

2023 ANNUAL REPORT

1000
friends
of Oregon



[FRIENDS.ORG](https://www.friends.org)

LETTER FROM LEADERSHIP

Another generation to strengthen Oregon's land use system

We won't sugarcoat 2023. It was a tough year for Oregonians who understand and care about strengthening our unique land use system. The irony isn't lost on us that in the year we celebrate 50 years of Senate Bills 100 and 101, we face some of the

biggest threats and temptations to roll back the benefits and protections we enjoy as Oregonians because of this landmark legislation.

But, in the darkest of days and toughest of times, we are reminded of our grit, our strong handle on innovative land use policy and community investments, and the thousands of land use supporters who represent the best of our values. **1000 Friends of Oregon is built for tough moments, to create a better way forward, and to protect people and our planet in every land use decision.**

Time and again this year, you and thousands of land use supporters put your values into action. Together, we testified in land use decisions. We presented to and graduated new allies from our Land Use Leadership Initiative program. We renewed and joined as 1000 Friends members so we have the resources to strengthen our land use system. We wrote letters to the editors of our local newspapers and shared reports on social media. All of our individual actions – each of them – added up and made a difference. It shifted what's possible locally, regionally, and statewide.

It's this collective power that enabled us to put the brakes on legislation that would have needlessly busted out our urban growth boundaries. It's this collective power that created new, multi-million-dollar investments in our farmers, foresters,



Urban growth boundaries protected. Our collective power stopped legislation that would have needlessly busted out our UGBs that keep cities from sprawling.



Expanded Oregon's base of land use advocates. We graduated a cohort of new allies from our Land Use Leadership Initiative program, this year held in Central Oregon for the first time.

and ranchers and revitalized main streets across the state. It's this collective power that's helping us inspire thousands of Oregonians to understand and appreciate the benefits of a strong land use system.

1000 Friends can only build this collective power because of your partnership, your ideas and questions, and your support. **More than 80 percent of our revenue comes from individual donations.** That means we get to be true to our mission: working with people all across the state who understand that land use decisions are foundational for our quality of life here in Oregon.

As you prepare for the holiday season, we hope you're reminded of the unbreakable power and spirit we have when we come together to protect the people and places that make home so special.

We hope you can rest and recharge as we head into 2024 to create the best future for us and generations to come.

With gratitude for you and our movement,



Nellie McAdams
President, Board of Directors,
1000 Friends of Oregon



Sam Diaz
Executive Director,
1000 Friends of Oregon



Generated support in new ways. Board member Rod Park worked with us on a new opportunity with KATU for GivingTuesday, a campaign to attract new donors, and invited us to film at his nursery in Boring. More than 80 percent of our revenue comes from individual donations.

OUR COLLECTIVE IMPACT

1000 Friends of Oregon doesn't do anything alone. Our impact is possible because of collaboration with our coalition partners, affiliate network, Forestry and Agriculture Advisory Committee, members, and our growing list of land use champions across the state. Help us make an impact for Oregon.



GUEST COLUMN

The planning system and the sea

By Cameron La Follette,
Executive Director of affiliate Oregon Coast Alliance

In setting up our comprehensive land use planning system, Oregon made important and long-lasting commitments to a philosophy of relationship with the land. These interrelated philosophies included ideals of protecting the resource lands for farms and forests on which communities depend, so that Oregon could grow its own food and have its own forests to provide clean water, salmon, wildlife, and timber. We decided to divert as little land as possible to the heavier burden of urban living, ensuring that infrastructure for urban use would only be found there, not sprawling across open countryside. And Oregon also committed itself to living with the land's complexity – working with and preserving its wetlands, riparian areas, recreation areas, and wildlife sanctuaries, rather than unthinkingly using them for human purposes.

Nowhere is this philosophy more evident than in the land use system's relationship to the coast. Goals 16 through 19 focus only on coastal planning, regulating human use of estuaries, coastal shorelands, beaches, dunes, and the territorial sea. Most of Oregon is fairly stable geologically; the land rarely insists that humans must live on the land with respect if they hope to

live sustainably. But the coast every day reminds its residents, and its planners, of the relationship humans dare not forget.

