



March 1, 2023

Hon. Senator Janeen Sollman, Co-Chair
Hon. Representative Janelle Bynum, Co-Chair
Joint Committee on Semiconductors
Oregon Legislature
900 Court Street NE
Salem, Oregon 97301

Dear Senator Sollman, Representative Bynum, and Joint Committee Members:

I am submitting this testimony in support of SB4, with some concerns, because North Plains could provide not only one of two Semiconductor Competitiveness Task Force-identified 500-acre sites, but- sites of other sizes within the existing Silicon Forest ecosystem by adding a relatively small amount of acreage to our already in-process Urban Growth Boundary expansion.

The City of North Plains is located a little more than 10 minutes west of Hillsboro. We began the UGB process almost three years ago because, we are running out of room for homes of all types, as well as much-needed employers of our own.

In recent years residential development here has exploded, made possible in 2016 by SB 1573 that ended voter-approved annexations. But only about 3 percent of North Plains residents also work here. Our need to expand for industrial and commercial development is not just a matter of convenience for residents. It is essential for us to rebalance our tax base between residential and business investment sources, which currently ranks as one of the most unbalanced in our county and region.

If the State - either via legislation or the executive action proposed in SB4 - expands Hillsboro's UGB without also allowing North Plains to expand, our small city will be doomed to a permanent bedroom-community status and a tax base that does not allow us to sustain basic municipal services residents rightly expect. As the first attached map ("North Plains/Hillsboro UGB Expansion Areas") demonstrates, the Hillsboro expansion proposal presented to the Joint Committee on February 27, 2023 would potentially put vast employment and its workforce housing need at the doorstep of North Plains. Our community views this as a great opportunity - but only if we can expand our own UGB to similarly grow semiconductor and other industries.

A balanced economic tax base has allowed our regional neighbors to flourish and expand services to their residents; we are simply asking for the opportunity to do the same. But without our own UGB expansion for commensurate industry growth, our ability to sustainably provide safe infrastructure and necessary services to residents will permanently be hampered by overwhelming bedroom community status.



Here is what we have to offer for the semiconductor initiative:

- An in-flight UGB expansion (see second attached map – “North Plains Proposed UGB Expansion”) that has been well vetted through a series of community meetings and engagement with stakeholders, with supporting findings reviewed and approved by the Oregon Department of Land Conservation & Development (DLCD).
- All of the land within our UGB study area (within the green outline in attachment) is “Undesignated,” which means moving our boundary, within the study area, would not override the state’s long-standing Rural land classification process. And a reminder, North Plains is not within the Portland Metro UGB.
- Nearly all of the small number of affected landowners support our planned UGB expansion, and we have not gotten opposition from affected landowners.
- Our current UGB proposal totals 855 acres, including industrial parcels of 346.4, 294.5, 43.8, and 3.1 acres. Our largest proposed industrial area, immediately to the west of our current boundary, easily could become a 500+ acre site by adding approximately 155 acres to it. This area was recognized by the Semiconductor Task Force for its role in giving Oregon a well-positioned large opportunity site.

We have three concerns which we ask the committee to address before moving SB4 out of committee:

1. The “snapback” provisions in Section 11 are of great concern. Land use certainty is essential for economic development. Projects can encounter unexpected delays for a variety of legitimate reasons. We all have observed, for example, materials shortages and delays in the past three years. It is not hard to envision that a highly desirable project could fail to achieve “substantial completion” by the deadline in Section 11. We recommend removing this provision from the bill. We would be happy to collaborate with stakeholders on alternative approaches to upholding the state’s long-term land use principles, which seems to be the goal of Section 11.
2. The interplay between SB4 and existing UGB expansion processes is unclear. If North Plains were to be selected as a semiconductor-related UGB expansion, then what would be the status of our separate UGB expansion process and its proposed borders? We would suggest that SB4 allow a city with a UGB expansion process already underway, as ours is, to modify its proposed expansion to the UGB selected by the Governor, if they differ. Alternatively, language clarifying that a city’s UGB expansion process may proceed as though the Governor had taken no action would be helpful to North Plains and any other similarly situated cities.
3. SB4 is entirely silent on the necessity and cost of rapid, significant infrastructure and utilities extension investment that is usually a municipal responsibility, sometimes with State financial



partnership. Given that SB4 gives executive authority to the Governor to expand an urban growth boundary but also provides in SB4 a “snapback” provision, the absence of the issue of infrastructure and utility provision and financial responsibility and timeline is further problematic for communities that participate in this process. The same concern applies for establishing investment certainty for industry partners.

