

Portland Economic Opportunities Analysis: Planning and Sustainability Commission: Project Orientation

February 22, 2022



THE BUREAU OF **PLANNING
& SUSTAINABILITY**

Agenda

- 1) What is an EOA?
- 2) Overview of Project Goals
- 3) Review of Market Trends
- 4) Outreach and Engagement Process
- 5) Conceptual Scenarios and Evaluation Framework



Discussion Questions

1. Do we have the right project goals for this EOA update?
2. What does equitable economic prosperity mean to you?
3. What does a sustainable resilient economy mean to you?
4. What other questions do you have about the future of Portland's economy?

What is an EOA?

20-year growth capacity analysis of employment land required by Statewide Planning Goal 9

Elements

- 1. Recent trends and market factors**
- 2. Employment growth forecast (demand)**
- 3. Land development capacity (supply)**

Reconciliation – surpluses and shortfalls

- 4. Policy choices to meet 20-year capacity needs**



EOA Supply and Demand Table

2016 Adopted EOA Employment Land Development Capacity Summary

	2010-2035 Demand		Supply	Reconciliation	
Geography	Added Jobs	Land	Land	Surplus	Supply/ Demand
Central City	44,470	150 ac	390 ac	240 ac	260%
Industrial	31,630	1,685 ac	1,796 ac	111 ac	107%
Neighborhood Commercial	35,140	690 ac	1,489 ac	799 ac	216%
Institutions	22,730	370 ac	522 ac	152 ac	141%
Total	141,640	2,895 ac	4,197 ac		

EOA Project Goals

- Analyze and provide an adequate 2045 land supply for businesses and jobs.
- Promote inclusive prosperity and reduce BIPOC income disparities.
- Analyze industrial growth capacity to optimize multiple objectives.

Three policy directions for economic prosperity:

- A diverse and growing city economy
- Competitive traded sectors
- Equitable household prosperity

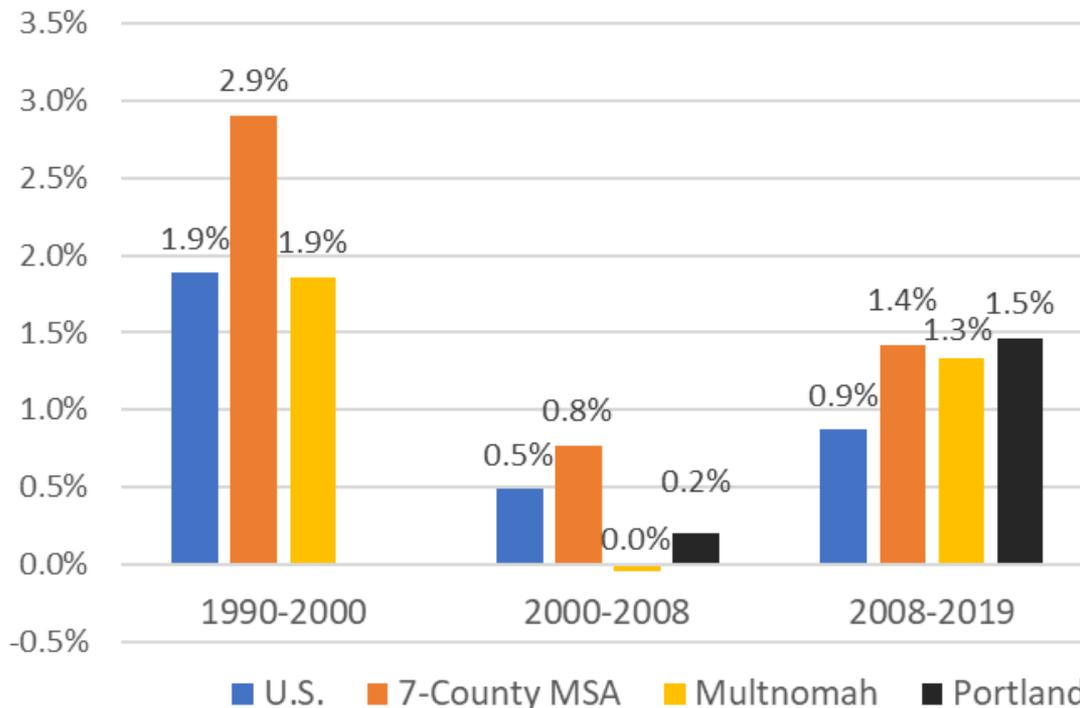


Why are we doing this update now?

- Required to update every 5-7 years
- Capture business cycle trends
- Reconcile with other future decisions (e.g., e-zones, floodplain)
- How to promote shared prosperity?

