

1/30/2023

*TO: Joint Committee on Semiconductors 2023
State of Oregon*

*FROM: Dirk T Knudsen- K2 Consulting
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222 East Main, Hillsboro, Oregon 97123*

*RE: Testimony For The Record
1/30/2023*

Hello Committee Members;

My name is Dirk Knudsen. I am a 56-year resident of Hillsboro. I have been involved in commercial real estate sales and development as well as housing in Washington County for 42 years now. I am the former President of Sunset Corridor Development, Corporation. In addition to that I have been a community leader, served on the Sunset Corridor Economic Development Commission, worked as a planning consultant, have been a member of various commissions and boards to this day, and recently finished up terms on the Hillsboro Planning and Zoning Hearings Board. I have been working on land and industrial land issues since Intel first moved to the Aloha Campus in the late 1970s. I know almost every parcel of land in the Tualatin Valley and have consulted with parties on all sides of the land use spectrum.

In general, I favor smart boundary expansions provided they are 1) needed, 2) equitable, 3) workable and executable, and 4) free from political and money influences, which have driven past results.

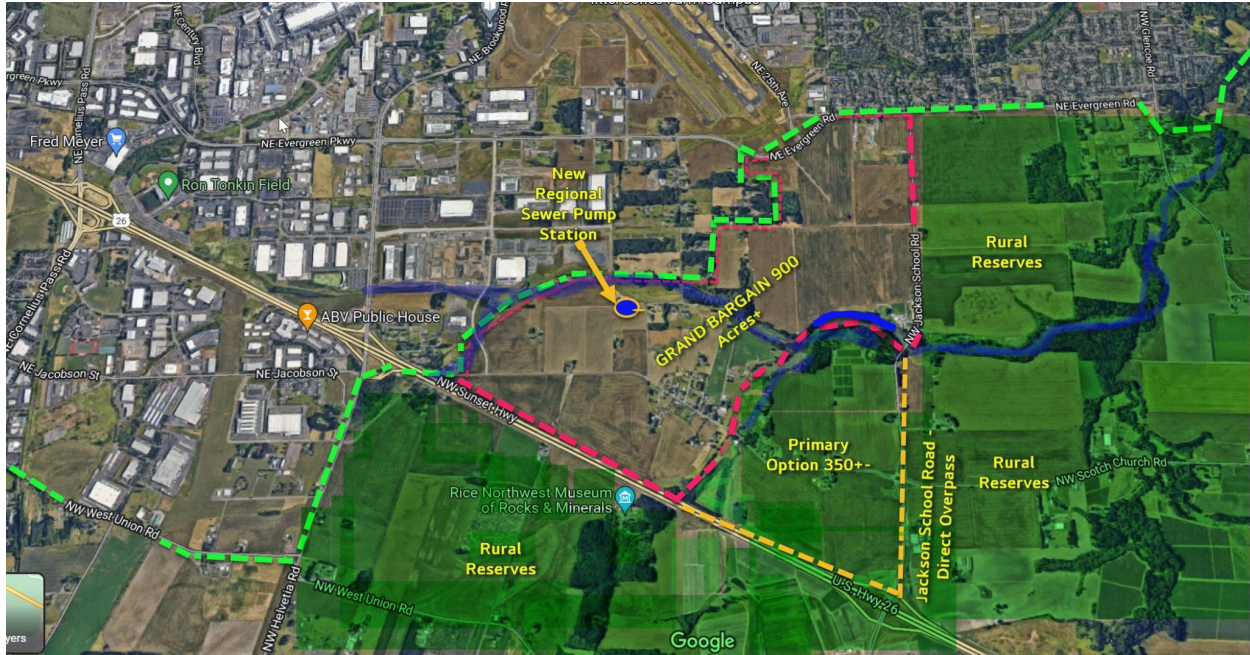
In the past, I was an appellant in the horrible mismanaged North Bethany Boundary expansions, during which I witnessed private parties influencing politicians, planners, and decision-makers inappropriately. I know with the legislature involved and with all the cards on the table, and growth decisions you all make or work on will be fair and well thought out.