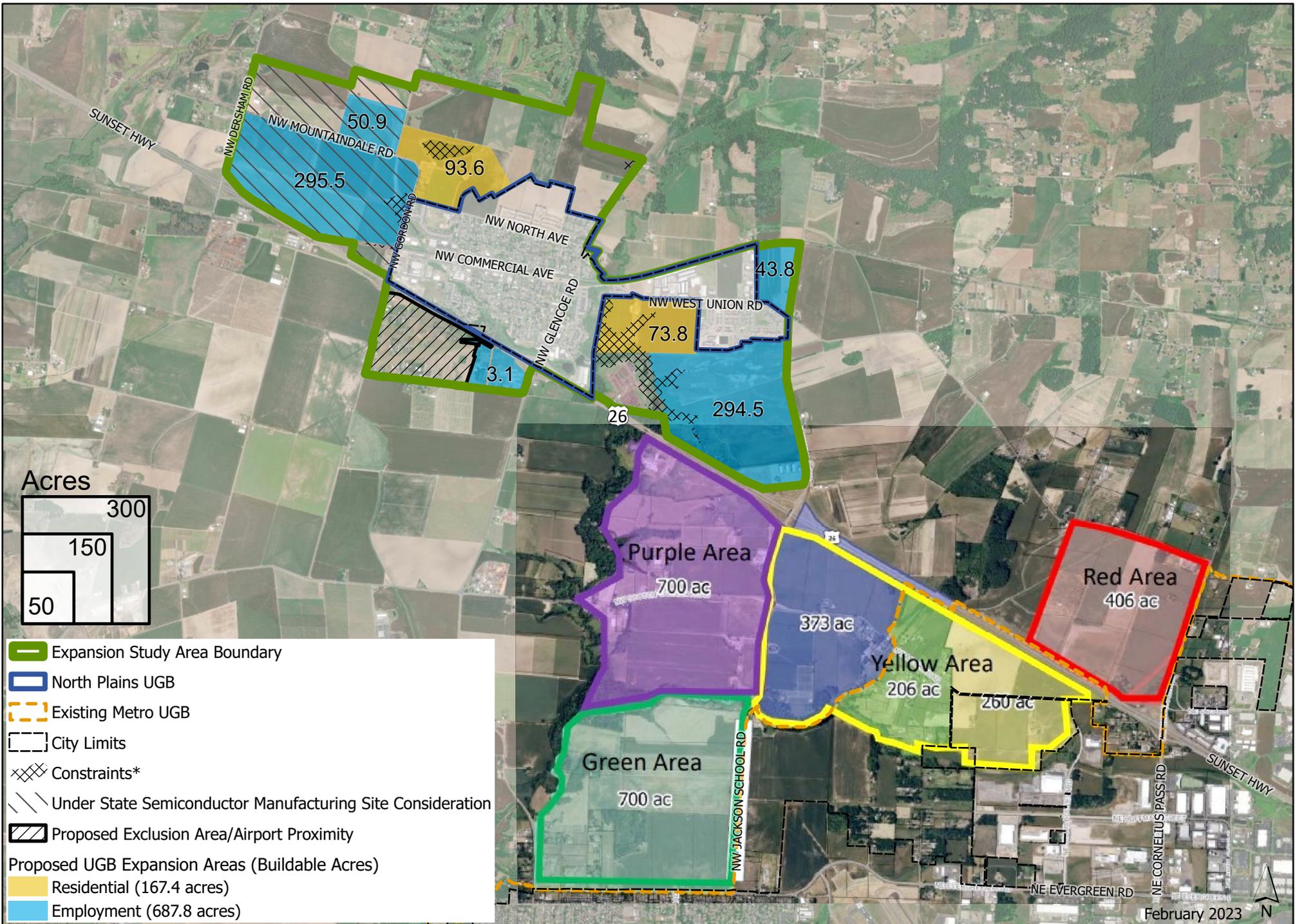
Again, thank you for kind attention and consideration of these remarks. Please enter this communication into the Record of your Committee’s proceedings on this matter.

Respectfully submitted:

Teri Lenahan, Mayor
City of North Plains, Oregon

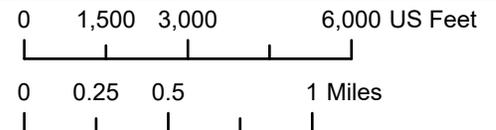
Copy: North Plains City Council
Senator Suzanne Weber
Representative Brian Stout
Oregon Semiconductor Competitiveness Task Force

