TO: The Oregon Senate Committee on Finance Revenue
FROM: Ron Bunch
Date: February 13, 2026

I**ntroduction**: I spent almost four decades doing land use planning in Oregon and much of it in the Portland Metropolitan Region. I was here when Metro's Home Rule Charter was approved by the voters and have been involved in most aspects of regional and local government in the Portland Region. Based on this experience I am asking you to support the best interests of your constituents, and that of the Portland Metro Region and the whole state and oppose SB 1586 to expand the Portland Metro Regional Urban Growth Boundary (UGB) by 1,700 acres. The following summarizes the reasons with findings below:

Summary:

SB 1586:

1. Would harm Oregon's agricultural economy and forever destroy rare and extraordinarily productive farmland.
2. Undercuts decades of Portland Metro Regional Cooperation.
3. Reverses Hillsboro's and Washington County's 2014 UGB agreement with metro, other Regional Governments, and their own Citizens:
4. Ignores the fact Hillsboro has hundreds of acres of available industrial land but has squandered a significant portion for relatively low-pay and low- employment data centers.
5. Ignores that many thousands of acres of available land are inside the existing growth. boundary and adding 1,700 acres to the UGB to Hillsboro's UGB would be detrimental to the rest of the region by displacing planned growth to the UGB's edge.
6. Would be an accelerant for more UGB expansion
7. Would stress the state's region's ability to provide transportation and other key public facilities and services including domestic water, and waste-water treatment.

Findings:

SB 1586 would harm Oregon's agricultural Economy and forever destroy rare and extraordinarily productive farmland. Agriculture is as one of Oregon's top economic drivers, frequently cited as the second-largest industry or economic sector in the state.

The Willamette Valley and its extraordinarily productive agricultural soils is major contributor to the state's prosperity. Not only would expanding Hillsboro's UGB as proposed would forever remove 1,700 acres ability to provide food for future generations but the extension of roads and urban services would have more expansive impacts on the agricultural economy. Oregon is a large state but less than 15% is in the Willamette Valley which is the cornerstone of the state's agricultural economy.

SB 1586 Undercuts Decades of Portland Metro Regional Cooperation: Establishing and maintaining the regional urban boundary (UGB) is a core responsibility of Metro . It is designated by Oregon Law to do so. The proposed legislation betrays decades of the hard work of done by the region's elected to reach compromise on past Metro UGB decisions. The implications of this legislative "breaking of the UGB" would seriously harm the region, and the principles of regional governance. It is a breach of trust. and could undermine cooperation on a wide range of critical regional issues such as transportation and other public services, housing, regional economic development ,regional parks and open space, etc.

SB 1586 Reverses Hillsboro's and Washington County's 2014 UGB Agreement with Metro, other Regional Governments, and their own Citizens: There is pattern of Washington County and Hillsboro governments trying to renege on their land use commitments . Farmers and other community members have opposed similar land grabs in the past. Here the legislation's sponsors have made no effort at public outreach and instead has proposed this legislation for 2026 short session to minimize public scrutiny which would occur in a more collaborative regional process.

SB 1586 Ignores the Fact Hillsboro has Hundreds of Acres of Available Industrial Land but has squandered a significant portion for relatively low-pay and low- employment data centers: In its 2014 UGB Decision Metro allocated Hillsboro 1,000 acres of industrial land. This was agreed by all Metro region's elected representatives. It was backed up by extensive study which determined that this would be an ample 50-year land supply.

Hillsboro has emphasized siting data centers on valuable employment land. If the city now feels it has a deficit of employment opportunities Hillsboro bears responsibility and must adopt policies and codes to increase employment density. Hillsboro's land use decisions are of its own making and must take responsibility and abide by its regional commitments to first wholly utilized its existing 1,000 acres of employment.

SB 1586 ignores the many thousands of acres of available land inside the existing growth boundary and adding 1,700 acres to the UGB to Hillsboro's UGB would be detrimental to the rest of the region: There are thousands of acres of serviceable, vacant and developable industrial designated lands distributed among existing Metro jurisdictions. SB 1586 proposals to extend public significant public subsidies to create development ready industrial sites within a new 1,700 UGB expansion could lead to job loss for Portland and other Metro jurisdictions and capital flight to the UGB's Western edge. In other words it creates the prospect of regional winners and losers. The consequences to other parts region and likely to other communities in Northwest Oregon could be fewer employment opportunities, declining tax bases, and reduced funding capacity for repair, renovation and maintenance of existing infrastructure.

