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Sent Via Electronic Mail

Rep Julie Fahey, Chair
Rep Winsley Campos, Vice-Chair
Rep Lily Morgan, Vice-Chair
Rep James Hieb
Rep Chris Hoy
Rep Pam Marsh

Rep Mark Meek
Rep Courtney Neron
Rep Andrea Valderrama
Rep Suzanne Weber
Rep Jack Zika

Re: Testimony in Opposition to HB 4118

Chair Fahey and Members of the Committee:

The following testimony is provided for the public hearing on House Bill 4118 set for Monday's meeting of the Committee.

Following several terms in the Oregon House of Representatives I served from 2009 to 2017 on the Land Conservation and Development Commission, including as Chair for the last three of those years. LCDC oversees the application of Oregon's statewide planning goals. These include Goal 10 requiring that each city have within its Urban Growth Boundary sufficient land to provide an adequate supply of housing with a range of types, locations and densities. Under Goal 14 a city is permitted to expand its UGB based on *need*, such as a demonstration that with projected population growth it will have insufficient housing lands.

While I served as Chair of LCDC the Commission adopted rules to streamline the process for expanding a city's UGB. Expansions continue to be initiated by the city and to depend on a demonstration of need. But procedural requirements that slowed the consideration of UGB expansions were adjusted so that a city and LCDC now determine promptly whether a proposed expansion is in compliance with the statewide planning goals.

As introduced, HB 4118 would torpedo the orderly process by which a city's UGB can be expanded. A private landowner could force a city to expand its UGB by up to 100 acres for "workforce housing" and/or "workforce commercial" uses without a showing of need. As reflected in Goal 10, Oregon's statewide planning program must assure that cities have an adequate supply of housing. That will be accomplished as they remove barriers to more compact forms of construction within their existing UGBs and use the existing process of expanding their UGBs where a need can be demonstrated. It will not be accomplished by allowing property owners to avoid such a demonstration.

The -1 amendments to HB 4118 take a different tack. They would replace the entire bill with the creation of a "Task Force on Barriers to Housing, Industrial and Manufacturing Development". There are several problems with this proposed Task Force. At 31 members the sheer size would prevent it from engaging policy issues effectively. Furthermore, the make-up of the Task Force is skewed in favor of interests pursuing an agenda other than a balanced inquiry. But the greatest

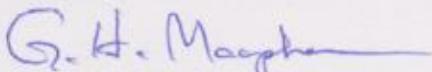
problem with this proposal is the broad and vague scope of the inquiry. In addition to housing issues, the Task Force would be required to examine "loss of land for commercial, manufacturing, and industrial uses, neighborhood livability, and gentrification." There is hardly any aspect of Oregon's statewide land use system that would be beyond the scope of the Task Force's charge.

The proposal in the -1 amendments reminds me of a study of Oregon's statewide planning program launched 17 years ago when I served in the House. The Oregon Task Force on Land Use Planning (often referred to as the "Big Look") had ten members who held meetings with Oregonians all over the state to determine whether significant changes in the statewide planning program were warranted. After a great deal of work the Big Look task force reported its conclusions when I served on LCDC. They recommended a few minor adjustments in the program, but identified no significant needed changes. The task force proposed by the -1 amendments to HB 4118 promises a repeat of the Big Look. A lot of time and public money would be wasted.

As an advocate for Oregon's program of statewide land use planning, I am committed to advancing Goal 10 on housing. While Oregon and the rest of the country struggle with a difficult housing market, there has been a lot of analysis of the role played by access to additional land. The analysis shows that land is a very minor component in the availability and cost of housing. Allowing more compact housing forms is a far more effective way of addressing the problem. If a new study of housing is to be launched now, it should be organized much differently than the task force proposed in the -1 amendments to HB 4118. The issues to be examined should be framed more clearly, the task force should be much smaller, and it should include economists with expertise in the housing market.

Therefore, I urge the Committee not to move HB 4118 forward through the legislative process regardless of whether the -1 amendments have been adopted.

Sincerely,



Gregory H. Macpherson

cc: Oregon Legislative Information System (OLIS) testimony portal