



Save Helvetia.org

Advancing policies, leaders and actions
that protect Helvetia's
treasured resources

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February 26, 2015

Honorable Senator Chuck Riley
900 Court St, NE - S-303
Salem, OR 97301

RE: SB 716 - Thank you for removing your name!

Dear Senator Riley,

We understand that you have taken your name *off* SB 716, which enables Washington County, Multnomah County and Clackamas County to each create one large lot industrial parcel of 150-500 acres. We sincerely appreciate your careful consideration of the deficiencies of this bill and your willingness to recognize how detrimental it would be to Oregon's 40-year-tradition of land use laws.

As a new legislator, you are undoubtedly lobbied extensively that Hillsboro and Washington County must have more land (which means farmland) for development in order to successfully compete against other cities across the U.S. The Westside Business Alliance, Hillsboro Chamber of Commerce, NAIOP (National Association of Industrial and Office Properties), City of Hillsboro, and special interests in development and construction have all been proponents of establishing large lot industrial "land banks".

We thought this would be a good opportunity to share with you some facts, using City of Hillsboro as an example, of what has happened with some of these large lot industrial parcels in the past 40 years.

The need for more large lot industrial land has not been demonstrated based on the past 40 years.

- *Since 1976, only one company has bought more than 100 acres (Intel) and only two companies have bought more than 50 acres (Genentech and SolarWorld).*
- Hillsboro has over 1,000 acres of undeveloped farmland inside and outside the UGB awarded during the 2014 "Grand Bargain", not including South Hillsboro and land still undeveloped from the 2004/2005 UGB expansion. The focus should be on zoning land inside the UGB to accomplish goals for large lot industrial areas, rather than taking more farmland from outside the UGB.

Companies bought more industrial land than they needed

- *Intel* bought 92 acres of high-value farmland for an R&D campus in the now-named North Hillsboro Industrial area south of West Union Road in 1999. It has remained vacant for the past 16 years while Intel has consolidated operations in Ronler Acres.
- *Maxim* bought 33 acres in 2000. They have been trying ever since to rent out the back of the parcel but have been unsuccessful due to lack of demand
- *Genentech* was forced by state economic development officials to buy 75 acres. According to Bruce Land, a state economic development officer who worked on the deal, "They were really looking for a smaller site," he said. Genentech is only using 15 acres out of the 75 acres.

- *SolarWorld* recently sold 46 acres of their 95 acres to Hillsboro Airport. With advances in technology, more production can be done in less space so this 46 acres was not needed for expansion. The sale leaves SolarWorld with 49 acres.

Industrial demand not there - leads to conversion to retail/commercial

- Nike owned 74 acres along Brookwood Parkway near the entrance to US-26. It was a state-certified, industrial site that sat empty for at least ten years. In 2014, City of Hillsboro approved their request to sub-divide it into 8 parcels. Two of these parcels have been purchased by TopFlight, a sports entertainment complex. This illustrates two things: the lack of demand for large lot industrial sites and the conversion of industrial sites to retail/commercial when industrial demand doesn't materialize.

Start-ups can't afford to develop farmland

- SpectraWatt, a solar start-up which had Intel as a lead investor, was GIVEN 20 acres by Intel near Intel's 92-acre West Union industrial parcel. After determining that it was too expensive to build from scratch on the farmland, SpectraWatt moved to a former chip factory in New York, where the infrastructure was already in place.

The large lot developed industrial parcels in Hillsboro periodically change ownership due to changes in the tech industry. Companies recognize that purchasing existing infrastructure is more efficient and economical than developing farmland from scratch.

- SolarWorld (now 49 acres) bought its factory from Komatsu
- Maxim (33 acres) bought its factory from Fujitsu
- Alpha and Omega Semiconductor (25 acres) bought its factory from IDT

Senator Riley, we hope that you will uphold Oregon's land use laws and the public involvement process that is so important to Oregonians and **vote against SB 716**. We understand that this bill will undoubtedly go through many revisions and we look forward to communicating with you about our concerns as it proceeds through the legislative process. We must continue to protect agriculture, a valuable traded-sector industry in Washington County, as well as the important citizen involvement process of Oregon's Goals 1 and 2.

Respectfully,

Cherry Amabisca
for Save Helvetia
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