Robust regional job growth, accelerating in City of Portland

National and local trends by business cycle in average annual job growth

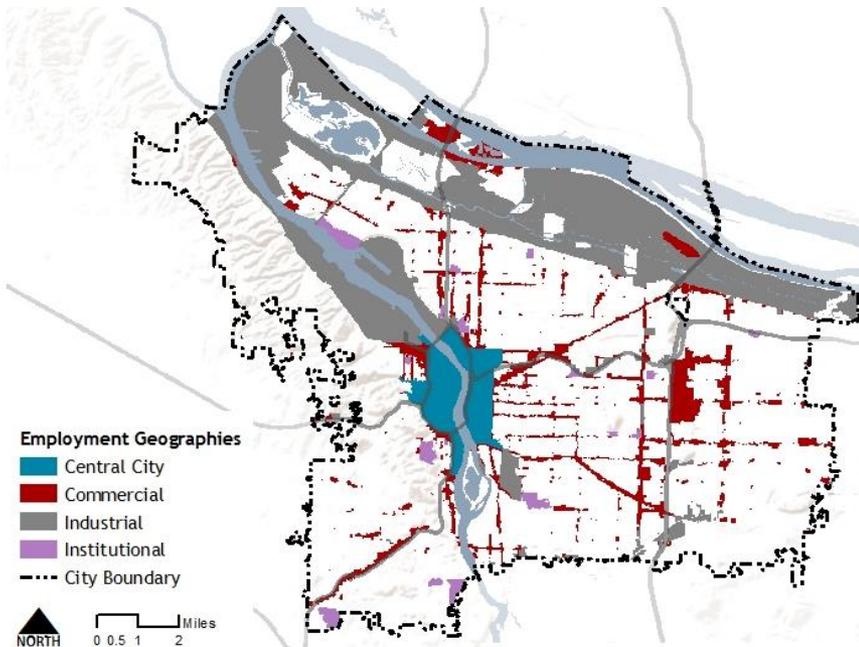


Source: BPS from CES and QCEW data

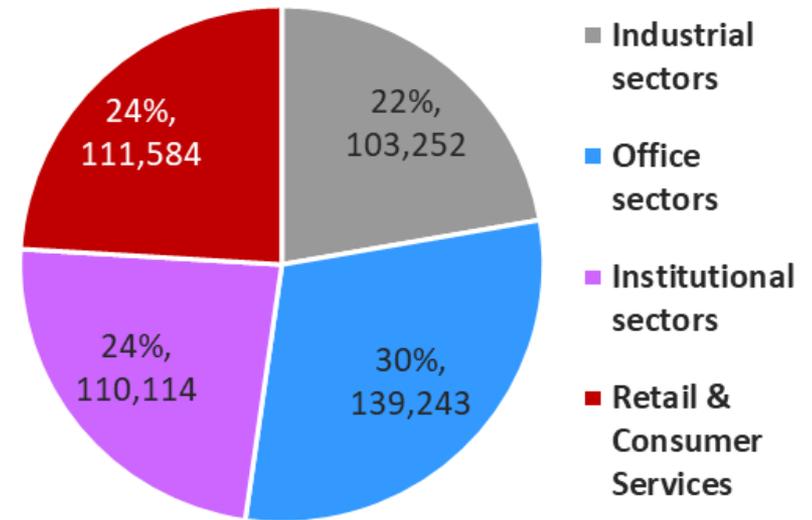


Planning for job growth capacity by business district types

Business districts vary by sector specialization



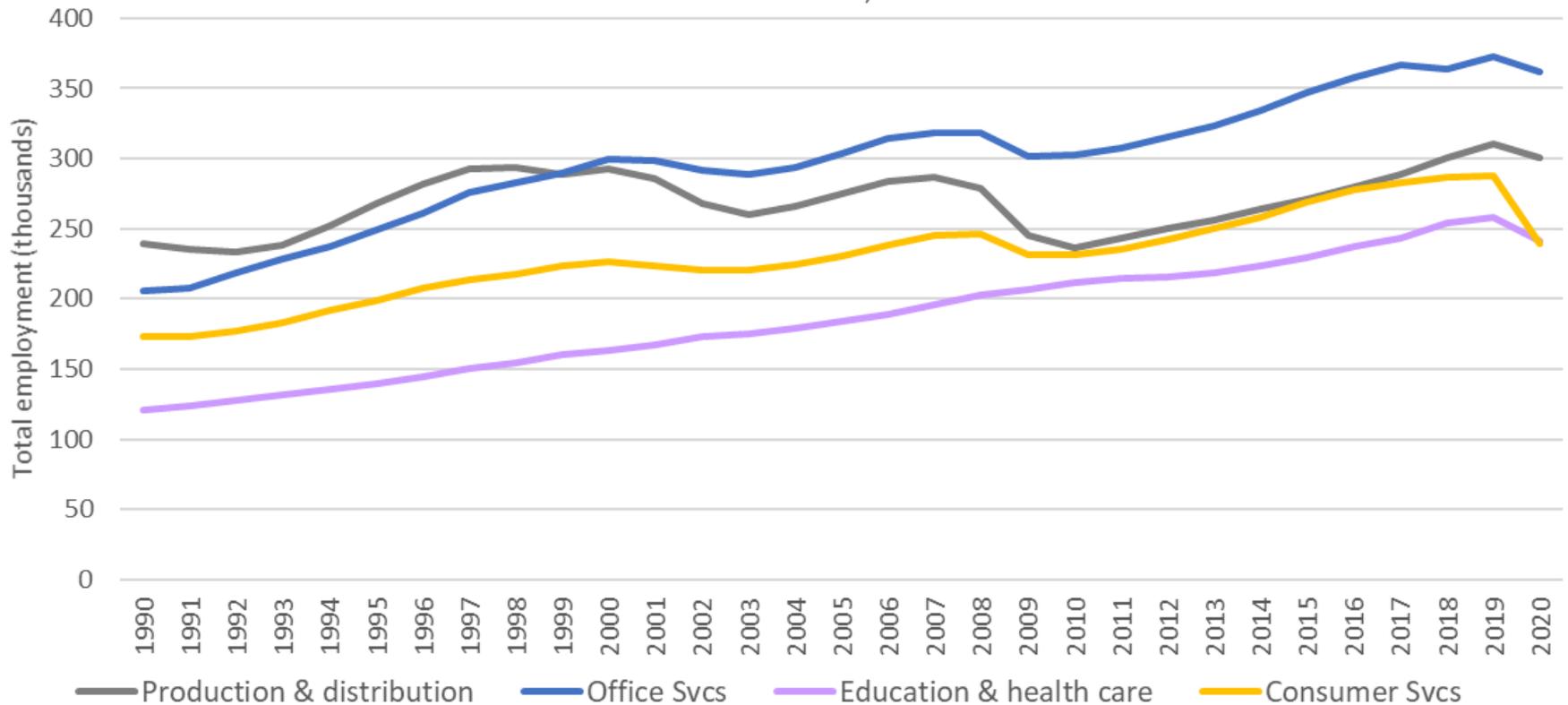
