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

January 29, 2023

RE: Recommendations for Industrial Land in Semiconductor Industry

Honorable Members of the Joint Committee on Semiconductors,

I spent over 30 years working in corporate finance in multiple high tech companies including, Hewlett Packard, Unisys, and Intel. I experienced multiple rounds of economic booms and economic busts. It is a fact of life that diversity of businesses is vital for economic stability when dealing with the high tech industry. The recommendation to focus on attracting another semiconductor firm to Washington County is fraught with significant economic risks. Downturns in the semiconductor industry is a fact of life, which appears to be about to occur. Having two major semiconductor firms in the same area risks significant economic and real estate collapses in the local area.

The Solution? Diversify industries

Wise people and companies diversify their investments to minimize their exposure when times are bad. Focusing on embracing another semiconductor firm in an industry that is subject to frequent downturns is not in the best interests of Washington County and the Metro Region. A diversified business environment provides economic and employment "shock absorbers" to a local economy when one major industry falters and incurs significant layoffs and/or operation reductions.

The Unique Challenge of the Semiconductor industry

<u>Oregon lost out to Ohio with Intel's major expansion because of uncompetitive tax breaks and lack of a highly educated workforce</u>. It's a fact; Ohio's tax incentives were more attractive than Oregon's. More difficult to fix in the short-term is Washington County's lack of close proximity to major universities with advanced electrical engineering staff and facilities. Intel found they could locate their massive new operations close to Ohio State University, which has advanced engineering research facilities and generates significant numbers of highly skilled engineers, business, and math graduates. To meet its needs, Intel Oregon has to import hundreds of employees annually from out-of-state because Oregon's universities and community colleges cannot produce enough graduates with advanced engineering skills.

The Solution is geographic

Site the targeted semiconductor sites near, ideally between, the Oregon State University and University of Oregon main campuses.

Accelerate investment in the Engineering, Mathematics, Computer Science, and Business programs at both Oregon State University and the University of Oregon.

In addition, aggressively ramp the technical educational programs - at the local regional two year community colleges.

By targeting the south Willamette Valley, this innovative CHIPS program can accomplish major benefits for Oregon at large:

a) Will take advantage of the diverse programs at the two major Oregon universities.

b) Will enable significant enhancements of programs at our two major universities.

c) Will facilitate a significant infrastructure upgrade for the south Willamette region.

d) Will elevate the local and regional economic status by stimulating employment in not only the high tech fields, but also in the related businesses and across the many trades.e) Finally, this will distribute a volatile industry to other parts of Oregon, mitigating significant local economic risks in Washington County due to over reliance on one industry.

Extremely poor outreach for citizen input

Your notice for public comment went out at 4:19 pm last Friday, giving Oregon's citizens at large just two days, over the weekend, to submit testimony before your next meeting on Monday. There were no maps identifying the recommended sites so we could not comment with specifics. This lack of public outreach, for reasonable citizen involvement in decisions that are going to cost \$300 to \$500 million in state wide taxpayer dollars, is insulting at best.

For the State of Oregon at large, please consider the South Willamette Valley region as a prime location for the CHIPS program. We have a rare opportunity to improve the lives of our citizens and economy outside the Metro region that will benefit everyone in the State in the long run.

Respectfully submitted,.

Allen Amabisca Board Director/Treasurer Save Helvetia