



**Testimony by City of Wilsonville Mayor Tim Knapp Opposing SB 413:
*Proposed Legislation Disrupts Portland Metro Land Reserves Agreements,
Aggravates Property-Tax Compression Losses for Jurisdictions, Allows
Violating of Intergovernmental Contracts and Balkanizes State Road Network***

Scheduled for public hearing on April 10, 2019, before the
Joint Committee on Transportation

Co-Chairs Beyer and McKeown and Members of the Committee:

On behalf of the City of Wilsonville City Council, I am testifying in opposition to SB 413 that would allow formation of a new kind of special “highway district” to levy new property taxes and charge road tolls. While the concept may be worthy of consideration, the City would prefer to see a more involved public discussion with all potential stakeholders and impacted interests over time to evaluate the merits and disadvantages of the proposal.

A major issue with the proposed legislation is the suspension of the Rural Reserve protections that are designed to encourage long-term investments in agriculture. A key component of the 2010 Metro-area Urban and Rural Reserves compromise was the protection of agricultural lands from urban encroachment and new highways that take land out of production and leave remnant parcels that are too small or inaccessible to be farmed effectively. These protections provide farmers with the certainty needed for capital investments in farming infrastructure, such as new crops, processing facilities, irrigation systems and ag-related equipment.

Many Wilsonville-area farming and nursery businesses rely on land-use protections to make capital investments for future economic growth. Pacific Natural Foods, a major national organic food-processor with substantial employment and operations in Tualatin and Wilsonville, farms over 1,000 acres in the Willamette Valley and contracts with other farmers who would be negatively impacted by the uncertainty this bill would introduce.

The bill allows the new special highway district to levy property taxes that would further compress funds for all affected taxing jurisdictions, depriving school districts and others of revenue. As a practical matter, the district would need to levy and collect property taxes in order to fund operations long before tolls would ever be collected as a revenue source.

The bill explicitly allows the new highway district to abrogate intergovernmental contractual agreements that is contrary to democratic processes and good government business practices.

The proposed legislation would further balkanize the state’s road network by creating yet another bureaucratic layer on top of city, county, and state road-authorities.

The City of Wilsonville respectfully urges a DO NOT PASS vote on SB 413. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Tim Knapp".

Tim Knapp, Mayor
City of Wilsonville