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March 31, 2025

Rep. Pam Marsh
House Committee on Housing and Homelessness
State Capitol
Salem, OR 97301

Re: Vote “No” on HB 3928 – Authorizing Housing Developments Outside UGBs

Dear Chair Marsh, and members of the House Committee on Housing and Homelessness,

1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities, protect family farms, forests and natural areas, and provide transportation and housing choices. 1000 Friends opposes HB 3928.

HB 3928 authorizes sprawling, haphazard development outside urban growth boundaries without consideration of impacts on our agricultural and forest industries, costs to local governments to serve such inefficient development, and impacts on water, wildlife, wildfire risk and climate.

HB 3928 would authorize counties to designate lands outside urban growth boundaries for “rural housing development” without taking an exception to the Statewide Planning Goals and without an opportunity for review of the county’s decision.

- **HB 3928 threatens valuable agricultural and forest land.**

Under HB 3928, most lands outside urban growth boundaries could be designated for rural housing developments, including prime and high-value farm land, if a property owner removes the land from production for three years and/or transfers away the irrigation rights. The outright authorization of housing developments composed of single detached dwelling units on lots of one acre or less could easily consume Oregon's valuable resource land in fairly short order.

Oregon counties already approve hundreds of new houses in exclusive farm use and forest conservation zones each year.¹ They also convert hundreds of acres of agricultural and forest land for residential through existing laws development.² The American Farmland Trust estimates that roughly half of the farmland conversion in Oregon between 2001 and 2016 was due to low-density residential development.

The opportunity to build more houses on agricultural and forest land increases the cost of these lands, putting it out of the reach for the next generation of farmers and forest land managers. The mere opportunity for additional residential development drives up land prices beyond what farmers, ranchers, and forest land managers can afford. Finally, locating more housing in and around farm and forest areas creates conflicts with common farming and forestry practices, by increasing traffic on farm-to-market roads and generating the inevitable complaints that arise from incompatible land uses.

- **HB 3928's authorization of sprawling, haphazard housing developments outside urban growth boundaries is not a credible response to the state's housing shortage.**

¹ Between 1983 and 2021, more than 33,918 new houses were approved in Oregon's farm, forest, and mixed farm/forest zones—enough new houses for every household in Bend or Medford. DLCD 2020-2021 Farm and Forest Biennial Report to Legislature. On average, counties approve over 950 new houses in Oregon's farm, forest and mixed farm/forest zones each year. DLCD 2022-2023 Farm and Forest Biennial Report to Legislature, 45 and 69.

² DLCD 2022-2023 Farm Forest Report, 28.

- That HB 3928 is being heard in this committee suggests a view that opening up Oregon's limited supply of agricultural and forest land for housing developments is a credible solution to the state's housing shortage. It is not. Moreover, there is no reason to believe that developers will build affordable single-family dwellings on large lots outside the boundary as long as the demand exists for more expensive homes.
- **HB 3928 authorizes sprawling, car-dependent development without consideration of the impacts on the state's limited water resources, wildlife, wildfire risk and climate goals**

Under existing law, counties may amend their comprehensive plans to allow more rural residential development, but such an amendment requires consideration of the proposed development's impact not only on agricultural and forest land, but also on water resources, wildlife and other precious state resources that could be impacted by the development. HB 3928 removes the requirement that counties consider such impacts before rezoning agricultural and forest land for residential development.

Not only would such development undermine agricultural and forest land production, the additional car traffic generated by this type of sprawl would undermine climate protection goals. The Department of Land Conservation and Development has observed:

“Single detached dwelling units on lots of one acre or less * * * create a pattern of sprawling, low-density development dependent upon automobile trips to meet most everyday needs. GHG emissions and average VMT per capita would increase with this type of development, in conflict with the state’s climate pollution reduction goals. GHG emissions and average VMT per capita would increase with this type of development, in conflict with the state’s climate pollution reduction goals.”

- **HB 3928 encourages haphazard sprawling development patterns that are difficult and expensive to serve.**

Sprawling low-density residential development is expensive to serve. It requires the creation of new infrastructure to handle the development's need for water, sewage, roads and other community services in dispersed patches of development, rather than in a cohesive community.

The bill allows, but does not require, counties to request an agreement and development plan that addresses the need for shared wells or other community water systems, as well as sewage treatment and disposal. Similar types of development before the establishment of the statewide land use program led to many septic system failures and negative impacts to water quality and public health. HB 3928 creates the potential for a return to this very primitive and harmful approach to development

Conclusion: HB 3928 is harmful and unnecessary

HB 3928 is designed to encourage speculative land development in Oregon limited supply of world-class agricultural and forest lands and promote random patches of sprawling, inefficient housing development across the state.

HB 3928 essentially repeals the three cornerstone elements of the Oregon land use planning program: 1) urban growth boundaries; 2) the protection of agricultural and forest land and other valuable state resources; and 3) the provision of affordable housing.

Please vote “no” on HB 3928.

Thank you for the opportunity to comment.

Sincerely,



Jim Johnson
Working Lands Policy Director