Portland jobs by sector group, 2019



Source: BPS from QCEW data

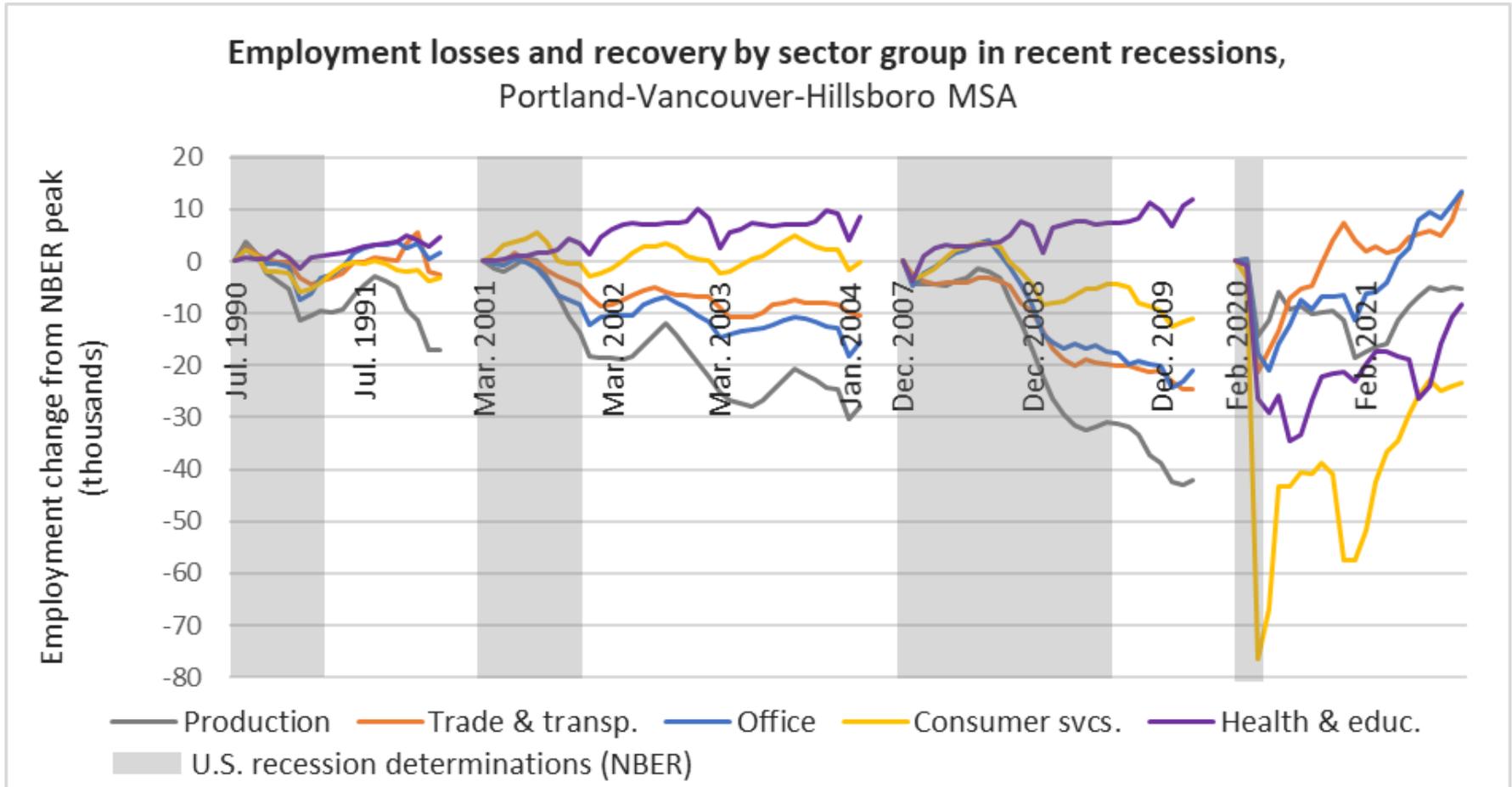
Long-term regional job growth trends across land-use sector groups

Employment trends by sector group,
Portland Vancouver Hillsboro MSA, 1990-2020



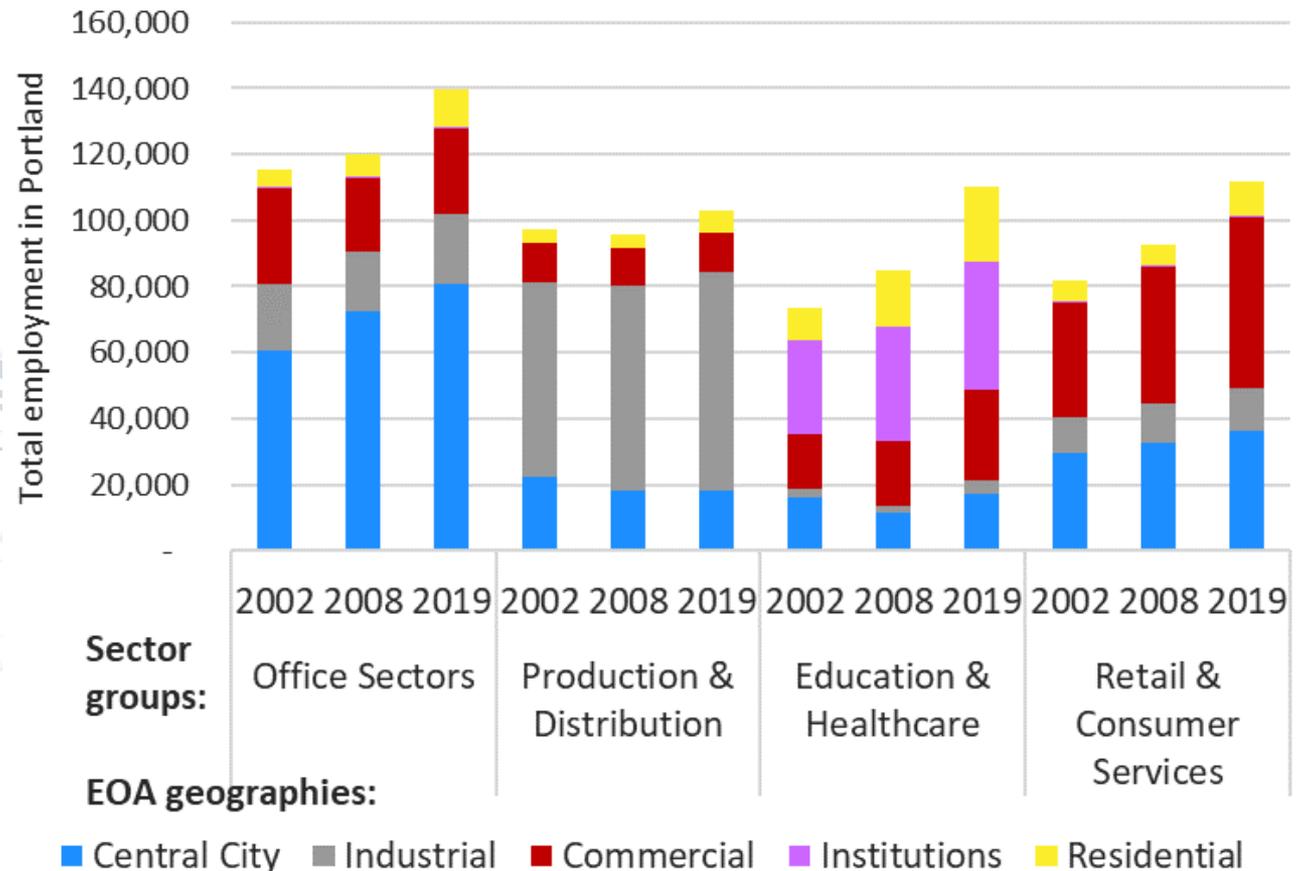
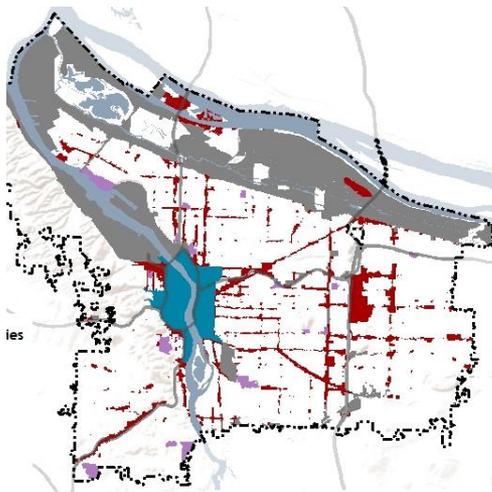
COVID recession affected sectors differently

