

Submitter: Gabriela Frask  
On Behalf of: Mackenzie  
Committee: Senate Committee on Finance and Revenue, SB 1586

Chair Broadman, Vice-Chair McLane, and Members of the Committee,

I am writing to express my support for SB 1586, the Oregon JOBS Act, and I urge you to SUPPORT this senate bill.

The Oregon JOBS Act will help create and retain high-wage careers in Oregon, with a direct focus on bolstering our semiconductor, bioscience, and advanced manufacturing ecosystems. This legislation is coming forward at a critical time when workers, Oregonians, are in desperate need of some help, particularly as unemployment rates rise. This legislation is coming forward at a critical time for our state's economic competitiveness. We need to move now to ensure our economy enables prosperity pathways for all of us.

I work at Mackenzie, a 65-year-old architecture and engineering firm, headquartered in Portland, with close to 200 employees in Oregon. Mackenzie advises some of the largest employers in Oregon, as well as local and regional development organizations. We design sites and buildings for industrial and advanced technology sector clients throughout the country. I personally have worked on industrial lands inventories and assessment reports for more than 15 years including several in the Greater Portland region. We support projects that successfully get built and bring good quality jobs to our state.

In 2022, our firm had the privilege to support the work of the Industrial Lands subcommittee to the Oregon semiconductor Competitiveness Task Force and testified in support of SB4. I serve on the NAIOP board, on Greater Portland Inc Business Development Advisory Committee, and on the latest Land Use Technical Advisory Group of Metro's Urban Growth Report, among many other technical advisory groups and blue-ribbon committees. Our staff speak on industry panels and conferences on these topics up and down the west coast drawing on our nearly fifty years of experience on industrial site readiness, land inventories, and policy planning in support of economic development and employment projects. In this space, we often talk about there not being enough industrial land for business recruitment and expansion leading to the self-fulfilling prophecy of poor economic growth in Oregon. If we don't have the land for new jobs and investments, the jobs will not come. Our communities will suffer and the state will not collect the property tax, payroll tax, and income tax they need for revenues that pay for services and programs, particularly at a time when federal funding continues to decrease. This will continue to be true if SB 1586 does not pass.

Mackenzie has had a number of clients in the past 20 years who wanted to invest in Oregon and build or expand a facility but have not been able to find the contiguous land or infrastructure they needed for their investment. Those projects and jobs went to other states as a result of the lack of actionable industrial land supply. As a local architecture firm, we are disappointed to see those projects going to other states. We need that investment here supporting our local communities.

Here are a few reasons why we need to support SB 1586.

1. We need well-paying traded sector jobs in our state. Not everyone can and will get higher education degrees. Industrial lands create a wide range of workforce opportunities that support families, provide family wage jobs, all while playing a part in anchoring the state economy.
2. Our state needs payroll and income taxes to continue to operate. Our general fund, which provides many of our essential social services, relies heavily on income taxes for its funding. New jobs in Oregon generate new income tax revenue. Our general fund, which provides many of our essential social services, relies heavily on both payroll and income taxes for its funding.
3. New well-paying jobs generate growth in other areas of the local communities, including housing, retail, healthcare, personal services, restaurants, and other businesses, schools, and community infrastructure like parks and trails. This generated growth also supports local construction jobs.
4. This bill supports local, regional, and state economic development goals. All of these groups are working hard to attract, retain, and expand target industrial businesses. City of Portland, Prosper Portland, Metro, Greater Portland Inc, local jurisdictions, county economic development staff, Business Oregon, Governor Kotek through her Prosperity Roadmap, and so many other organizations and agencies are all working to bring jobs to our state. These groups are targeting new high technology manufacturing, clean technology manufacturing, and advanced manufacturing jobs.

Supporting SB 1586 is showing support to all of these agencies who are all working tirelessly to bring jobs and investment to our state. Without this land and sites to attract new jobs to Oregon, they will be lost to other, more competitive states and continue the poor economic growth self-fulfilling prophecy described above.

5. During the SB 1586 public hearings you heard others testify that we have plenty of industrial land in our state and we don't need the land that is proposed to be added to the Urban Growth Boundary and we don't need the remaining 1,400 acres added to the urban reserves. And while we don't have a statewide industrial lands inventory at this time, Business Oregon does have an Industrial Development Competitiveness Matrix for the 14 industrial target profiles that the state is trying to recruit and retain jobs for, including high technology, clean technology, and advanced technology manufacturing.