Here are my points in regard to expanding the Urban Growth Boundary to get Oregon ready for Semiconductor manufacturers. They are as follows:

- 1) There can be NO land grab massive additions to the UGB for everyone's pet projects. **If we are going to do a Grand Bargain like expansion, then it must be for Semiconductor manufacturing land only! PERIOD. If you all do not agree to that precept, then this process is doomed.**
- 2) When you decide where to expand, you have to make sure that the expansions, which will enrich the land owners as much as 100 times their current land value creating tens of Millions in windfalls, are willing to sell. **If we move boundaries onto lands that are not for sale, we are wasting our time. This may require an open negotiation with land owners**

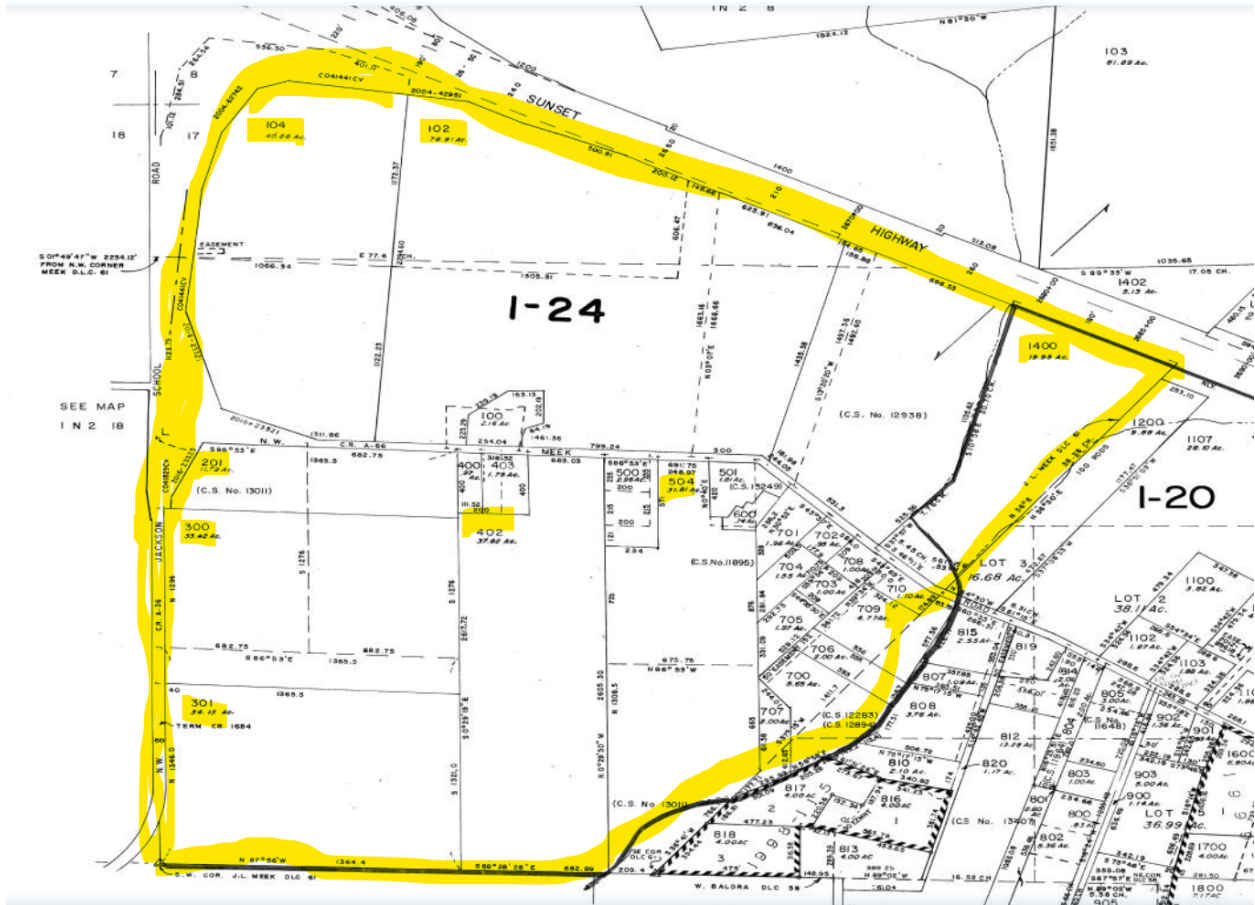
and the State of Oregon Economic. The State should be prepared to land bank these parcels. If these landowners do not wish to sell or commit to a future sale, then do not offer the expansion onto their lands and leave them in the Rural Reserves. The benefits have to be mutual, and there will be plenty of great options for where to expand. You will have more options to expand than needed to hit the desired goals.

