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February 9, 2021

Rep. Julie Fahey, Chair
Committee Members
House Committee on Housing
State Capitol
Salem, OR 97301

Re: HB 2708

Thank you for the opportunity to provide testimony on HB 2708. 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 choice. In recent legislative sessions, we have worked to pass significant bills that will result in more diverse and affordable housing inside cities and towns across Oregon, including HB 2001, the middle housing bill, and HB 2003, the regional affordable housing bill.

We do not support HB 2708. This bill would allow any city to expand its urban growth boundary (UGB) by up to 50 acres, without following most land use laws, if 30% "of the development" is affordable housing, and other conditions are met. Therefore, expansion can occur on to most farm and forest lands and natural resource areas, without any showing of need.

Oregonians do need more housing – and more diverse and affordable housing types – near where they work, shop, play, and worship: inside our towns and cities. We also need food and fiber, and Oregon has some of the best land in the world for growing crops, raising cattle, and growing trees. Our soils and water are finite resources, and their value, and our good fortune to have these nearby, has come into keen focus with a pandemic and climate change. We should not, and need not, play these off against one another, by treating working lands as vacant lands.

And we do not have to. Oregon's land use laws are designed to balance all our land needs, and we need to implement them better – with more housing choices inside UGBs and when a need is shown, by expanding UGBs in a way that takes all our needs into account.

HB 2708 goes around that balancing. And most significantly, HB 2708 is contrary to the agreement made when previous legislation (HB 4079) passed in 2016. That bill established a **pilot project** for two cities to undertake up to a 50-acre UGB expansion with requirements for affordable housing and many other conditions. That bill was designed to then lead to an evaluation of whether the pilot program worked to deliver substantial numbers of long-term affordable housing and, if so, what conditions were necessary. And if not, why not? The elements that go into providing affordable housing in an area added to the edge of a UGB are many, among them: new infrastructure costs, labor and construction costs, financing, subsidies for affordable units, land cost, and proximity to

others uses. The results of the pilot project will be very helpful in determining the best roles for both public and private action and investment to ensure affordable housing in every community, whether in an existing or expanded UGB.

Reports on the pilot project's progress are made regularly to the Legislature, and have. The two pilot cities – Bend and Redmond - are in the beginning stages of this pilot program. Until development occurs, the pilot project concept has not been tested and evaluated, so HB 2708 is both premature and contrary to the previous legislation. We ask that you not pass HB 2708.

Thank you for consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Mary Kyle McCurdy". The signature is written in a cursive, flowing style.

Mary Kyle McCurdy
Deputy Director