



February 27, 2023

Joint Committee on Semiconductors
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

Re: Testimony in Opposition to SB 4

Honorable Co-Chairs, Vice-Chairs, and Members of the Committee,

Founded in 1977, Thrive Hood River is Oregon's oldest regional land use watchdog group. We work with the tools of Oregon's land use system to promote good planning policies in the Hood River Valley.

Thrive advocates for bold changes in our statutes and our local code where there is a public interest. Thrive also defends the many virtues of our land use program from loopholes, non-enforcement, and bad legislation that weaken our statewide planning program.

Our testimony pertains to the land use provisions in SB 4, notably under Section 10.

We recognize that the semiconductor industry is crucial to Oregon's economy and a crucial geopolitical asset to the United States. As a land-use organization that advocates for good planning, we stress the importance of preserving agricultural lands to safeguard the resilience of our regional and national food supply at a time when the US is losing prime farmland amounting to the size of Vermont every three years; we are also concerned about the availability of industrial lands to support our local economies (Goal 9). We also recognize that in the context of semiconductor subsidies, Oregon should be first in line to benefit from CHIPS Act incentives.

In this context, however, we strongly object to the following bulleted items:

- In the rush to find adequate lands for this critical enterprise, several advocates for the semiconductor industry have cemented the narrative that a dearth of metro-area industrial lands justifies extra-ordinary executive measures to circumvent the cornerstone value of Oregon's land use system—the process of delineating Urban Growth Boundaries.

Throughout this process, however, numerous cities in the metro region have pointed to lands they've reserved for industrial uses through comprehensive planning. For example, the City of Wilsonville, Oregon's fastest-growing city of the last 20 years, called the presumption that there is a dearth of industrial lands within UGBs that requires the urbanization of farmland "a false premise." Wilsonville's Mayor, Julie Fitzgerald, and other cities in the metro region have produced evidence of industrial land availability within the UGBs.

- In the process of considering a bill that will give the Governor unilateral powers not seen since 1973, at the very least, the Legislature, legislative staff, and industry advocates, owe it to the

public to explain why sites in Wilsonville, Cornelius, Corvallis, or other brownfield lands are not viable. These sites meet all the prerequisites which the public has been let in on: they are served by interstate highways, close to airports, and exist in an ecosystem of skilled labor and rich human capital. If industry advocates or legislators know something that the rest of us do not, this information should be made public.

- The February 27th hearing focused only on one location in Hillsboro. They made the striking claim that these rural lands were *the only place in Oregon suitable to new semiconductor development*. Really? The only site? That is an incredible claim and it should be backed up before this moves any further.
- There are no guarantees in this bill that these plants will train and employ local labor. There is only aspirational language.

Finally, there are a lot of Oregon communities in dire need of economic stimuli with ready industrial lands and abandoned brownfields. The rush by legislators and industry advocates to establish enormous, monochromatic single-company hubs that monopolize the fabric of cities like Hillsboro, and now, their surrounding farmland, is puzzling in this context.

The enormous gap between wages in and outside of the industry, has already caused an affordable housing problem in Hillsboro. In the last years, we have seen enormous discontent in communities around tech-hubs like Seattle or San Francisco where massive tech-hubs have sterilized entire neighborhoods. We should learn from these planning mistakes and distribute the federal dollars that will propel the semiconductor industry across the state.

Indeed, if there is an industry that could bring another nearby city an economic lifeline, it is the semiconductor industry with billions of federal dollars behind it. The federal government is already attaching conditions to the subsidies to ensure that recipients of these awesome funds provide employee benefits like childcare; it is perfectly reasonable for Oregon to ensure the federal windfall not only be distributed fairly by steering the siting of these new industrial facilities towards cities with vacant industrial areas but also, to require the bare minimum: that these sites abide by our existing land use system, which requires all cities to plan for the decades ahead to make sure growth occurs equitably across the board. If Hillsboro is allowed to open up industrial lands ad-hoc, while places like Wilsonville are not, this will become an uncompetitive process.

This bill contemplates tectonic changes unseen since 1973 to our statewide planning system, and at the very minimum, the reasoning should be transparent. We remain curious to hear why, in advocates of SB 4's view, the many sites offered up by places metro-communities like Wilsonville are not good enough. We do not believe this bill should go any further until these questions are answered.

Sincerely,

February 27, 2023

Nico Salter, Executive Director,

A handwritten signature in black ink, appearing to read "Nico Salter".

Thrive Hood River