SB 1586 expansion would be an accelerant for more UGB Expansion:
Industrial/commercial development at the scale proposed by SB 1586 would create a regional mismatch of job location with housing, commercial and other services and could be used to expand the UGB even more in Washington County This would not only result in a continuing loss of more farmland but also put economic and demographic pressures on the Portland and existing cities in the region.

SB 1586 would stress the region's ability to provide transportation and other key public facilities and services including domestic water, and waste-water treatment : Passage of SB 1586 would completely disrupt the Metro's regional transportation and other infrastructure planning efforts. Transportation and water supply

Transportation: Investment would be required in new roads and other transportation facilities that are not anticipated in either the Metro Regional Transportation Plan or those of Washington County, Hillsboro and the state. It would have regional and even statewide impacts by diverting funding from reinvestment in the existing system. It is conceivable that it would resurrect the need for the failed West side by-pass freeway project which was proposed to connect Interstate 5 in Tualatin with US 26 (Sunset Highway) in Hillsboro to relieve congestion This would abrogate the LUTRAQ (Land use, Transportation Quality) regional compromise which prioritized light rail and transit-oriented development to Washington County.

Advanced manufacturing facilities, typically categorized under general industrial or manufacturing land uses, generate varying amounts of traffic depending on intensity, employee density, and shift schedules. Based on Institute of Transportation Engineers (ITE) data, manufacturing land use (LUC 140) can generate roughly 30 to 40 daily vehicle trips

per acre**,** though this can fluctuate based on specific facility operations. Using these rough metrics a minimum of 51, 000 - 68,000 trips a day would be generated by the proposal. Using projected employment numbers for the expansion provided by Hillsboro of between 35,600 and 26,500 employee daily trip end trips would between 71,000 and 53,000. This does not include logistics and service trips. It is important to view these impacts in context of current daily traffic volumes on US Highway 26 near Hillsboro. These generally range from over 30,000 to more than 75,000 vehicles per day, depending on the specific location between Hillsboro and the Portland metro area. The highest volume, often exceeding 75,000 Annual Average Daily Traffic (AADT), occurs closer to the Highway 217 interchange. In other word's the consequences of SB 1586 would require massive local and state investments in transportation infrastructure on scale, of at least building the capacity of another Highway 26.

Water: SB 1586 proposal is widely inconsistent with the City of Hillsboro's Water System Master Plan. The City's Water Plan shows area as a "Future Growth Area and beginning to need water starting in 2044 /2046 and then being built out by 2070. The Plan estimates development would ultimately require between 10- 12 millions of Gallons/Days (mgd)of water capacity). This very is a very low water use estimate if the area is built out per the information used to promote SB 1586. Here are the reasons.

Hillsboro is getting an additional 15 mgd of water from Willamette River Supply Project in 2026. It would have to acquire additional water rights from the Willamette River and pay to add more capacity, up to 25 – 26 mgd, to the new Wilsonville Water Treatment Plant serve the scale of development proposed by SB 1586.

For example, the two land use development proposed by the SB 1586 Scenarios promote two IDM Campus Fabricators 16.6 million sq. ft total – 10 mods. This would require at least twice the water that Intel does now which would be in vicinity of 16 – 18mgd. This this does not completely account the additional for the 10 million sq. ft. of suppliers, manufacturers, data centers etc., that are identified. Development Scenario 2 with combined total or 27.5 million sq. ft. of advanced manufacturing, data centers and suppliers could have similar water impacts. The water needs of other urban development that would accompany this expansion has not been estimated.

It is likely not possible to supply this amount water to the Hillsboro region. The Tualatin River Basin is stressed. Maintaining the river's summertime flows depends on water discharges from wastewater treatment plants and reservoir releases from Hagg Lake. It must be noted that Hagg Lake cannot be enlarged, store more water because of seismic considerations. Furthermore the Willamette River Basin is itself is climate stressed and

there is no guarantee water can continue to be provided in the future to meet existing demand, let alone that proposed by SB 1586.

Based on the above the water treatment demand of industrializing 1700 acres would require water treatment similar treatment capacity. It would dramatically accelerate wastewater conveyance and treatment capital projects.

Final draft letter SB 1586