

**HOUSE COMMITTEE ON LAND USE**

**January 24, 2005 Hearing Room 50**

**1:30 PM Tapes 5 - 6**

**MEMBERS PRESENT: Rep. Bill Garrard, Chair**

**Rep. Gordon Anderson, Vice-Chair**

**Rep. Mitch Greenlick**

**Rep. Robert Ackerman**

**Rep. Mary Nolan**

**Rep. Patti Smith**

**Rep. Mac Sumner**

**STAFF PRESENT: Sam Litke, Committee Administrator**

**Lindsay Luckey, Committee Assistant**

**MEASURES/ISSUES HEARD & WITNESSES:**

**HB 2258 – Public Hearing and Work Session**

**B. Harrison Conley, Legislative Counsel**

**Metro Presentation – Informational Meeting**

**HB 2162 – Public Hearing**

**Art Schlack, Association of Oregon Counties**

**Harlan Levy, Oregon Association of Realtors**

**Lane Shetterly, Dept. of Land Conservation and Development**

**Stephen Kafoury, OR Chapter of the American Planning Assoc.**

**Linda Ludwig, League of Oregon Cities**

## Doug Riggs, Central Oregon Cities Organization

**These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.**

<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 5, A</b>		
004	Chair Garrard	Calls the meeting to order at 1:37 PM. Gives an overview of meeting and states that there will be no work session on HB 2162 today, only a public hearing.
009	Chair Garrard	Opens public hearing on HB 2258.

### **HB 2258 - PUBLIC HEARING**

013	B. Harrison Conley	Harrison Conley, Deputy Legislative Counsel. Explains he drafted HB 2258. Gives background on HB 2258. Notes that the change is substantive but mostly a technical change that will have little effect on policy.
035	Conley	Explains that ORS 92.405 (6) relates to dividing land and says violations of this section are subject to several provisions. Explicitly explains provisions and gives examples of issues to be corrected. He notes the two types of corrections made: <ul style="list-style-type: none"><li>• More clearly specifies the provisions for 92.405 that are sanctionable.</li><li>• Clarified that the sanction applied is an unlawful trade practice subject to personal suit or public suit to correct the situation.</li></ul>
069	Chair Garrard	Closes public hearing and opens a work session on HB 2258.

### **HB 2258 – WORK SESSION**



- Points out that merely continuing the same process does not aptly serve the interests of all involved.
- States difficulty of integration of land supply management with economic development.

197	Bragdon	Recognizes their sphere of influence extends beyond their boundaries and their impact on neighboring communities. References the commute patterns on the Metro Map <b>(EXHIBIT B)</b> .
213	Bragdon	Gives a controversial example regarding the industrial lands south of Wilsonville and the Willamette River area and the impacts on Marion County. In this case, they decided not to expand the UGB.
220	Bragdon	Gives a similar example from North Plains. Indicates an ongoing discussion about an ultimate limit of how far the UGB could go.
237	Bragdon	Illustrates farming's role in the economy. Points out some of the conflicting interests of farming and urban uses.
250	Bragdon	Returns to the process used under state law to review and expand the UGB. Points out the increasingly complicated issues associated with the process.
287	Bragdon	Begins discussion of Metro Council's Legislative Issues. Describes the seemingly continual process of Metro's UGB review and asks for an extension of the review cycle for Metro's UGB beyond the current 5 year cycle.
302	Bragdon	Notes Metro's interest in participating in land uses issues including the 30 year review (LCDC) and Measure 37 (2004 General Election).
321	Bragdon	Gives concluding remarks and offers to take questions.
325	Rep. Greenlick	Recalls that of his district comprises 51% unincorporated Washington County, with many living within the UGB. Wants to clarify Metro's interest in assuring people that who live in UGB areas have the ability to get into cities. Notes a rule that allows one city to veto another city within 3 miles of its limit and wants to know if that is a Metro interest or an independent issue.
352	Bragdon	Describes Metro's role as a facilitator of discussion concerning particular cases of annexation. Feels urban services are best provided

by cities and relates the difficulty in quantifying the proportion of services paid and received.

- 377 Chair Garrard Asks what services an unincorporated area would receive that the residents don't pay for.
- 380 Bragdon Lists some of the possible concerns as city streets, libraries, cultural facilities and parks. Reiterates difficulty in measuring as the usage of many services are not tracked. Provides an example of tax revenue flow.

#### **TAPE 6, A**

- 003 Chair Garrard Asks about the number of Metro employees, planners, etc.
- 009 Bragdon Replies that they have 600 full time employees, 80 of which are planners. Reports that their annual budget is about 280 million dollars.
- 012 Rep. Anderson Cites Bragdon's earlier statement that 18,000 acres had recently been added to the UGB. Asks about the classification of the land.
- 019 Bragdon Replies that it was primarily residential, but some will develop employment, industrial and commercial retail. Mentions that before it was brought into the UGB, it was exception land (from agriculture and forest uses).
- 023 Rep. Anderson Clarifies that the land was not of benefit to agricultural use.
- 026 Bragdon Responds that it brings up the issue of the 1970's system land classification. Elaborates that in practice, some areas within the 18,000 acres are productive for the nursery industry. Also indicates that some land classified as viable is not.
- 035 Rep. Anderson Asks if this industry will be de displaced as these areas are built residential.
- 037 Bragdon Responds affirmatively.
- 049 Rep. Anderson Gives example from city planning and recommends the state look to do something similar on a macro scale. Advises more diversification

of industry throughout the state. Relates this to transportation problems.

