

Public Testimony on HB 4153

Good Chair and members of the Committee.

My name is Philip Higgins and I'm a commercial real estate broker with 30 years of experience in site selection and tenant representation.

I'm here to address the concerns that HB 4153 will open floodgates to commercial development on Oregon farmland. As someone who works daily with commercial tenants on site selection, I can tell you these fears are disconnected from how commercial real estate actually works.

The Reality of Commercial Site Selection:

Let me give you a real-world example. When a national coffee chain is looking for a new location, they don't just pick any available property. They analyze:

- Traffic counts - they want 20,000+ cars per day
- Morning versus evening traffic patterns - a coffee shop won't locate on the "going home" side of the street
- Demographics within a 3-5 mile radius
- Household density and income levels
- Competitor locations
- Visibility and access

I've seen tenants reject otherwise perfect sites because they were on the wrong side of the road for their customer flow patterns. These decisions involve months of analysis and millions of dollars in modeling.

A typical EFU-zoned farmland parcel fails virtually every criterion commercial tenants require. They want "rooftops" - concentrated residential density - not rural acreage. The idea that allowing farm stores instead of farm stands will suddenly make farmland attractive to Walmart, Starbucks, or any serious commercial operator ignores the fundamental economics of retail site selection.

Market Forces Cap Development Naturally:

Even if you could somehow convince a commercial operator to locate on farmland, market competition provides a natural ceiling that zoning opponents seem to overlook.

Take agritourism as an example. Let's say there's a successful winery and tasting room in Yamhill County drawing tourists. Can a second winery open nearby? Sure. A third? Maybe. A tenth? The market won't support it. There's a finite number of weekend visitors willing to drive to rural areas. Those customers get divided among existing businesses until additional operations become economically unviable.

This is why you don't see strip malls in the middle of farmland even where they might technically be permitted. The market kills these projects long before a shovel hits the ground. Commercial developers aren't charities - they go where the customers are, and customers are in population centers, not on EFU land.

Oregon's Existing Protections Remain Intact:

HB 4153 doesn't eliminate any of Oregon's farmland protections:

- Goal 3 requirements still apply
- Counties still control approvals and can deny applications
- Nonfarm uses remain exceptions requiring justification
- The difference between a farm stand and farm store is incremental - mainly product variety and scale

We're talking about letting a farmer sell locally-made jams alongside their own produce, not rezoning for big-box retail.

The Real Threat to Farmland:

In my career, I've seen actual threats to farmland: wholesale rezoning for residential subdivisions, urban growth boundary expansions, and infrastructure projects. These are the mechanisms that convert farmland to development, not whether a farmer can operate a farm store versus a farm stand.

If anything, HB 4153 helps preserve farmland by giving farmers additional revenue opportunities that make agricultural operations more economically viable. A farmer who can diversify income through a farm store is less likely to sell to developers.

Conclusion:

The hysteria around HB 4153 assumes commercial developers are just waiting for any loophole to pounce on farmland. As someone who represents these developers, I can tell you they're not. They're analyzing spreadsheets, traffic counts, and demographic data - none of which make farmland attractive for commercial development.

Market forces and commercial real estate economics protect Oregon farmland in ways that complement, not undermine, our land use system. HB 4153 is a reasonable adjustment that helps farmers without opening any floodgates.

Thank you for your time.

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