Employment change in recessions by sector type, 7-County Region



Balanced sector growth, specialized by business district type

Job growth by sector type and geography



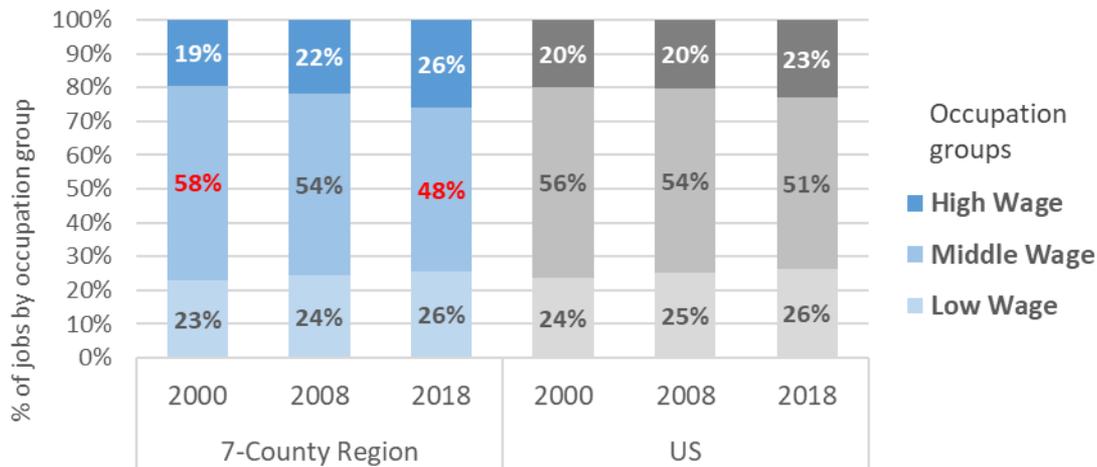
Uneven building type development through density and redevelopment

New occupied building space by geography, 2008-2019

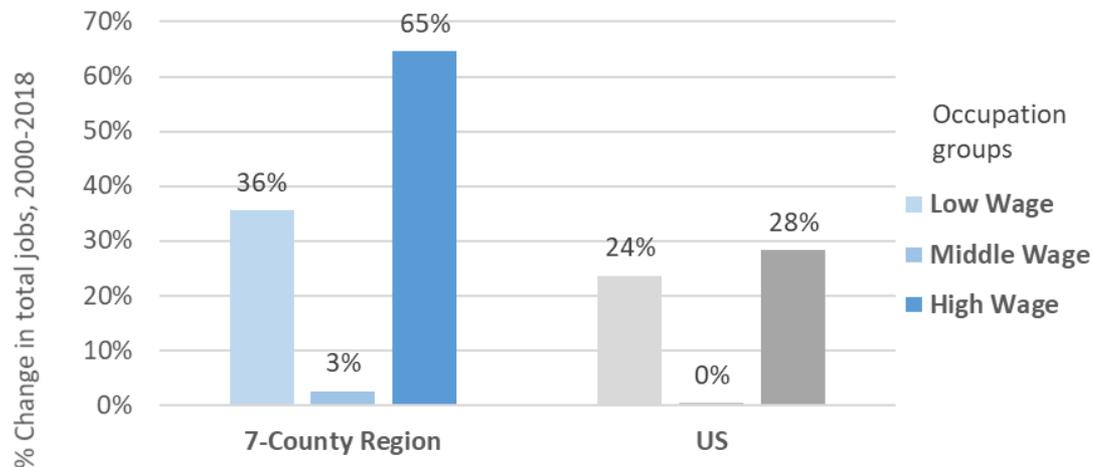


Increasing wage inequality of job growth trends, 2000-2018

Trends in **total jobs** by wage distribution



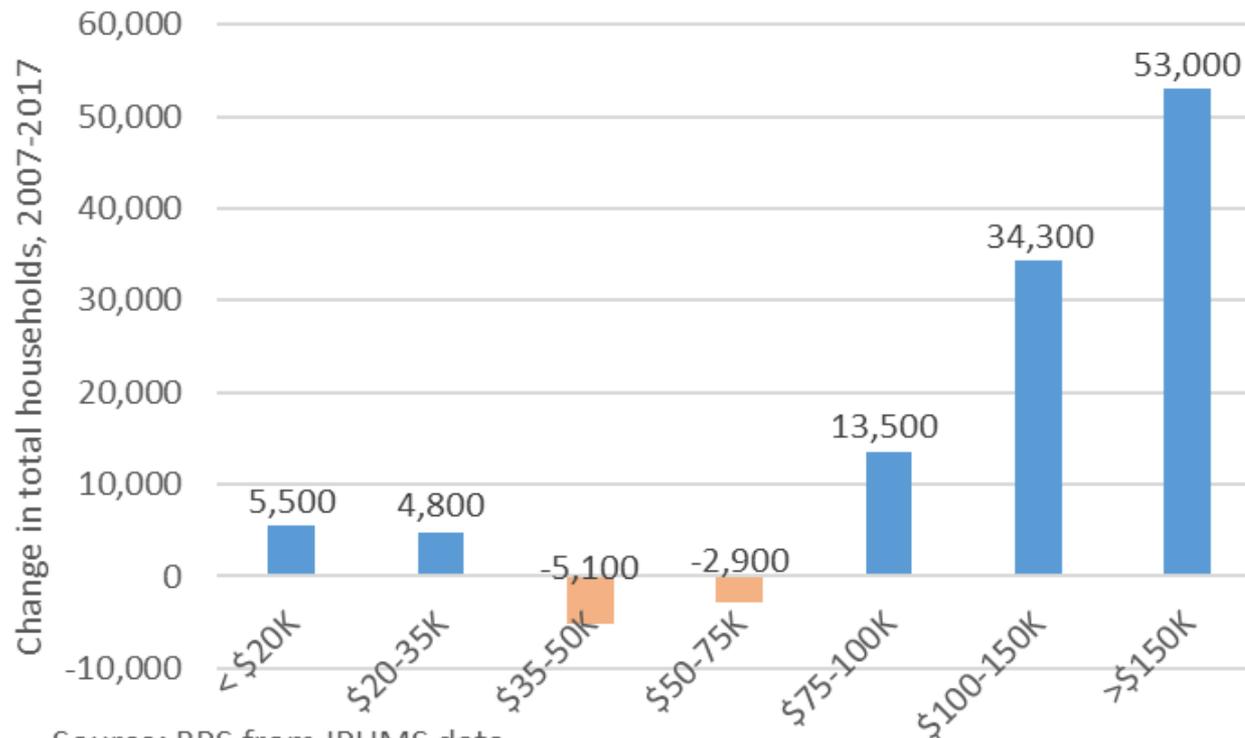
Trends in **new jobs** by wage distribution



