MEASURE: HB 4090 EXHIBIT: 2012 SPECIAL SESSION H AG & NAT RES. DATE: 2/9/2612 PAGES: SUBMITTED BY: Scott Hame **OREGON HOME BUILDERS** ASSOCIATION

TO: Members of the House Committee on Agriculture and Natural ResourcesFROM: Jon Chandler (jchandler@oregonhba.com)RE: HB 4090

DATE: February 9, 2012

HB 4090 addresses an unfortunately common problem: land that is inside of Urban Growth Boundaries (UGBs) but outside city limits, which cannot receive the infrastructure necessary to develop due to legal, political, geographic or topological restraints.

HB 4090 simply gives lands caught in this predicament the ability to acquire the needed infrastructure from the most appropriate service provider – the adjacent city, perhaps, or a special district, or another entity. Under the bill, there is no subsidy for the property, as it will have to pay the full cost of providing the services. Moreover, the bill provides that the entity providing service can require the property to agree to annex at some point as a condition of receiving the infrastructure.

Oregon's land use planning system has at its heart the preservation of resource lands, and UGBs are intended to assist in that preservation by providing a place for needed development to occur. Land that is inside UGBs is presumed to be available for development and the land's development capacity – residential, commercial, industrial – is counted in the complex mathematics of the Oregon land use system when UGBs are established or amended. But if infrastructure is not available, then the expected development cannot occur, and the uses which would have otherwise gone there actually take place elsewhere, which in turn increases pressure on the UGB and results in inefficient use of land.

HB 4090 will allow property to receive water, sewer and other needed infrastructure – paying the full price of doing so – in those situations where the services would be available but for jurisdictional or other constraints. It does not create any new development rights or increase development intensity or change the planning or zoning or guarantee development approval or anything of the sort; it merely provides a way for necessary infrastructure to support planned development to be made available.

We believe that HB 4090 helps further the objectives of the Oregon land use system and that it will result in development being allowed to occur where it is intended and planned to take place, without causing service providers to incur any additional costs.

We urge your support for HB 4090.