Dramatic events are frequent. In the 1960s, careless developers built houses on Alsea Spit, across from Waldport on the central coast, in a development called Bayshore. Its front rows of houses are routinely engulfed in sand from the

Location matters
Living in the Bayshore development on the Alsea Spit means dealing with a constant inundation of sand.



Main photo: "Bayshore, Waldport" by Alex Derr, CC BY-NC-SA 2.0 DEED.
Inset: "Buried by Sand," by ekasbury, CC BY-NC-ND 2.0 DEED.

foredunes, to which the developers paid no attention. But rather than make tough decisions about where houses should be, the 2015 legislature passed a bill to allow formation of sand-control districts – a Band-Aid for exasperated Bayshore owners.

In March 2021, a private seawall dramatically collapsed

on the oceanfront Lincoln Avenue in Lincoln Beach, leaving one house dangling over the cliff and several others in peril. After a lengthy series of hearings, the property owners were granted a Goal 18 exception to construct riprap, a form of shoreline armoring involving large boulders, at the base of the cliff. It was another temporary solution, in this case to the ever-present (and now ever-growing) problem of coastal erosion on properties built too close to the ocean.

The sea and its restless, ever-moving winds, waves, and sands starkly remind Oregonians what land use planning really is: the on-the-ground workings

of a philosophy shaping respectful human relationship with the land and its characteristics. Let us not forget that when the arguments grow heated around zoning or development proposals. Relationship is not a place for heedlessness or greed; rather it is a place for restraint and collaboration, and careful decision-making. ■

Working Lands Program Highlights

Protecting Oregon's farms, ranches, and other working lands from unnecessary development, encroachment, and fragmentation is at the core of our programming. The past year was defined by wins and advancements in the courts and legislature.



LEGAL WIN KEEPS HOTELS OFF FARMLAND

The home occupation statute that lets people run a small business from their home on farmland has been the target of some out-of-the-box activities recently, including a Yamhill County decision to allow a nine-bedroom bed and breakfast, proposing a structure that amounts to a small hotel.

Our senior staff attorney, Andrew Mulkey, brought the case to the Oregon Court of Appeals and won on the argument that the operator, Grange Hill, couldn't possibly turn the entire building into a hotel while also claiming that the entire building still qualified as the occupant's dwelling.

The win is important for safeguarding the land use system and appropriate uses of the home occupation statute, which help ensure that structures built on farmland don't overtake the land's primary intended use as productive, working land. ■



PROTECTING AGAINST NONFARM EVENTS RUN AMOK

In February, our team of staff attorneys earned another win for farmland, this time in Marion County, where farm sales total more than \$700 million per year. The case centered on wildly out-of-scale nonfarm events (750 people or more!) that would have taken place during peak planting and harvesting season – weddings, family reunions, class reunions, company picnics, memorials, and more.

The win comes in partnership with our affiliate Friends of Marion County, with our senior staff attorney Andrew Mulkey leading on the case against Marion County. His win hinged on a solid argument that an event so massive could not be managed with only five employees, the maximum allowed for businesses run under the home occupation statute, which Marion County was counting on using.

Now, nonfarm events run under the home occupation statute must be capable of complying with the requirements in state law – another protection for our vital farmlands. ■



HITTING THE BRAKES ON A DETRIMENTAL LAND SWAP OUTSIDE MILLERSBURG

1000 Friends helped prevent the City of Millersburg from speeding through a land-swap process that would have brought 163 acres of prime farmland into their urban growth boundary to build an industrial factory where a productive hazelnut orchard now stands. This was despite ample industrially zoned land existing inside the UGB.