Source: BPS from OES data

Increasing income inequality of household growth parallels job trends

New regional households by income distribution, 2007-2017

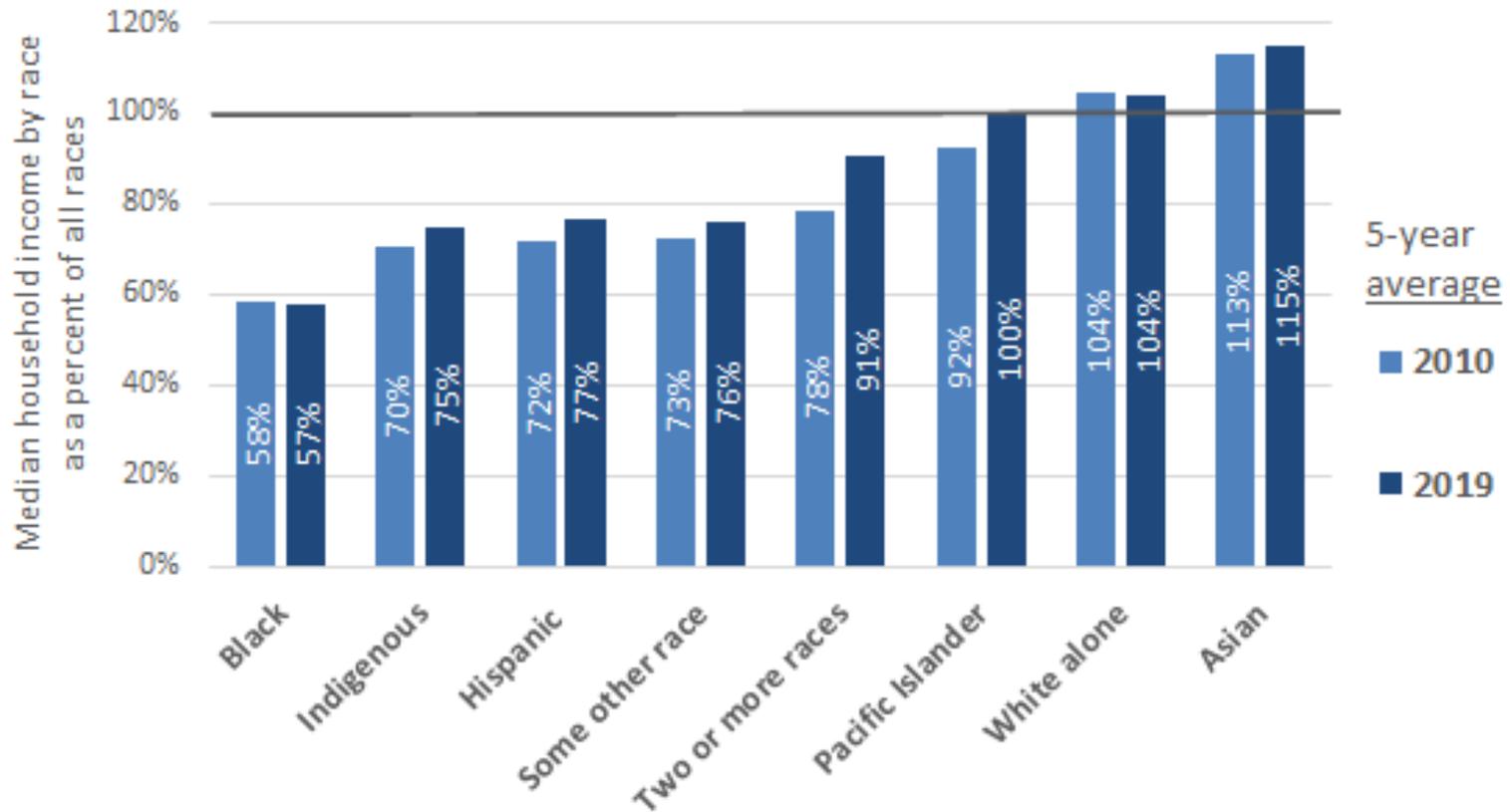


Source: BPS from IPUMS data



Persistent racial income disparities

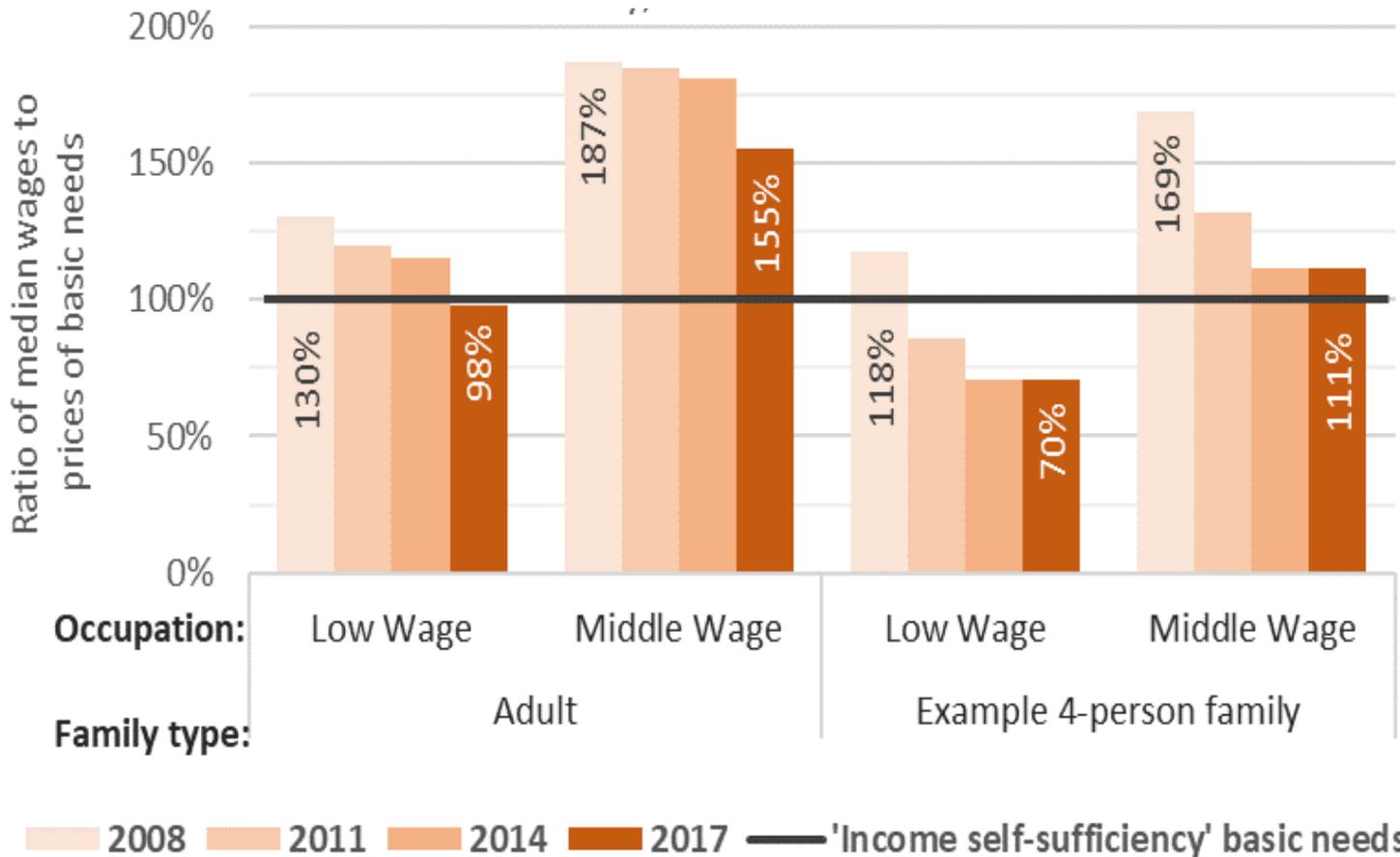
