



RE: Please Support HB 3211

March 19, 2015

Chair Clem and Members of the House Committee on Rural Communities, Land Use and Water,

The Clackamas County Business Alliance (CCBA) urges your support of HB 3211, which would validate the urban reserves adopted by Metro and Clackamas County and allow natural growth into Stafford over the next fifty years. Metro spent five years participating in the urban reserve process and determined that Stafford should be an urban reserve. HB 3211 merely ends the ongoing lawsuits and ratifies the original Metro decision. Failure to ratify the Metro decision will mean more years, more lawsuits and more appeals. Therefore, this bill is critical to the future of economic development in Clackamas County.

The CCBA is a business advocacy organization with employers spanning nine sectors and representing over 15,000 employees throughout the county. We work to promote healthy economic growth throughout the county and entire metro area by advocating for public and private policy decisions that promote job creation and economic vitality. We support the expansion of existing businesses and welcome new companies to the area.

In order to give you a brief history, in 2004, Metro Planners projected a need for a large Urban Growth Boundary (UGB) expansion. The bulk of the expansion was planned for Clackamas County, and the final decision came down to two areas. The first was commonly referred to as the Stafford Triangle. Stafford lies immediately adjacent to I-205, Tualatin is on its western border, Lake Oswego is on its northern border, and West Linn is on its eastern border. Water, sewer, and transportation infrastructure are in close proximity, with existing and planned capacity. Developers who have both the financial resources and experience necessary to develop their land in the near term own large amounts of acreage in Stafford. The existing internal road infrastructure, while needing eventual expansion, is set up well to handle increased density.

The second area under consideration at that time was Damascus. Damascus is located approximately 6 miles from I-205. While it is bounded by Happy Valley on the west, and Gresham, on its north, neither of those cities is readily able to provide urban services for the area, due in part to the bluffs and steep topography along the northern boundary, and lack of available capacity. The cost of full infrastructure build out is estimated at 3 billion dollars. Over the last eleven years, Damascus has demonstrated an unwillingness to develop, with multiple failed comprehensive plans. A majority of residents voted to disincorporate the city in 2013. Last week, this committee held a hearing on two bills that would allow disincorporation by a simple majority of Damascus residents. Those bills, if signed into law, will almost certainly assure that

Damascus disincorporates in November of 2016. Clackamas County does not have the ability to provide urban services to a 10,000 acre unincorporated area. Disincorporation will assure that those 10,000 acres, necessary for our regional growth, will not be utilized, and that the two Urban Reserves adjacent to Damascus, will not be brought into the UGB.

There is a lack of available land in Clackamas County; therefore, it is vital that no portion of the Stafford Urban Reserve be changed to “undesigned.” HB 4078, the Grand Land Use Bargain, which passed in 2014, has a clause in Section 3(3) which states, “Land in a county in Metro that is planned and zoned for farm, forest or mixed farm and forest use and that is not designated as urban reserve may not be included within the urban growth boundary of Metro before at least 75 percent of the land in the county that was designated urban reserve in this section has been included within the urban growth boundary and planned and zoned for urban uses.” Approximately 30% of Clackamas County’s Urban reserves are adjacent to Damascus, and it is unlikely that Metro will bring those lands into the UGB, particularly since full build out of Damascus, if it remains a city, is estimated at 50 years.

If HB 3211 passes, large areas of Stafford will finally be developed over the next fifty years. This property is close to urban services and the likely cost of infrastructure is substantially less than areas like Damascus. Additionally, Stafford’s location, close to jobs, and two of the top two school districts in the state, will likely result in the high value development necessary to pay for the infrastructure. There is evidence that development will occur generating substantial assessed value. John Fregonese, formerly the head planner for Metro, has estimated the future tax assessed value of the willing property owner’s property at approximately 2.6 Billion dollars. This would generate county property taxes of approximately \$77,480,000. He estimates the value of all land in Stafford at 3.8 Billion, which would create nearly \$113,240,000 of annual property taxes.

Thank you for your time, and I ask that you allow natural growth in the Stafford triangle.

Sincerely,

Nellie deVries
Executive Director
Clackamas County Business Alliance