1000 Friends' support of affiliate Friends of Linn County and local farmers, led by staff attorney Blair Batson, helped defeat the unjustified expansion at the county level, and the city did not appeal to LCDC or LUBA. With that issue resolved, we are working to correct the loophole in LCDC's rule that the city relied on to approve the UGB swap, and we continue to work with allies to prevent this unnecessary conversion of critical agricultural land. ■

WE MADE REPORTING A LAND USE ISSUE EASIER AND MORE EFFECTIVE FOR ALL OREGONIANS



80
UNIQUE REPORTS OF LAND USE ISSUES



FROM 21 OUT OF 36 OREGON COUNTIES

Built for everyone
You can report a land use issue using the link at the bottom of our website, or by leaving a voice message at (503) 497-1000.

Thanks to support from donors, we are able to give Oregonians individualized assistance on land use issues in their communities. This year we streamlined the reporting, review, and response processes. Now anyone can report a land use issue through a simple form on our website or our main phone number.

Eighty-seven percent of the requests we fielded from January 1 to September 30 of this year were for assistance on farmland, forestland, or natural areas. Each request either has received or will receive an individual response.

The most prominently reported land use issues regard individual development applications that threaten farmland, urban growth boundary expansions, utility-scale solar facilities on farmland, development on forestland, housing in rural areas, and requests for help understanding land use-related legislative proposals. Other topics include agritourism, aggregate mining on farmland, water and sewer infrastructure outside cities, wildfire prevention and recovery, and vacation rentals, as well as questions about revisions to county comprehensive plans. In many cases, we also advised people on how to testify effectively in their public hearings.

An important feature of our Report a Land Use Issue system is that it's available to every member of the general public, not just our members. This year, the public's usage of this system is on track to surpass previous years – an indication that Oregonians' need for 1000 Friends of Oregon to act as a dedicated land use watchdog isn't going away anytime soon. ■

\$10 MILLION SECURED FOR NATURAL AND WORKING LANDS

As part of a large coalition, 1000 Friends helped pass Oregon's recent legislative climate package, which includes a \$10 million fund to help sequester carbon that land managers will soon be able to access. Leveraging additional federal dollars, the fund will provide technical assistance and direct project funding for farmers, ranchers, and forestland managers, and for the protection of watersheds and fish and wildlife.

After the bill passed, our working lands director, Greg

Holmes, sat on the Natural Climate Solutions Advisory Committee, which made recommendations to the Oregon Global Warming Commission for how to spend the fund's money and who should be eligible.

Its voluntary, incentive-based programs can create more resilient landscapes and help communities and land managers by lessening the impacts of drought, heatwaves, flooding, and wildfire. We will help spread the word once programs are in place. ■

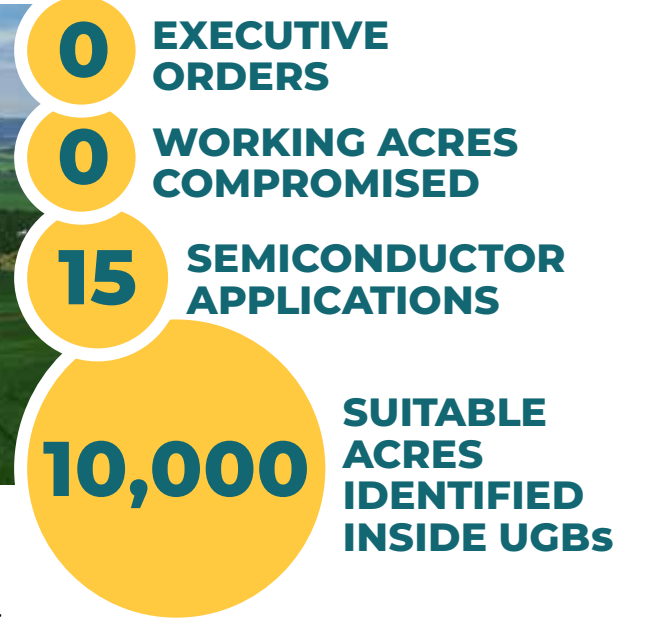


Natural climate solutions
We are part of a coalition advocating for what types of projects and technical assistance will be funded, and how the application should look. The funding will be open to farmers, ranchers, and forestland managers.