Racial disparities in median household income, 7-County Region



Source: BPS from ACS data. Estimated error rate exceeds 10% for some races.

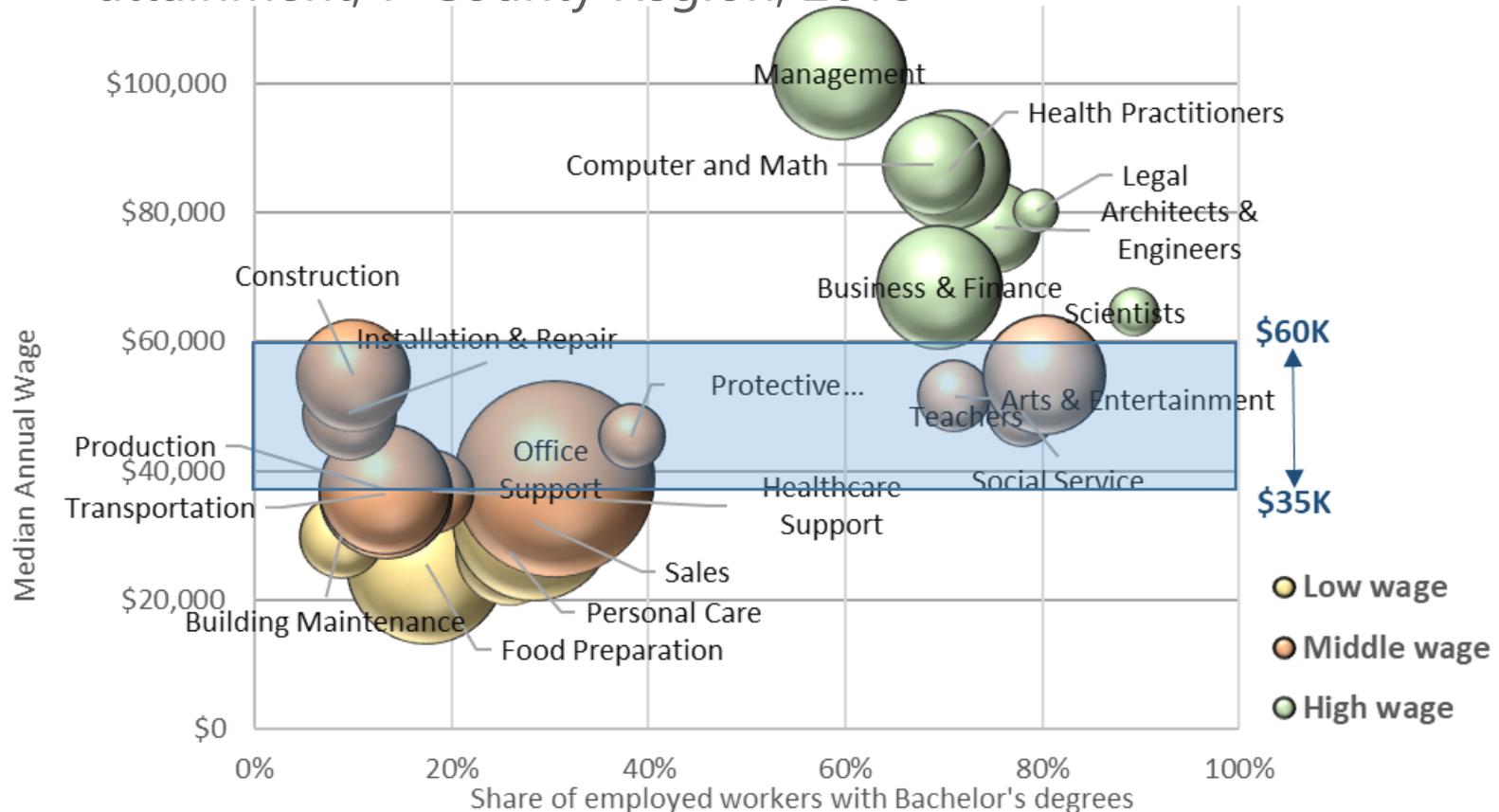
Declining income self-sufficiency as county prices outpace wages

Declining real wages of low-/middle-wage workers



What types of job growth increase working class incomes?

