

February 20, 2025

TO: Members of the House Committee on Emergency Management, General Government, and Veterans
FR: Duke Shepard, Oregon Business & Industry
RE: OBI Opposes HB 3062

(I wish to note for the record that the panels of proponents were given substantial time to testify, with one person immediately preceding me told on the record that they had five minutes; all opponents were shut down at two minutes. Therefore, this written testimony reflects the totality of what I would have said had OBI been given the same opportunity to participate in the process).

Chair Tran, members of the committee, for the record my name is Duke Shepard with Oregon Business and Industry.

Let's specify what this bill will do: render most existing industrial land within a town or city anywhere near people, to be impossible and unaffordable to use or develop. We already have a massive shortage of industrial land in Oregon, this bill aims to make it permanent.

Many of the same activist voices promoting this bill to prevent existing industrial land from being used are the same activist groups that turned out in force to oppose the Governor's proposed 373-acre UGB expansion for semiconductor investment. So, in December it was "don't develop on new open land", and in February it's now "don't build on old, developed land"; don't use land within the UGB, but don't expand the UGB; don't build out away from housing and also don't build near it. Where exactly are people supposed to work? Is this now just a state for the laptop class?

The costs of this bill, with the nearly unlimited inputs into "public health impacts analysis" and an all-encompassing definition of "vulnerable populations" will be unaffordable for all but the largest businesses or developers who have consultants, lawyers, and compliance divisions, and even then, as written it will be cost prohibitive even for them, and they have options elsewhere. Which is really the point of the bill: to make it too expensive and too complex to ever pencil out. Since the context has been set by proponents, let's take a closer look at the conflict that brought this before you and is being used to drive interest group messaging on this bill, the development out on NE Sandy and 122nd in east Portland.

First, it's all under the PDX flight path. Across the street is a freight rail line that I'm told has been in service since 1883. The street is Sandy Boulevard, which is a state highway that's been operating since roughly 1913 in some form. The Sandy Terrace Apartments show up on the tax rolls in 1978. And to the north, past the freight line, it's all industrial land. So, let's be very clear, that's the real target here. The logistics facility is done and over – this is about everything else, in Portland and across the state. May I humbly suggest that the issue here isn't the jobs land, but a bunch of housing shouldn't have been built along a state highway, a freight railroad track, and hundreds of acres of industrial land?

And for the further context, the logistics facility is not “next door” to the high school as this activist turnout email claims. What is next door is a Burgerville, a Wendy’s, a Tibetan cultural facility, and a chunk of open space that has on and off served as a massive, chaotic homeless encampment and dumping ground for the past 5 years. When you finally cross the very busy, four lane 122nd avenue there sits a post office, a strip mall with a slightly chaotic 7-11 where there is usually someone freaking out or nodding out in the front, a drive through coffee stand, a gas station, some offices, an a liquor store, which of course is perfect for being close to a high school.

Then just south of the gas station, on a plot of land at the off ramp from the four-lane, 35 MPH, 122nd avenue and the state highway that connects to Interstate 205 is the development that is intended to justify this attempt to drive out industrial jobs while cynically being used to drive up activist engagement. A pristine, secure, well-built facility that’s one of the few local structures not yet defaced with graffiti or hosting ramshackle RVs, tents, garbage, and discarded drug paraphernalia.

As a resident of east Portland, in the Parkrose School District, since 1997, I agree that we have a lot of problems; most of them caused by progressive public policy. I’m frustrated every time I go for a run and have to hop over needles, when I hear the gunshots at night, when I go by the numerous “massage” places that are fronts for human trafficking.

But upending the state land use system is the wrong reaction to those very real problems. When you look at the real issue here, it’s one of conflicts not just about industrial land, but also about housing, and who’s building it where, and when. If a city is doing in-fill housing near job producing land, is the goal now to take that job producing land out of commission? Again, where are people supposed to work?

Land use conflicts are going to happen; it is a land *use* system. There are balances and tradeoffs and rarely is everyone happy. This bill is a massive overreaction to a neighborhood conflict that occurred over allowable and logical land uses within a city that is already quite rigid in its development planning and expansive in its community involvement. Rendering acres of job producing property across the entire state of Oregon to functionally unusable is not a proportionate or appropriate response to a difficult local land use disagreement.

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