This matrix includes siting criteria for these industries, from minimum site size they need, how much water or sewer they need, electrical demands, natural gas demands, and also, how close those industries need to be to an international airport, proximity to trained labor force, and proximity to existing supply chain. All of these siting criteria are additive and a site needs to meet all of this criteria to be truly successful. In this matrix, high technology, clean technology, and advanced technology manufacturing users need to be within 30 miles of an international airport.

As a reference:

- a. PDX to Cornelius is 34 miles
- b. PDX to Wilsonville Town Center is 28 miles
- c. PDX to Estacada is 30 miles

The Portland metro region is where our state needs additional industrial land. 57% of Oregon's economic output, or state GDP, is generated in the Portland metro region. In addition, these industries need to be near a trained labor force, for which 43% of Oregon's population reside, and near existing supply chains. These are key siting criteria for these industries, and while we have land in other regions in the state, these industries must locate in the Portland metro region to be successful and drive economic growth.

The Oregon Semiconductor Competitive Task Force provided several recommendations to Co-Chair Bynum and Co-Chair Sollman in the attached letter. That letter included siting criteria for the semiconductor industry and the task force found that we do not have any contiguous 500-acre sites in our state that meet this industry's criteria. Supporting this bill will continue to support the work of the semiconductor task force and this industry in our state.

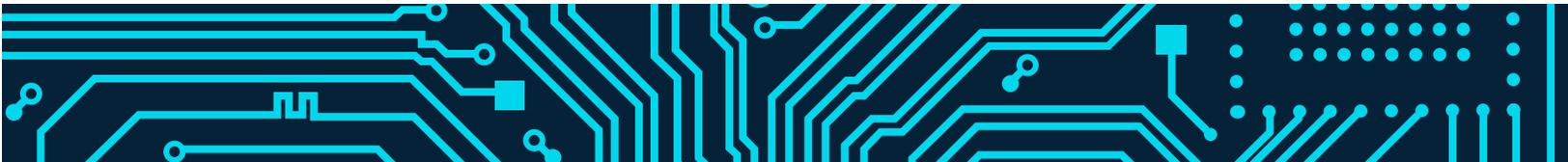
In conclusion, the Oregon JOBS Act will help create and retain well-paying jobs in Oregon at a time when workers in our state are in desperate need of help. Our state also needs the payroll and income tax revenue. This legislation supports economic prosperity for all Oregonians not just for today, but for future generations to come.

I urge you to be courageous and support SB1586, the Oregon JOBS Act, in this 2026 session.

Our future depends on this.

A handwritten signature in blue ink that reads "Gabriela Frask". The signature is written in a cursive, flowing style.

Gabriela Frask  
Associate Principal  
Mackenzie



## Oregon Semiconductor Competitive Task Force

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January 24, 2023

The Honorable Representative Janell Bynum  
The Honorable Senator Janeen Sollman  
900 Court Street NE  
Salem, Oregon 97301

Co-Chair Joint Semiconductor Committee  
Co-Chair Joint Semiconductor Committee

Subject: Final Recommendations

Dear Co-Chair Bynum and Co-Chair Sollman:

We are pleased to provide a summary of our work to date on industrial land issues in support of the overall recommendations from the Semiconductor Taskforce. This latest work builds from the September Semiconductor Taskforce Report and is intended to aid your committee and Governor Kotek as you deliberate these important topics during this session and beyond.

We have been very focused on the specific direction from the Taskforce to ensure that Oregon has development-ready sites for this growth cycle (5-10 years) in these categories:

- Two (2) sites of 500+ acres for advanced R&D or production fabrication operations
- Four (4) sites of 50-100 acres for device manufacturers or equipment manufacturers
- Eight (8) sites of 15-35 acres for key suppliers to the ecosystem

The analysis was completed by the Oregon-based engineering and architecture firm Mackenzie and informed by a Technical Advisory Committee (TAC) of industry professionals, economic development practitioners and planning professionals at the local and state level. Key stakeholders were also engaged through various venues, including 1,000 Friends of Oregon and leaders from multiple local jurisdictions.