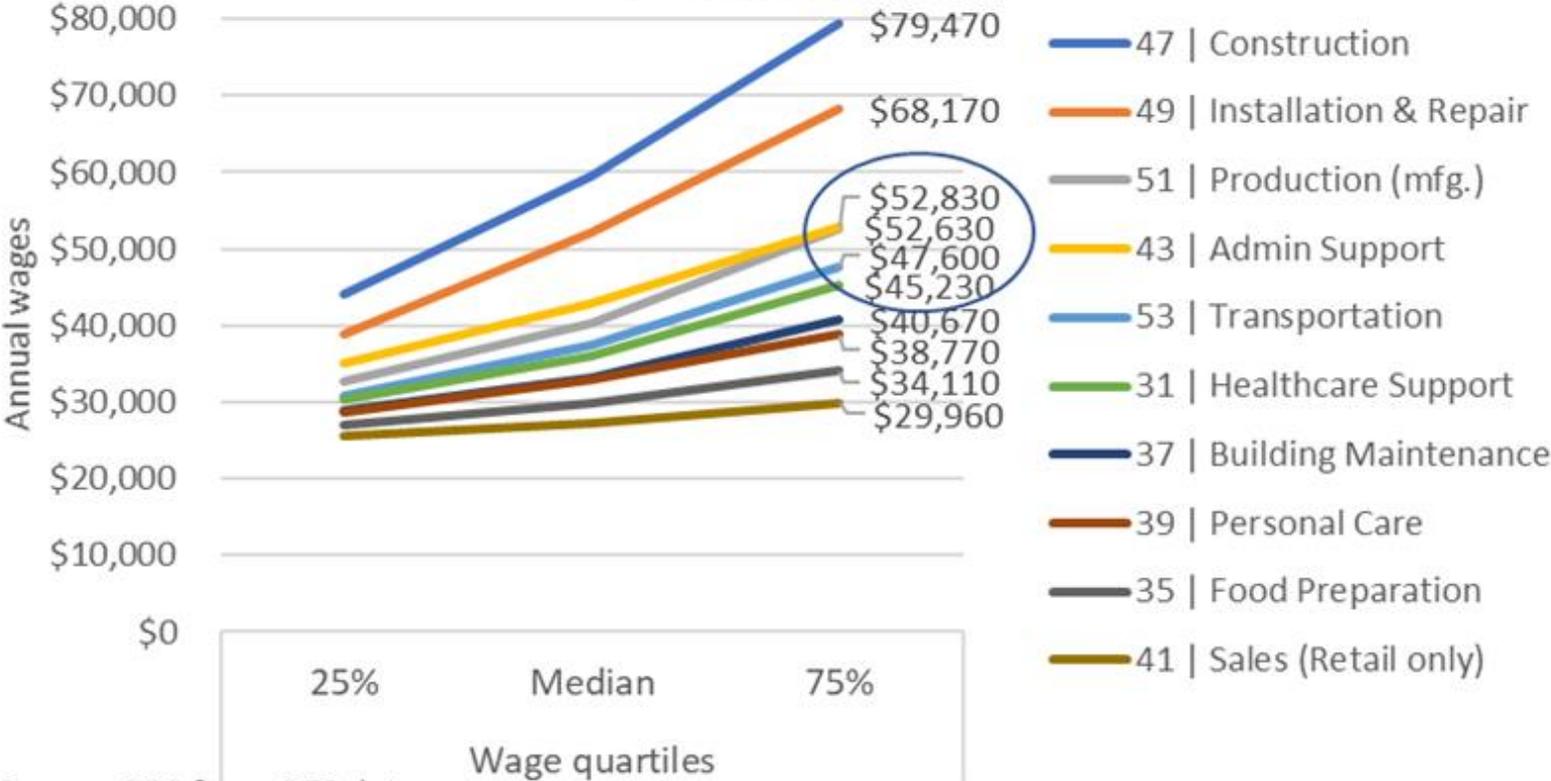
Major occupations by median wage and 4-year college attainment, 7-County Region, 2018



Source: BPS from OES 2018, PUMS 2019 5-year avg. Circles scaled to number of employees.

Middle-wage occupations offer upward mobility

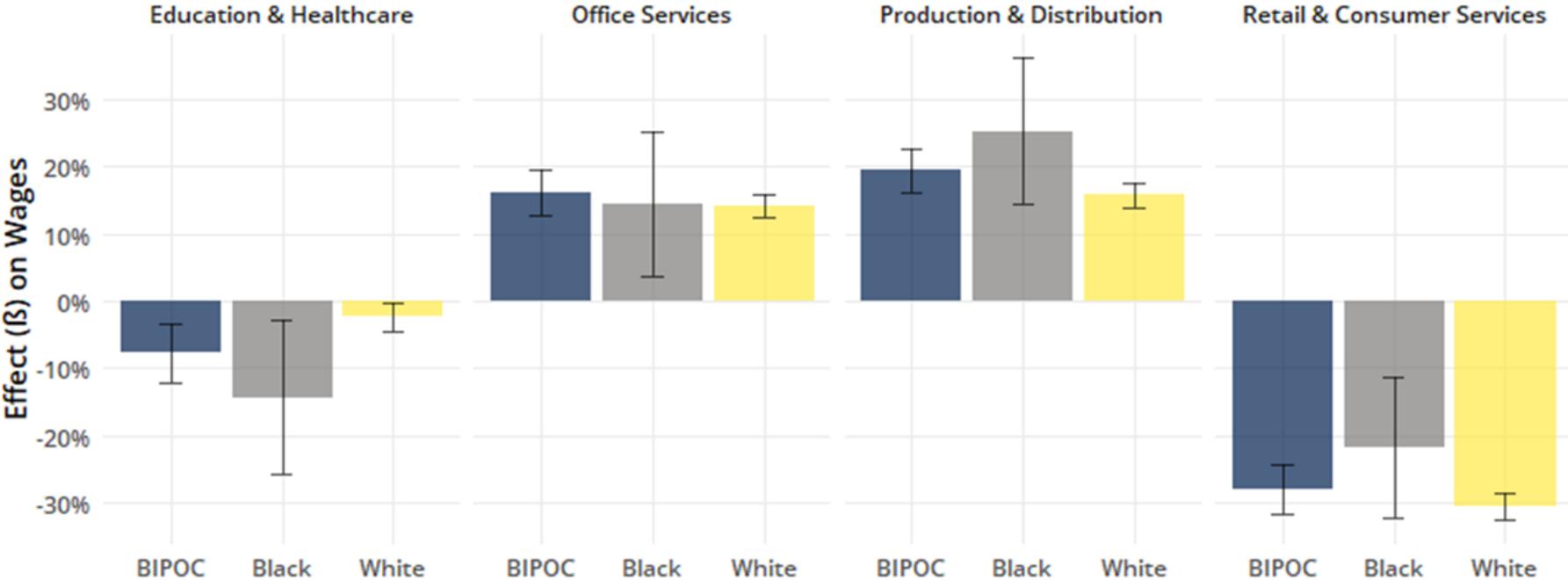
Upward wage mobility potential of less-/no-college occupations, 7-County Region, 2020



Source: BPS from OES data

What types of job growth increase BIPOC incomes?