ONE YEAR LATER: SEMICONDUCTOR EXPANSION SUCCESSES, WITH NO LANDS LOST



A win-win
Farmlands outside Hillsboro were the center of conversation during the drafting of SB 4, but so far they – and all lands outside UGBs – appear safe from development under the bill.



1000 Friends of Oregon was pulled into one major land use debate this year: *Did Oregon cities and towns have enough industrial land for companies to apply for CHIPS and Science Act funding to expand or create new operations? We won't bury the lede. Yes, we did, and we still do.*

In 2022, the federal government passed the CHIPS and Science Act, declaring the need to spark domestic research, design, and production of semiconductor chip technology. The bill offered \$280 billion to sway private companies to bring some of their facilities and jobs inside America's borders. The Oregon Semiconductor Competitiveness Task Force later highlighted challenges and opportunities to build upon Oregon's large role in the semiconductor industry, from direct subsidies and tax incentives to workforce development and education programs.

In early 2023, 1000 Friends joined one of the biggest coordinated pushes by federal, state, and local elected officials along with multibillion-dollar companies. We guided Oregon's Senate Bill 4 language and passage alongside thousands of Oregonians – including many of our members – toward a win-win.

We needn't pit semiconductor expansions against other important pillars of our economy, like agriculture, forestry, or outdoor recreation and tourism. And, we didn't need to sacrifice our quality of life or our natural resources in order to be a top competitor for the federal funding.

Instead, we helped create a surgical, tailored approach in SB 4. We prioritized land inside existing urban growth boundaries with \$10 million in land-readiness dollars.

And we set impactful boundaries on the governor's executive authority: First, we pinned the governor's authority to begin an urban growth boundary expansion to successful funding applications. Second, we created a sunset date on the authority, coming up fast on December 31, 2024, recognizing the urgency was tied to the funding applications. The cumulative effect is that UGB expansion authority for semiconductor applications has not been – and should not be – needed.

When we follow and strengthen Oregon's land use system (like investing in land-readiness efforts to support our local government agencies), we realize that there are tools for greater shared economic prosperity, new partnerships, and a competitive perch for historic amounts of federal funding. ■

50TH ANNIVERSARY

EXPERIENCES TO JOIN US FOR IN 2024

*Outdoor concerts across the state with
IN A LANDSCAPE: Classical Music in the Wild™
Commemorative wine label from Winter's Hill
Anniversary celebration event
Lobby day
Land Use Leadership Initiative trainings
Speaker series webinars*



Great Communities Program Highlights

This year, our programs made it easier to build housing, grow smart infrastructure, and get folks involved in the process. Plus, a notable legal win prevented misuse of land inside and outside a UGB.



*The missing middle
Oregon needs what's called middle housing – duplexes, triplexes, quadplexes, and other compact and more affordable housing options, located near amenities and services, like schools, parks, groceries, and more.*

A TURNING POINT IN ADDRESSING OUR HOUSING SHORTAGE

For too long, Oregon has been falling short in producing the homes that Oregonians need. Now, as we're staring down a shortage of 140,000 homes, we finally have a tool that will change the way Oregon's cities build their housing and help us close the gap. It's called the Oregon Housing Needs Analysis (OHNA), and it ensures that Oregon cities and the state enact a full set of land use tools, related investments, and other strategies to support building housing for all, in every neighborhood.

OHNA is part of HB 2001 – a bill that 1000 Friends of Oregon helped pass this year thanks to steadfast advocacy from Mary Kyle McCurdy, our deputy director. With OHNA, we now have the chance to live up to the standards of Oregon's land use Goal 10, which has always called on cities to plan for "adequate numbers of needed housing units" at prices people can afford, and to "allow for flexibility of housing location, type and density."