Core to this initiative was an objective understanding of industry siting criteria which enabled the 79 sites in the inventory to be evaluated against criteria used by site selectors and companies. We now have a current snapshot of large sites (25 acres or more) not only in the Portland metro region, but down I-5 to the Rogue Valley and into Central Oregon.

The industry siting criteria included: having development entitlements in place; Urban Growth Boundary (UGB) considerations; proximity to major commercial air service, freight transportation access, utility infrastructure, workforce availability; and distance to existing semiconductor industry cluster. After our consultant applied the industry criteria, the TAC offered several considerations for going forward, emphasizing the complex and interconnected nature of land use, transportation, workforce and housing. They also noted the need to continue public and private coordination with transparency throughout, understanding that better processes lead to better outcomes.

Though there are a range of small- and medium-sized sites in the inventory in smaller, rural communities, **the bottom line of this work is that we do not have any 500-acre sites that meet our criteria. Addressing this issue will test land use planning and funding conventions and require extraordinary legislative action.**

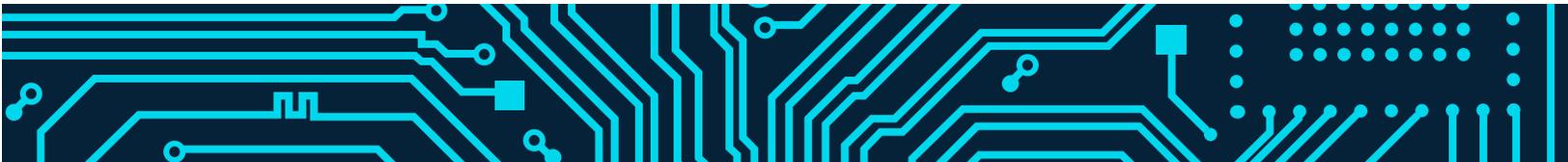
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### Industrial Lands Subcommittee

Chair: Mayor Travis Stovall, City of Gresham

Administrator: Keith Leavitt, Port of Portland





## Oregon Semiconductor Competitive Task Force

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Co-Chair Bynum and Co-Chair Sollman

January 24, 2023

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This analysis and outreach to engaged communities has brought to light systemic problems with how Oregon plans for and develops industrial land, deserving thorough and urgent review. Local jurisdictions simply lack the tools and funding necessary to make zoned sites market ready; this is particularly the case for large industrial areas with major constraints including brownfields and rock quarries. This problem is at a critical stage in the metro region with almost no sites of 25+ acres that are market ready. State government greatly benefits from industrial activity through income tax revenue, while local jurisdictions lack financial reward for taking on complex site readiness projects, further exacerbated by incentives that are largely through property tax abatement from local government. The benefits and burdens need to be more evenly spread among state and local partners. Without a clear economic strategy for Oregon that places greater priority on strategic industrial land development, these issues will only grow more challenging, resulting in lost economic opportunity.

It's also worth stating that we cannot flip a switch and expect suitable sites to be assembled and development ready. We know that site selectors are looking for planning and development certainty as the most critical factor in evaluating a site for future development. In keeping with the direction of elected leaders on the Taskforce, we recommend bold action be taken in the 2023 session that sends a strong signal that Oregon has a compelling plan to grow this industry. The recommendations below are provided with this urgency in mind.

### **Recommendations**

- Take advantage of the focus on industrial site readiness created by this Taskforce to require a comprehensive statewide industrial lands inventory be conducted and maintained that feeds into a future-looking advanced manufacturing strategy that is reflective of the economic development strengths and opportunities in regions across Oregon.
- Support the legislative concepts proposed by DLCD (POP 207) and Business Oregon (L.C. #357). These concepts will create a more robust array of site readiness tools that will apply statewide. The funding for site readiness tools required to be competitive, however, needs to be substantially higher than called for in either of these concepts.
- Create a strategic manufacturing fund within Business Oregon as part of the State's Regional Industrial Site Readiness Program (RSIS). This program already exists but will need to be amended to enact these recommendations and most importantly to capitalize the fund at an initial investment of \$300-\$500 million from state lottery (likely bonds) or General Funds. This will provide initial funding for planning, site aggregation and site development work on five to eight sites suitable for semiconductor-related uses. When sites are sold or developed, the sales proceeds flow back into the fund for reinvestment. While the initial focus is on the semiconductor opportunity, this fund should be expanded to include site readiness associated with advanced manufacturing strategies statewide.