- 3) **Share the expansions with various cities and METRO partners.** The people of Hillsboro have taken the brunt of the pressures caused by massive job force developments.
 - a) Hillsboro has 900 to 1200 acres still vacant and ready to develop. I believe another 500-800 acres of land is needed, and those lands and the lands in the former Grand Bargain sites need to be restricted to Semiconductor manufacturing or other electronics manufacturers. **NO DATA CENTERS CAN BE ALLOWED AT ANY LEVEL IN THESE LANDS- PERIOD. NO HOTELS, NO BASEBALL STADIUMS, NO DRIVING RANGES, NO GO-CART TRACKS.**
- 4) **Keep all expansion lands for Semiconductor manufacturers on major Highway intersections where major services are available. Particularly WATER AND SEWER** - do NOT add lands that can not be quickly provided with both as well as access, power, and storm sewers.
- 5) **Provide State backing to acquire the lands and prepare them to a Tier 1 pad-ready level.** To add land and not provide a lending/grant/funding mechanism is not adding land at all. The tech industry is evolving faster than ever, so adding land that can not quickly be made ready is not going to matter. The jobs will not come to Oregon.
- 6) **Wherever lands are expanded, housing will become more expensive.** Nowhere have we learned that lesson more than in Hillsboro, where workforce housing is not to be found. Workers drive from McMinnville, St Helens, Portland, Salem, the Coast, and beyond. That is just creating a Carbon and Climate nightmare. For every acre of Industry, we add, we need enough land in residential housing to support 40 people. It is, in fact, about 1 acre for 1 acre. If we add 900 acres in Hillsboro for semiconductors players, you need to add 900 acres of high-density housing. If you do not do that, then you are no being equitable and inclusive to all in our communities- our jobs/housing balance is already upside down.
- 7) **Look at the Grand Bargain Lands in Hillsboro.** I just realized that not one acre appears to have been developed into finished jobs/facilities yet of that original Grand Bargain decision made in 2014. As of right now, there are still almost 1,000 undeveloped acres in terms of what has happened so far. There are many reasons for that (unwilling sellers/ lack of utilities /flight paths / parcelization), but the facts are the facts. Have a look at the Map I have made based on a google earth photo that was shot in October or November of 2022-



The Map above shows in dashed red lines the Grand Bargain lands in North Hillsboro and the Rural Reserves. The red dashed line is the Grand Bargain lands. Other than some homes that existed, there are no factories or facilities in the Grand Bargain lands yet. Hillsboro has assembled 145 acres that it owns and is installing services, and it is still marketing a 260-acre site on the City Website, which includes the 145 acres. So as a City, we may indeed have several options if we can get the lands ready- **again, we have to have willing sellers, get the services to the land, and build the transportation needed.**

- 8) **On the Map above, I want to point out the area marked Primary Option 350+- Acres. It is my belief that of all of the possible options for Hillsboro to have expansions of the UGB for semiconductor land, these lands must have the highest priority.** I believe these lands were considered during the Grand Bargain but were pushed into the Rural Reserve for some reasons at the end of that process. The yellow dashed lines clearly demonstrate how these lands, which are fronting on US 26 to the North, Jackson School Road to the West, and the Grand Bargain lands on both the East and South. The lands are primarily large parcels and slope South towards major sewer trunks. All major services can be deployed to these lands as fast or fast than any other options in Hillsboro.



Here is a look from the West at the current conditions of the Grand Bargain Lands- still undeveloped, and this Primary Option #1 land which, when you see it naturally bounded with these large parcels, is, in fact, the missing puzzle piece. This adds 300-350 acres efficiently & it keeps growth into our Rural Reserve Farmland on the Southside of US 26.



In conclusion, you have a big job to do. You must not cave into personal requests, political pressures, pseudo-science, and overblown factors. Carefully plan what is to come next and carefully decide. We must all admit that Intel nor its competitors will want to expand miles away from Hillsboro, Oregon. We have the cluster of tech firms here. We have the Water and systems. We have the suppliers and labor force and the brain trust - and this is where the action is. ***While there is room for everyone, a good portion of what comes next has to be here in Hillsboro if we are all to benefit from the jobs and the revenues that these tech firms can bring.***

Thank you very kindly for listening.

Very truly yours;

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