That Goal 10 language is crucial, because our housing shortage is disproportionately affecting people with the least amount of financial resources. Ninety-five percent of the current housing underproduction is for people with moderate and lower incomes – teachers, health care workers, baristas, mechanics, day-care providers, people experiencing homelessness, and more.

With OHNA now on the job, the state and cities will be required to make sure housing development plans match the needs of our populations. ■

Successful implementation of OHNA will put Oregon on the path for housing for all, in every neighborhood, by making structural changes to how we plan for, invest in, and actually produce housing.

LEGAL WIN SAVED 3,500 ACRES FROM UNWARRANTED CONVERSION

Projecting economic growth is an important way that we use the land use system to anticipate where, and for what, we may need to develop land in the near future. The City of Hillsboro recently filed an Economic Opportunity Analysis (EOA) – the official mechanism for projecting job growth and

related potential land needs – that was a bit too subjective, and a bit too inflated.

Inflated growth projections endanger the twin pillars of smart growth in cities and careful protection of working lands beyond those boundaries. 1000 Friends' associate staff attorney, Devin Kesner, successfully argued to LUBA that the city's EOA was inadequate and overestimated the amount of land needed to accommodate employment growth. LUBA sent the decision back to the City of Hillsboro for further consideration.

The win protects 2,000 acres of working land adjacent to Hillsboro, beyond the regional UGB managed by Metro, from being converted to employment land. It also protects nearly 1,500 acres already within the city of Hillsboro from being converted, keeping those lands available for other, more appropriate uses that reflect real need and growth potential within that community.

While cities keep looking for ways to expand their UGBs and skirt the land use planning process, we'll be steady in the knowledge that there is usually plenty of land within cities to accommodate current needs. Our team is committed to continuing to monitor these types of analyses to ensure that any future action to accommodate employment growth is genuinely warranted. ■

Conducting reasonable analyses is important because any shortfall in employment lands will likely be used to attempt to justify future UGB expansions.

Smart growth builds livable, connected cities

With Metro managing improvements to local transportation, housing, and public infrastructure based on its own projections, it's important that city expectations align, so that wild mismatches don't occur in the future.



PUTTING GUARDRAILS ON A NEW I-5 BRIDGE PROJECT



Why would one bridge matter to all of Oregon? Funding. ODOT's financial trusses are already groaning under the weight of its reliance on the declining gas tax. So 1000 Friends spent the 2023 session working to help Oregon take advantage of federal dollars without overspending from the General Fund, which could divert money for other critical state programs, like higher education and affordable housing.

Our work this year, led by Brett Morgan in coalition with the Just Crossing Alliance, also advocated for a sober bridge design that wouldn't increase our use of fossil fuels through induced demand, or adversely affect the surrounding community.



In the post-walkout scurry, lawmakers quickly allocated \$1 billion. Legislators still need to set policy on the new bridge design, and we're already working to ensure the bridge – and its funding – ultimately serves Oregon's needs. ■

GUIDING TRANSPORTATION PLANNING FOR OUR BIGGEST POPULATION CENTER

As a member of the Getting There Together coalition, 1000 Friends of Oregon has helped shape Metro's Regional Transportation Plan (RTP), which determines how the region spends transportation dollars for the next 20 years – essential to securing federal investment in the region.

The plan's program investments total \$43 billion over the next twenty years in road, safety, transit, and biking projects. From giving early feedback on drafts to creating public awareness, we've advocated to ensure dollars are linked to effective land use outcomes, like connected and safe walking and biking networks. ■

A UGB SWAP THAT SUPPORTS HOUSING



The River Terrace 2.0 exchange area joining the Metro UGB.

1000 Friends of Oregon doesn't always support urban growth boundary swaps, but we got behind Metro's 500-acre swap in early 2023. By dropping land from Clackamas County and adding the equivalent in Washington County, adjacent to Tigard, Metro increased the UGB's overall developable land for housing, which Tigard intends to build.