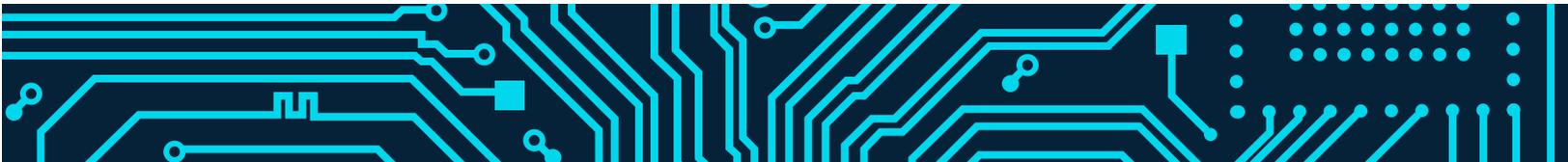
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Co-Chair Bynum and Co-Chair Sollman

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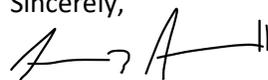
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- Immediately proceed with planning, acquisition and development of the key sites identified in North Plains and North Hillsboro to assure Oregon has large sites suitable to compete for transformational industry recruitments and expansions of existing strategic businesses. Without these large sites, we are left without the major anchors that are key to growing the supplier base throughout Oregon. It is clear through our work that legislation is required to do the following:
  - Amend ORS 195.144 to allow expedited planning to bring rural reserve designated lands into the urban growth boundaries in Hillsboro and North Plains within the next 12-24 months. This expedited authority can be achieved through various methods ranging from granting the Governor and/or key agencies (DLCD/Business Oregon) with specific authority and/or proscribing the planning process specifically through statute.
  - Immediately begin the work of site planning, land assembly and development either directly through a State agency (DAS or Business Oregon) or via intergovernmental agreement with a willing jurisdictional partner (i.e., City/County, Port authority, Special District). It is critical that a team is stood up to immediately do the planning work with various reports due back to legislative leadership and the Governor. The legislative process should provide budget and staff to fund this work.
  - Create a special Regional Solutions project directing relevant state agencies and local jurisdictions to organize in support of the expedited planning and development process. This team will work closely with the public developer team and local jurisdictions to eliminate barriers to planning, permitting and site development.

To demonstrate the potential return on investment, widely respected land use economics and forecasting consultants were asked to create a financial model assuming a phased development over 20 years. The model shows a strong return to the state with full payback for site acquisition and readiness funds within a 5-10 year period looking at North Plains and North Hillsboro sites. We are happy to share that analysis in more detail as requested.

We very much appreciate the support of the joint committee and fully respect that these recommendations are comprehensive and complex. We stand ready to assist in this important work going forward and happy to provide further thinking and detail as appropriate throughout the Legislative Session.

Sincerely,



Mayor Travis Stovall  
City of Gresham



Keith Leavitt  
Port of Portland

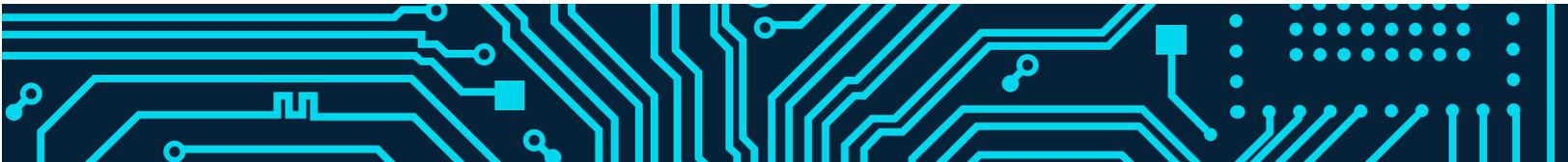
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Co-Chair Bynum and Co-Chair Sollman

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Sophorn Cheang, Business Oregon

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Steve Percy, Portland State University

Vince Porter, Governor's Economic Policy Advisor

Curtis Robinhold, Port of Portland

Andy Shaw, Metro

Seth Sherry, City of Albany, past-president of the Oregon Economic Development Association

Joint Committee on Semiconductors

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