



Forest Park Neighborhood Association
C/O Neighbors West Northwest
2257 NW Raleigh
Portland, Oregon 97210

March 15, 2023

Joint Committee on Transportation Preservation and Modernization
900 Court Street NE
Salem, OR 97301

Re: SB 4, Opposing Super-siting

Dear Co-Chair Sollman, Co-Chair Bynum, Co-Vice Chair Knopp, Co-Vice Chair Wallan,
members of the Joint Committee on Semiconductors,

Forest Park Neighborhood Association (FPNA) strongly opposes the poorly drafted language in SB 4 and particularly opposes the super-siting provisions in Sections 10 and 11.

Please remove Sections 10 and 11 (super-siting) and rewrite the remaining sections to reflect the recommendations in testimony submitted by Robert Liberty. We support, and ask you to pay particular attention to comments submitted by:

- Robert Liberty's testimony (dated 3/10/23) submitted for your March 8 hearing,
- Rod Park (dated 3/3/23 for your March 1st hearing). Rod Park and Robert Liberty served on Metro Council during the initial Urban and Rural Reserves designations. They understand the gamesmanship, lobbying, and windfall profits that come with any discussion of urbanizing farmland.
- Susan Andrews, posted on 3/12/2023 at 4:50 pm
- Gil Kelley, dated March 13, posted 3/13/23 at 2:47 pm

Forest Park Neighborhood is in the Tualatin Mountains west of Portland. Our boundaries touch W. Burnside Road on the south and include a portion of NW Cornelius Pass Road on the north. The neighborhood includes Portland's Forest Park and a broad swath of unincorporated Multnomah County. We are an officially recognized neighborhood in the City of Portland.

Our neighborhood worked closely with our state Representative and Senator to get SB 1011 written and adopted. SB 1011 enabled Urban and Rural Reserves in the Portland metro region. We invested deeply in the Reserves process – residents spent thousands of hours attending meetings, doing research, writing testimony, and commenting at hearings that stretched over years. While the process was time consuming, it was also thorough, thoughtful, and deeply researched, with many opportunities for citizen input and involvement over several years.

We invested in that process because of its promise – 40 to 50 years of certainty for urban development (particularly for efficient urban infrastructure) in Urban Reserves and for Rural Reserves that would protect our very best farmlands, forest lands, and natural landscape features.

SB 4, as currently drafted, makes a mockery of that process and those promises by allowing the governor to shift land currently protected in Rural Reserves straight into the UGB after a single hearing, without considering the effect the decision would have on other farmland in the area, the effect on support services and businesses necessary for profitable farms, or a myriad of other considerations that were required in the Reserves process.

Since the metro region designated Urban and Rural reserves, we've had blessed peace.

- Property owners know if their properties are eligible to move into the UGB in the next 50 years or not.
- Our county planning office can give people firm answers if they ask about urbanization.
- People buying farmland know where they will have certainty and can invest in a barn or irrigation system and know they'll get good use out of their investment.
- Proposals brought to Salem for changes to Reserves boundaries have required some letter writing, but those proposals have been routinely quashed.

That certainty will vanish if SB 4 becomes law. You might think it won't, that this is special one-off legislation, but the folks motivated by windfall profits if their 40 to 120 acres of \$20 to \$50,000/acre farmland moves into a \$1,000,000/acre urban area won't – they'll see that the legislature is open to messing with Reserves if they can invent another special case. They will work with lobbyists and speculators because the profits of success will pay off with staggering profits. Speculators will again buy farmland -- not to farm, but in hopes of being the next special case to urbanize.

Your fellow (and future) legislators will remember that it was OK to change Reserves for a special case. Farmers and residents (voters!) will know we can't count on promises from Salem. What a shame.

Let's also remember previous efforts by Salem that identified "shovel ready" industrial lands in Hillsboro – large, flat sites very close to the highway, with infrastructure already available. But the sites didn't sell within a few years, so they become home to Top Golf and small-scale businesses. Those premium sites are no longer available for semiconductor manufacturing because they weren't protected for high value industrial jobs.

While the Federal funding will cover building some semiconductor sites, you would be foolish to you think that will be enough to outweigh the higher long term costs of making semiconductors in the US – is Oregon prepared to make bets and provide ongoing subsidies to semiconductor companies (can you tell who truly needs a subsidy due to higher US costs vs a company who makes poor business decision)? Or would we allow these semiconductor manufacturing companies to go out of business a few years after they build their sites because our labor and overhead costs are too high for them to compete with overseas manufacturing?

The sweet spot for semiconductor manufacturing for our state is what we have with Intel – design and research facilities are don't require vast tracts of land and that do provide jobs that are less subject to the sharp boom and bust cycles that manufacturing businesses are. Let Ohio and Arizona waste their land and deal with the job losses that will follow when fabs close or dramatically scale back their operations due to low demand.

The original SB 4 was very poorly drafted. We are pleased to see that some proposed amendments would tighten up the initial vague language, but remain concerned that if it

becomes law this bill would completely undermine the time, effort, sweat and tears that went into the Portland metropolitan regions Urban and Rural Reserves designation process.

The latest amendment for Section 10 appears to say:

The Governor may designate up to a maximum of 12 sites, as follows: “(a) Two sites of any size;

This would allow the Governor, without review or appeal, to bring tens of thousands of acres into any UGB around the state. Even without the other problematic aspects of this bill, this power would be shocking.

Section 10 (1) of SB 4 says:

... designated lands for the purposes of providing lands available for industrial uses to become part of the state’s covered incentive as defined in section 1 of this 2023 Act that relate to the semiconductor industry, advanced manufacturing or the supply chain for semiconductors or advanced manufacturing.

How do we define “relate to the semiconductor industry, advanced manufacturing or the supply chain” – does that include businesses that sell truck tires? Cleaning supplies that might be used in a semiconductor company offices? Would another Top Golf qualify since it would provide entertainment to semiconductor employees? This vague language invites abuse.

Gil Kelley’s March 13 comments point out a bait-and-switch provision in Section 11:

A **fatal flaw** with regard to the stated purpose of this Bill – and a **potential bait-and-switch** embedded in Section 11, Subsection 2 – is that lands brought in under this Bill, ostensibly for semi-conductor or related “device” research and manufacture are time limited for that purpose, **may otherwise be brought into the UGB and used for any other purpose within the time limit.** (Think shopping malls, big box commercial, sports and entertainment facilities and low-density housing, etc. which could be accommodated in more compact forms in areas already close to services and customers.)

These are just a few examples of vague language that needs to be cleaned up in this bill to save it from being a pointless ruination of some of the very best farmland on our planet. Please don’t break the promises of our hard-won Urban and Rural Reserves.

Forest Park Neighborhood Association strongly opposes the poorly drafted language in SB 4 and particularly opposes the super-siting provisions in Sections 10 and 11.

Please remove Sections 10 and 11 (super-siting) and rewrite the remaining sections to reflect the recommendations in testimony submitted by Robert Liberty.

Thank you for your consideration. Sincerely,



Carol Chesarek
President, Forest Park Neighborhood Association