Since then, 1000 Friends' transportation director and legislative manager, Brett Morgan, has been working with Metro, Tualatin Riverkeepers, and local farmers, winemakers, and community leaders in the exchange area, dubbed River Terrace 2.0, to pursue holistic approach to growth and development in southwest Washington County. We have successfully defended Tigard's vision of dense and diverse housing types, defeated a county ordinance that would have spurred road development in this region of high agricultural output, and are engaging with county staff to refine another. ■

WHAT'S IN STORE FOR 2024

Together, we built momentum in strengthening our land use system so that all Oregonians can live longer and better lives. Let's build on that momentum to grow our cities up and in and safeguard our farms, forests, and watersheds. Trusted supporter, enjoy a sneak peek at our 2024 priorities:

- ▶ Celebrate 1000 Friends of Oregon's 50th anniversary on December 6.
- ▶ Host Land Use Leadership Initiatives in the greater Portland area and Southern Oregon.

GREAT COMMUNITIES PROGRAM

- ▶ Help cities and towns quickly and equitably reduce the 140,000-home shortage through redevelopments, adaptive reuse, office-to-residential conversions, and missing middle housing.
- ▶ Research transportation policies and investments to give all Oregonians more options to get where they need to go without filling their gas tank or idling in traffic.
- ▶ Guide policies and investments to bring federal CHIPS Act funding to Oregon without sacrificing farms and forests.

WORKING LANDS PROGRAM

- ▶ Work with our Forestry and Agriculture Advisory Committee, local affiliate network, and members to defend against runaway sprawl and development that irreversibly breaks apart our natural and working lands.
- ▶ Stop unnecessary urban growth boundary expansions and swaps.
- ▶ Partner with stakeholders to update administrative rules for working lands protections for the first time since 1994.
- ▶ Cochair the Wildfire Advisory Council to help communities prepare for more severe and frequent wildfires and keep forests healthy and resilient.
- ▶ Add new team members, including another staff attorney, so we can prevent more attempts to undermine natural and working lands.

Thank you for your partnership as we work together to prioritize land conservation and development efforts that make Oregon the best it can be for generations to come. Today's gifts are tomorrow's Oregon.

SUPPORTER PROFILE

A PARTNER SPOTLIGHT: STOEL RIVES



1000 Friends staff at our 2018 Holiday Happy Hour, generously hosted by Stoel Rives.

Business partners represent a vital source for 1000 Friends of Oregon's success. We are fortunate to count Stoel Rives, a prominent national law firm headquartered in Portland, as one of our long-standing business partners.

For more than 30 years, talented and dedicated attorneys from Stoel Rives have served on the 1000 Friends of Oregon Board of Directors, hosted community events and informational land use briefings, and provided invaluable

counsel on critical legal and policy issues.

We couldn't celebrate 50 years of Senate Bills 100 and 101 without our business partners.

Thank you, Stoel Rives! ■

Ways to give



BECOME A MEMBER
Become a member of 1000 Friends of Oregon by making a gift today!



SIGN UP TO GIVE MONTHLY
Monthly giving is a great way to ensure we stand at the ready to address land use threats wherever and whenever they arise.

GIVE THROUGH YOUR BUSINESS



Business partners enjoy year-round recognition and additional sponsorship and partnership opportunities.



SHARE 1000 FRIENDS
Give the gift of a one-year membership.



MAKE A PLANNED GIFT
Legacy Circle members build a brighter future for Oregon by including 1000 Friends of Oregon in their estate plans.



