as
“home occupation” in a “farm operator dwelling”



Grange Estate exterior. Image courtesy Carl Giavanti.

“Neighborhood of Hotels”

Grange Estate (a private residence of nine elevated farmhouse style rooms with soaking tubs) opened in July 2024, alongside the **Black Walnut Inn & Vineyard**, which was acquired in 2022 (nine elegant traditional boutique rooms, many of the rooms have

Los Angeles Times

Changing tastes, cheap imports and a
looming Canadian boycott.

A 'perfect storm' for California's wine industry



Rows and rows of unpicked, shriveled grapes still on the vine have been a common and unsightly scene in Lodi, Calif. (Gina Ferazzi / Los Angeles Times)

By Don Lee
Staff Writer

WINE

'Struggling to keep up': Another Napa Valley tasting room has closed

By **Jess Lander**, Wine reporter
Feb 27, 2025



Moving forward, Harlan hopes Brian Arden can succeed without the “overhead” and “stress” of operating a tasting room. “We went from just making wine and really paying attention to the wine to trying to keep the lights on,” he said. “It changes things.”

Calistoga's Brian Arden is the third Napa Valley tasting room to close this month.
Provided by Brian Arden Wines

Can the Willamette Valley Combine the Best of Napa and Burgundy to Become the Ultimate Wine Country Destination?

With new dollars comes the time to make critical decisions over the future of Oregon wine country.

By **Oset Babür-Winter** | Updated on September 26, 2023



A farmhouse on the Okta property. PHOTO: COURTESY OF OKTA

Aaron Nichols, vegetable and poultry farmer Washington County



Replacement Dwelling in Washington County Exclusive Farm Use Zone



50 acres in EFU zone with 1,960 square foot home in Washington County. Sold for \$1 million in 2021. Demolished in 2022. Price per acre \$20,000

Replacement Dwelling in Washington County Exclusive Farm Use Zone



The 7,300 square foot “replacement” dwelling on what is now called a 50-acre “estate” and listed for \$5.3 million. Price per acre \$106,000

Replacement Dwelling in Washington County Forest Conservation Zone



Original 2,200 sqft home on 72-acre property in exclusive forest conservation zone. Listing says property sold for \$790,000 in 2007. Price per acre \$11,000.

Replacement Dwelling in Washington County Forest Conservation Zone



Replacement dwellings listed for sale at \$4.5 million – 72 acres with custom pool, ATM trails, yurt dock and 6,200 sq foot blimp hangar with workshop and full bar. Price per acre: \$62,500

Replacement Dwelling in Deschutes County Exclusive Farm Use Zone



8,358 square foot home in Deschutes County built in 2008 to “replace” an affordable manufactured home. Sold for \$12 million.

Gary Harris, seed farmer Jefferson County, North Unit Irrigation District





New and replacement houses approved in Exclusive Farm Use Zones 1983-2023

- 23,156 new houses
- 8,311 replacement houses
- 2,404 temporary hardship houses (unenforced)



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