- 060 Bragdon Recognizes statewide view, but indicates they must respond to market demands within urban area. Discusses instances of downtown revitalization.
- 074 Rep. Anderson Agrees about responding to market demand, but emphasizes the frustration of rural areas limited by zoning focused in the UGB.
- 083 Bragdon Refers to cooperative efforts at the port of Portland.
- 090 Rep. Anderson Notes that the port of Medford is international and gives reasons why he thinks interest should be directed to areas beyond the Metro region.
- 102 Chair Closes informational session and opens a public hearing on HB 2162.

#### **HB 2162 – PUBLIC HEARING**

- 115 Sam Litke Committee Administrator. Gives overview of HB 2162. Will remove a sunset clause from HB 2691 (2003, ORS 688).
- 125 Rep. Greenlick States his understanding of which section the sunset applies to.
- 134 Litke Responds in agreement.
- 137 Art Schlack Policy Manager, Association of Oregon Counties. Submits prepared statement (**EXHIBIT C**) which expresses support of HB 2162.
- 147 Schlack Reads from written testimony (**EXHIBIT C**).
- 164 Schlack Discusses the background of HB 2614 (2003).
- 174 Schlack Gives examples of use of the bill from Hood River and Umatilla County.
- 185 Schlack Concedes that only a few cases have made use of HB 2614 but asserts that the provisions have only been in effect since Jan. 1, 2004. There has also been a change in administrative rule from LCDC. Also notes

that some counties “expressed their appreciation to the legislature for the opportunities that the bill provides.”

196	Schlack	Urges support of HB 2162.
207	Chair Garrard	Remarks that during the interim, the Land Use Committee found that this was a large priority among Eastern Oregon constituents.
214	Rep. Anderson	Wonders about the difference between HB 2162 and the “shovel ready” bill and if there are any major zoning differences.
220	Schlack	Discusses the “mill bill” HB 2691 (2003) Explains limitation on redevelopment of industrial zones. Notes that the “mill bill” is similar but HB 2614 (2003) goes further to include non-mill sites.
246	Harlan Levy	Senior Staff Attorney, Oregon Association of Realtors. Expresses his support for the concept of the bill and announces the legislation that will soon be introduced. Discusses background of HB 2691 (2003) and the introduction of HB 2614 (2003) which addressed the problems found in HB 2691.
270	Levy	Notes that the mill portion of the bill does not have a sunset and now they seek to remove the sunset on the rest of the legislation.
281	Levy	Calls it an economic development bill which will benefit the most needing areas of the state. References a Hermiston example.
310	Levy	Asserts the new bill will also expand the scope to include rural commercial areas and provide more jobs. Points out that they are only giving authority to county commissioners to allow uses of lands which they’ve already planned and zoned for.
323	Rep. Greenlick	Confirms that Levy’s bill will only deal with existing zoned property.
327	Levy	Confirms that the bill will only deal with land planned and zoned for rural industrial and rural commercial uses. Notes that it is a “grandfathering bill.” Reiterates the positive features of his bill.
353	Lane Shetterly	Director, Department of Land Conservation and Development.
391	Shetterly	

Wants to highlight the work group organized to deal with industrial and commercial issues of rural lands in the context of the goals of the land use planning system. Requests that instead of a removal, an extension of the sunset be made.

408 Shetterly Notes that he is not against the goals of HB 2162, but would like to allow the work group to finish.

**TAPE 5, B**

013 Chair Garrard Asks if he has seen LC 1540, “son” of HB 2162.

014 Shetterly Responds he has.

015 Chair Garrard Asks if his position would remain the same towards the introduction of LC 1540 as a bill.

016 Shetterly Requests that the work group be allowed to conclude before a legislature action is made. Also notes that they are dealing with industrial and commercial.

024 Stephen Kafoury Oregon Chapter of the American Planning Association. Supports the DLCDC position. Notes that he is a member of work group.

037 Chair Garrard Asks how much time is expected before the work group will be finished.

042 Kafoury Says that he expects to finish in a couple of months, not years.

056 Kafoury Believes the issues can be taken care of administratively by possibly amending Goal 14 (LCDC).

059 Linda Ludwig League of Oregon Cities. Expresses her strong support for HB 2162. Concedes she would also support the position of an extension of the sunset clause if not lifted.

076 Ludwig Explains the benefits of increased flexibility with urban growth expansions.

090 Ludwig Cites problems with restricted revenue to cities.



102	Chair Garrard	Asks if taxing districts are compressed.
107	Ludwig	Responds affirmatively.
119	Ludwig	Reads examples of results from a survey of cities taken last session, which express discontent with limitations on UGBs and conflicts between delivering services to unincorporated areas.
161	Ludwig	Reiterates her support of HB 2162 as is and asks for recognition of the concerns around this issue.
172	Chair Garrard	Asks if there are any cities which do not charge system development charges.
175	Ludwig	Responds affirmatively and discusses some differences between charges.
180	Chair Garrard	Asks if the counties share some of the burden of the cities.
186	Ludwig	Responds affirmatively.
194	Doug Riggs	Central Oregon Cities Organization. Gives his history of strong support for previous bills HB 2614 (2003) Mill Bill HB 2691 (2003), and SB 467-HB 2011.
213	Riggs	Gives his support for the bill and says an extension to the sunset would also be acceptable. He has concerns with unlimited commercial development without a legislative work group discussion.
261	Chair Garrard	Closes public hearing on HB 2162.
270	Chair Garrard	Adjourns meeting at 2:48 PM.

**EXHIBIT SUMMARY**

- A. Metro Council Legislative Priorities, David Bragdon, 16 pp.**
- B. Metro Council Map, David Bragdon, 2 pp.**
- C. HB 2162, Arthur Schlack, 1 p.**
- D. HB 2162, Lane Shetterly, 2 pp.**