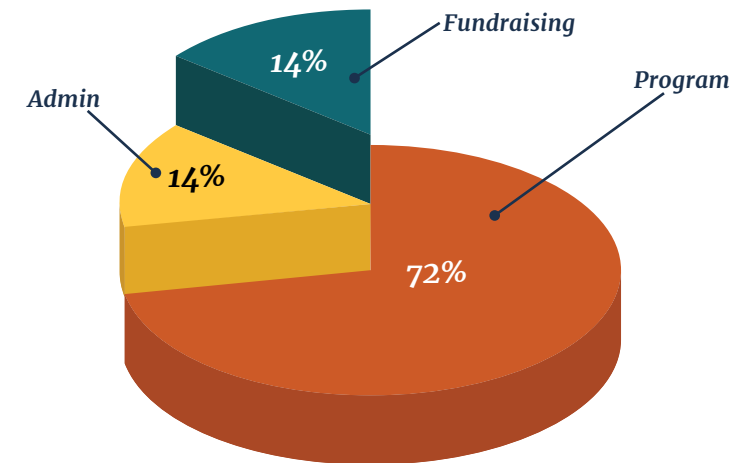
JOIN THE McCALL SOCIETY
Members of the McCall Society carry Governor Tom McCall's legacy forward by providing annual support of \$1,000 or more.

“The Oregon wine industry would not exist without SB 100 and the advocacy of 1000 Friends of Oregon. The southern-facing slopes would have been divided into 2-5 acre home sites long before anyone thought of planting vineyards. I would not be making wine today if Oregon had taken another path.”

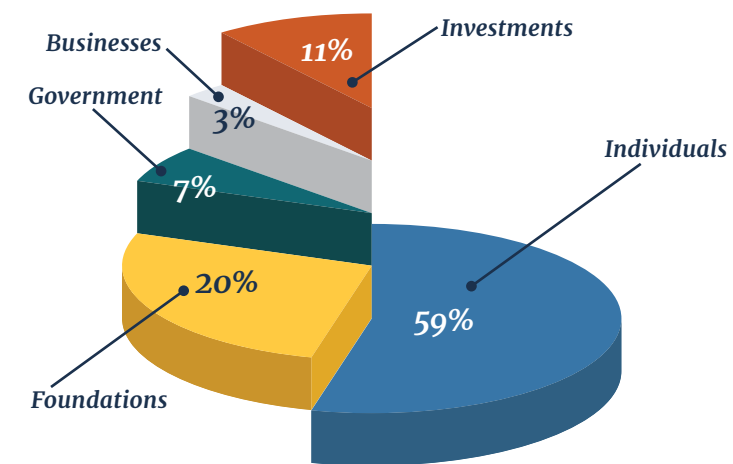
—RUSSELL GLADHART, WINTER’S HILL ESTATE, 1000 FRIENDS OF OREGON BUSINESS PARTNER

Financial overview

EXPENSES: \$1,521,216



REVENUE: \$1,302,198



FINANCIAL MEMO

Our fiscal year ended on March 31, 2023. We recorded a year-end deficit due to market performance negatively impacting our invested funds, which have since recovered.

Gains and losses on investment must be recorded with our revenue, impact the value of our endowments, and do not impact our annual operating budget. To see our 990 and audited financial statements, please visit friends.org/financials.



1000 Friends of Oregon is a 501(c)(3) nonprofit organization. Our tax ID is 93-0642086. Donations are tax-deductible to the extent allowed by law.

OUR TEAM

as of November 2023

LEADERSHIP

Executive Director
Sam Diaz

Deputy Director
Mary Kyle McCurdy

Operations Director
Lily Burnett

Membership Experience Director
Kate Bemserfer

STAFF

Working Lands Director
Greg Holmes

Working Lands Engagement Coordinator
Devin Kesner

Transportation Director & Legislative Manager
Brett Morgan

Senior Staff Attorney
Andrew Mulkey

Staff Attorney
Blair Batson

Communications Manager
Krystal Eldridge

Donor Celebration Director
Wendy Mitchell

Operations Manager
Lou Ocampo

Office Project Assistant
Ben Asher

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Alee Langford
Rod Park
Victor Platt
Christian Richmond
Jeremy Sacks
Issei Saida
Libby Wilson
Jim Wood



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Portland, OR 97240

2024 KEY DATES

Feb: Lobby day, Salem | April 12–14: Member events, Jacksonville | Dec 6: 50th anniversary of 1000 Friends of Oregon, Portland

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Friends.org/newsletter

