

July 1, 2022

VIA EMAIL: esther.johnson@dlcd.oregon.gov

Robin McArthur
Chair
Land Conservation and Development Commission
636 Capitol St., NE Suite 150
Salem OR 97301

RE: Climate Friendly and Equitable Communities Rulemaking

Dear Chair McArthur:

Oregon Business & Industry (OBI) appreciates the opportunity to submit comments on the Department of Land Conservation and Development's (DLCD) Climate Friendly and Equitable Communities (CFEC) rulemaking. OBI is a statewide general business association representing 1,600 members who collectively employ more than 250,000 Oregonians in a wide variety of sectors and from all parts of our state.

OBI has commented previously both in writing and at a commission meeting on what is now the temporary CFEC rule. We have also participated in meetings with agency personnel to discuss our concerns with the rule. We appreciate the willingness of DLCD management and staff to meet and provide further explanation of this large and complex rule package. The rule makes sweeping changes to Oregon's land use regulations and is likely to have very significant planning and economic impacts for years to come.

OBI remains concerned that some of the rule language will result in a very restrictive interpretation of the types of development allowed both inside and outside of Climate Friendly Areas. This led OBI, in conjunction with the Oregon Home Builders Association, Oregon REALTORS, Oregon Trucking Association, Oregon Restaurant & Lodging Association, City of Springfield, and National Federation of Independent Businesses, to submit four pages of detailed questions to DLCD in early June. We requested the responses in writing to ensure that we had a common understanding of the rule's intent and impact on future development.

Although staff involved in drafting the CFEC rule was willing to, again, discuss aspects of the rule, DLCD declined to provide a written response. This is unfortunate, since these clarifications could have gone a long way to allay fears about how various provisions may be implemented. We understand that DLCD will answer these questions in the staff report to the commission on July 7. We are hopeful that the staff report will resolve some of our outstanding concerns. However, receiving the agency's written response after the close of the public comment period will not enable stakeholders an opportunity to offer informed comments that can be considered by the commission.

In particular, we have concerns with the provisions limiting auto-oriented uses that appear to restrict vehicle access, circulation, loading and display. Our understanding of DLCD's intent is not to limit these auto-oriented uses, but to expressly provide for pedestrian access to businesses and other services. We continue to read these provisions as restrictive to auto-oriented uses and, at a minimum, we ask the department to clarify that the rules will not have this effect.

People must be able to access the goods and services they need. In order to do this, businesses must be able to move goods and deliver services efficiently and economically. This cannot be accomplished without vehicle access, circulation and loading. The rule also appears to heavily impact car dealerships by restricting the display of vehicles.

Additionally, we continue to have concerns about procedural aspects of the rulemaking process. We believe the rule changes that occurred within the original public comment period, which is irregular in rulemaking, should have subject to an updated fiscal impact statement, small business and housing impact analyses.

Thank you for the opportunity to comment on the temporary CFEC rule. We are hopeful that the rules will be clarified to resolve the outstanding issues business organizations such as the Oregon Home Builders Association, Oregon REALTORS, Oregon Trucking Association and Oregon Restaurant and Lodging Association have raised in comments to the commission.

Sincerely,

A handwritten signature in blue ink that reads "Sharla Moffett". The signature is written in a cursive, flowing style.

Sharla Moffett
Director
Energy, Environment, Natural Resources & Infrastructure