



OREGON
ASSOCIATION OF
NURSERIES

Testimony before Senate Committee On Housing and Development

Senate Bill 1537 - Requires the Department of Land Conservation and Development and the Department of Consumer and Business Services to jointly support increased housing production.

By Jeff Stone, Executive Director, Oregon Association of Nurseries
February 9, 2024

Chair Jama, Vice-Chair Anderson, members of the committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. It is my hope that my comments are construed as constructive related to this bill and the intersection of affordable housing and land use planning.

Background on the Nursery and Greenhouse Industry

What we are: The nursery and greenhouse industry is the state’s largest agricultural sector, with over \$1.37 billion in sales across the nation and the globe. Nationally, Oregon ranks third in nursery production. **A Traded Sector:** Nearly 80% of the nursery stock grown in our state leaves our borders – with over 50% reaching markets east of the Mississippi River. We send ecologically friendly, carbon sequestering, green products out of the state, and we bring traded sector dollars back to Oregon. **By the numbers:** #1 in US: sales of conifers, shade trees, Christmas trees, and flowering trees. \$443.2 million in annual payroll - \$44,108 average annual pay. **Who we are:** Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill, and Multnomah Counties.

Senate Bill 1537 is an Improvement

I carefully watched the testimony of Governor Tina Kotek in Committee on Thursday morning and appreciate the approach of finding solutions to infrastructure issues facing cities and counties as they grapple with urbanization and the need to increase housing production. There is little doubt that affordability has been hard to achieve for the average citizen in our state. The expressed focus of the Governor’s bill is welcomed.

I am someone who has spent a better part of a decade at Metro, the regional government in charge of the state's largest metropolitan urban growth boundary (UGB), at a senior staff level. I understand UGB's and the careful balance needed to manage growth. It is important to understand that nursery operations are both urban and rural, so the land use process is critical to preserving production agriculture while satisfying a growing population with significant jobs and housing needs. Oregon has a proud heritage of land use planning, and we do not take SB 1537 and its implementation lightly.

OAN Opposed HB 3414 (2023)

The Oregon Association of Nurseries was disappointed in the lack of stakeholder engagement with House Bill 3414 (2023) and felt that agriculture's voice, as stewards of the land, was bad policy and a hastily attempt at expansion of the UGB; which included both urban and rural reserves. The process did not require showing how any of the added lands would be financed for infrastructure to build housing. That process would have jumped to the unproven conclusion that adding more land would answer the housing crisis. The overriding bill would have resulted in quality farmland being lost. Additionally, when non-agriculture development was allowed in, on and close to exclusive farm use lands, those engaged in production agriculture could experience conflict arising from non-compatible uses.

OAN is Neutral on SB 1537 – With Remaining Concerns

The OAN was able to work with the governor's staff to come to a place of neutrality. I wish to give credit to Governor Kotek, State Representative Jeff Helfrich, Oregon Home Builders Association, Oregonians In Action and the Oregon Farm Bureau for engaging with the OAN and considering our views on the importance and preservation of the land use process. The land use system is over 50 years old, and Oregon has changed a lot over that time. The core of land use planning is important to preserve, and while this bill is a significant improvement over HB 3414 (2023), the state's largest sector of agriculture still has some concerns that we would like to put on the record.

Four Points of Concern:

1. Targeted UGB expansion is super-siting, just by another name. However, the focus on the importance of any expansion area being confined to urban reserves is a mitigating factor.
2. 20-year land supply – any acreage that is included in this bill needs to be subtracted from the 20-year land supply number for the next expansion.
3. OAN believes that "on the record acknowledgement" of the right to farm next to the expanded UGB's is necessary to reduce conflict between residents and production agriculture.
4. OAN would respectfully request the landscaping adjustment language in Section 38 be eliminated. New development is susceptible to urban heat

island effect and other there are numerous climate reasons to include landscaping and green infrastructure.

Comprehensive Land Use Discussions in 2025

The nursery and greenhouse industry believe that urban development and protection of farmland remain tied together through the land use planning system. However, the OAN is realistic that the state is not homogeneous, and the state deserves an adult conversation about how and where it wishes to grow. Agriculture is an economic sector and employs hard working people. Everyone needs to be able to live and work - affordably - while enjoying the bounties that our beautiful state provides. The OAN will roll up its sleeves and do the work that is needed to make this state welcoming, affordable and working.

Thank you for your attention to my comments. OAN will continue to participate as a good faith stakeholder.