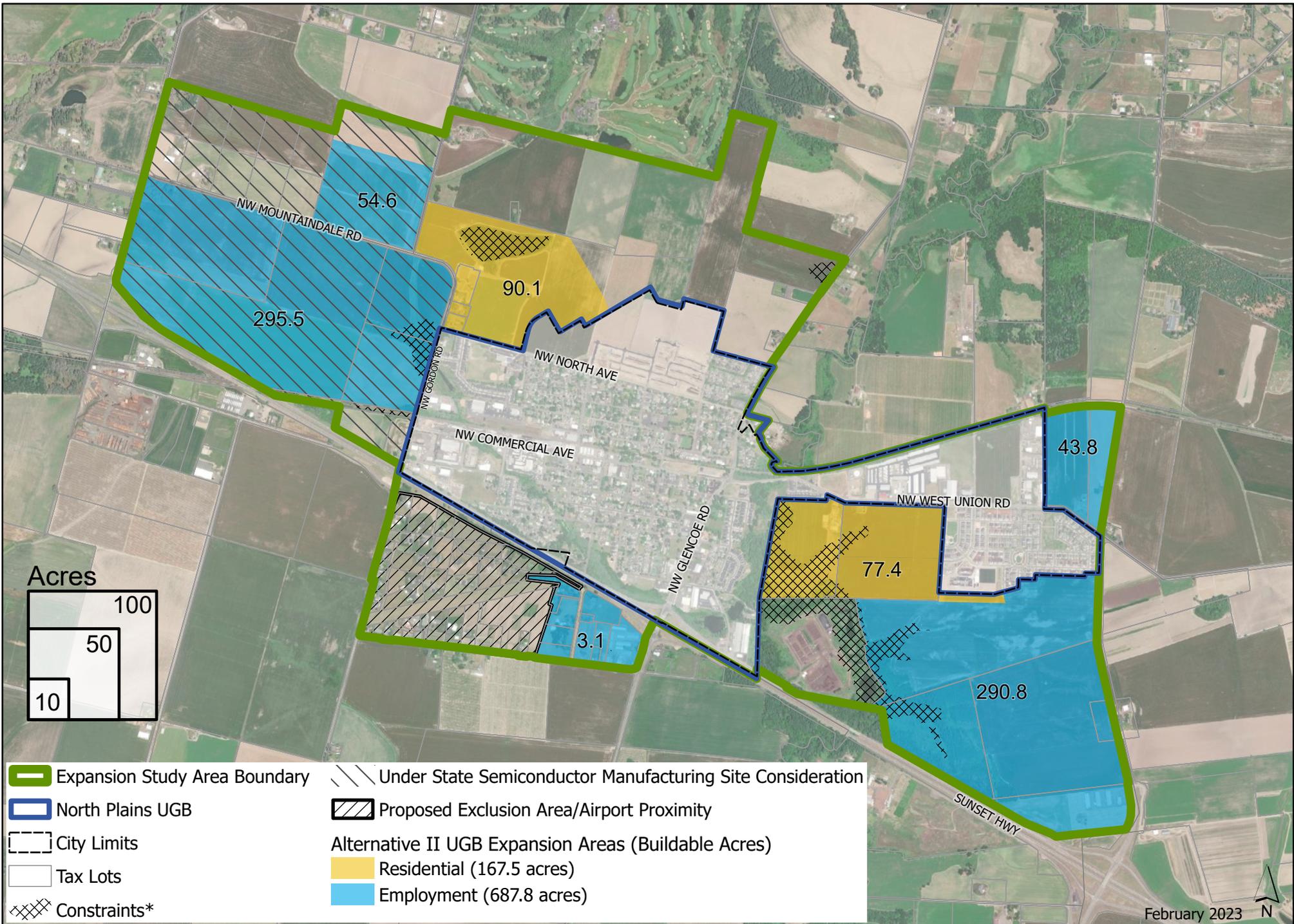
Attachments: North Plains/Hillsboro UGB Expansion Areas
North Plains Proposed UGB Expansion



*Open Water, Floodplain, Steep Slopes

North Plains/Hillsboro UGB Expansion Areas

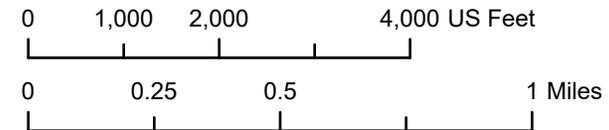




- Expansion Study Area Boundary
 - North Plains UGB
 - City Limits
 - Tax Lots
 - Constraints*
 - Under State Semiconductor Manufacturing Site Consideration
 - Proposed Exclusion Area/Airport Proximity
- Alternative II UGB Expansion Areas (Buildable Acres)
- Residential (167.5 acres)
 - Employment (687.8 acres)

*Open Water, Floodplain, Steep Slopes

North Plains Proposed UGB Expansion



February 2023 N