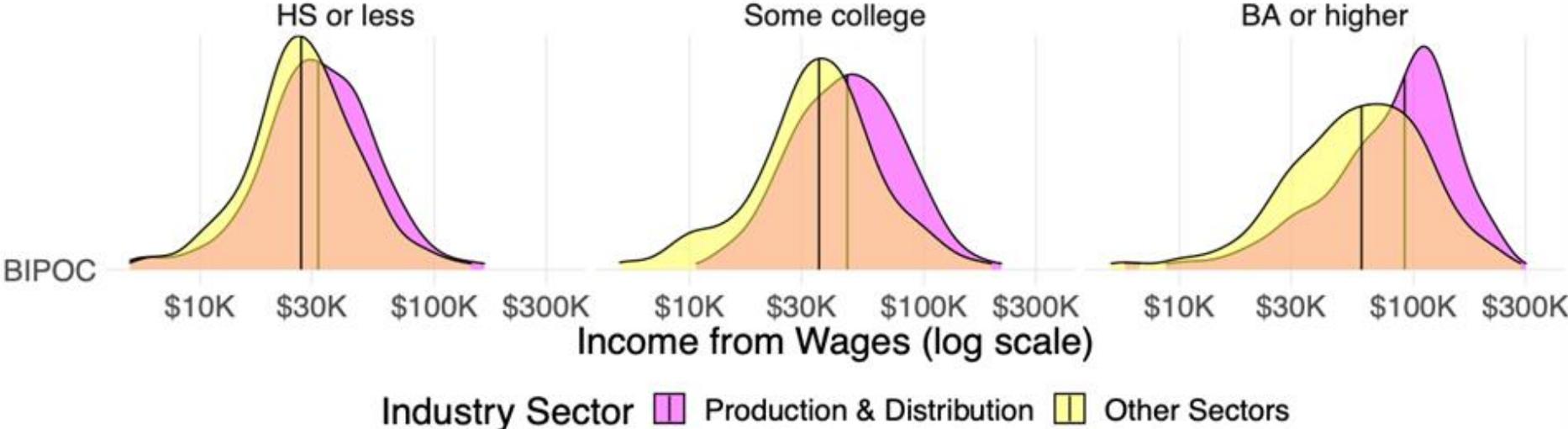
How Do Jobs In These Sector Groups Affect Black and BIPOC Wages?
 As a ___ employee, wages change by ___ % relative to all other sectors.



Source: University of Minnesota, IPUMS-USA; 2018 ACS 5-year estimates; Prepared by Portland Bureau of Planning & Sustainability.

Industrial job impacts on regional BIPOC incomes relative to other sectors

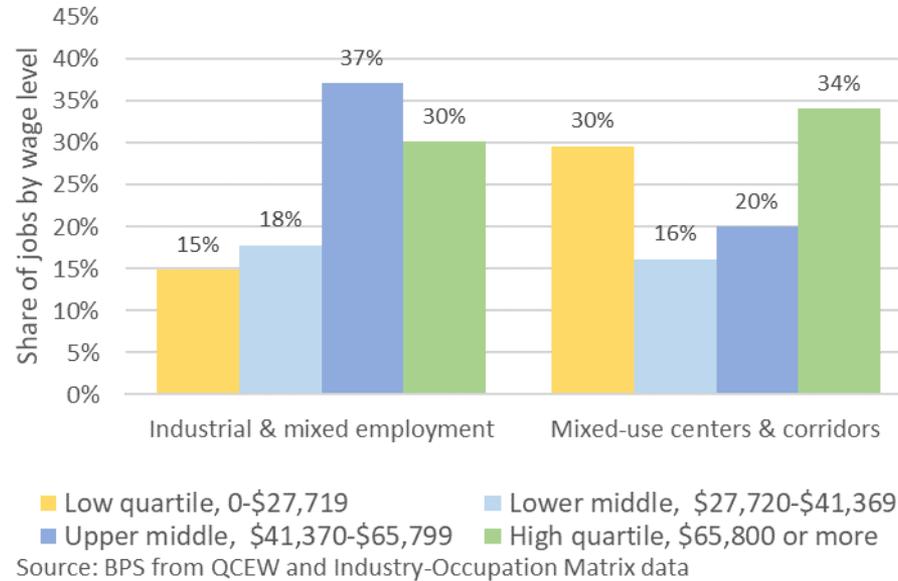
Distribution of Full-time Wages by Educational Attainment
 BIPOC Workers, Production & Distribution, Portland MSA, 2014-18



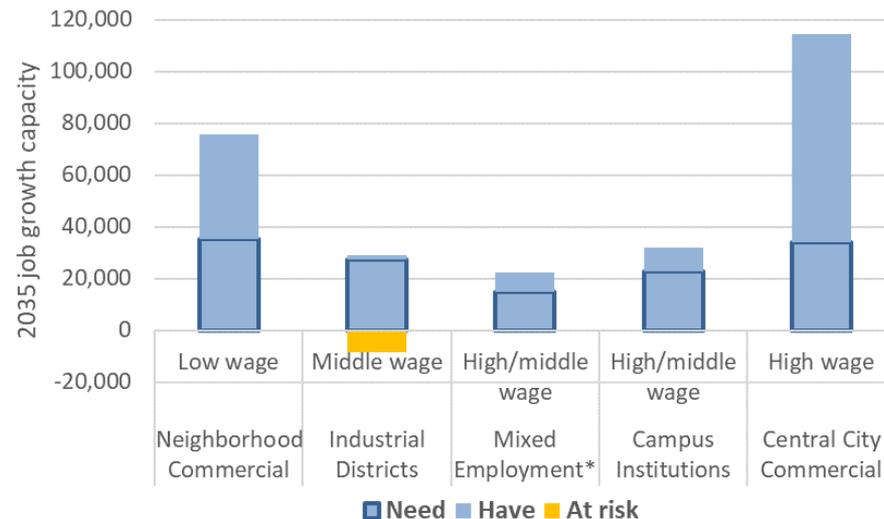
Source: IPUMS, 2014-18.

Land use policy-choice implications on income inequality

Wage distribution by business district type, 2016



CP2035 growth capacity by district type

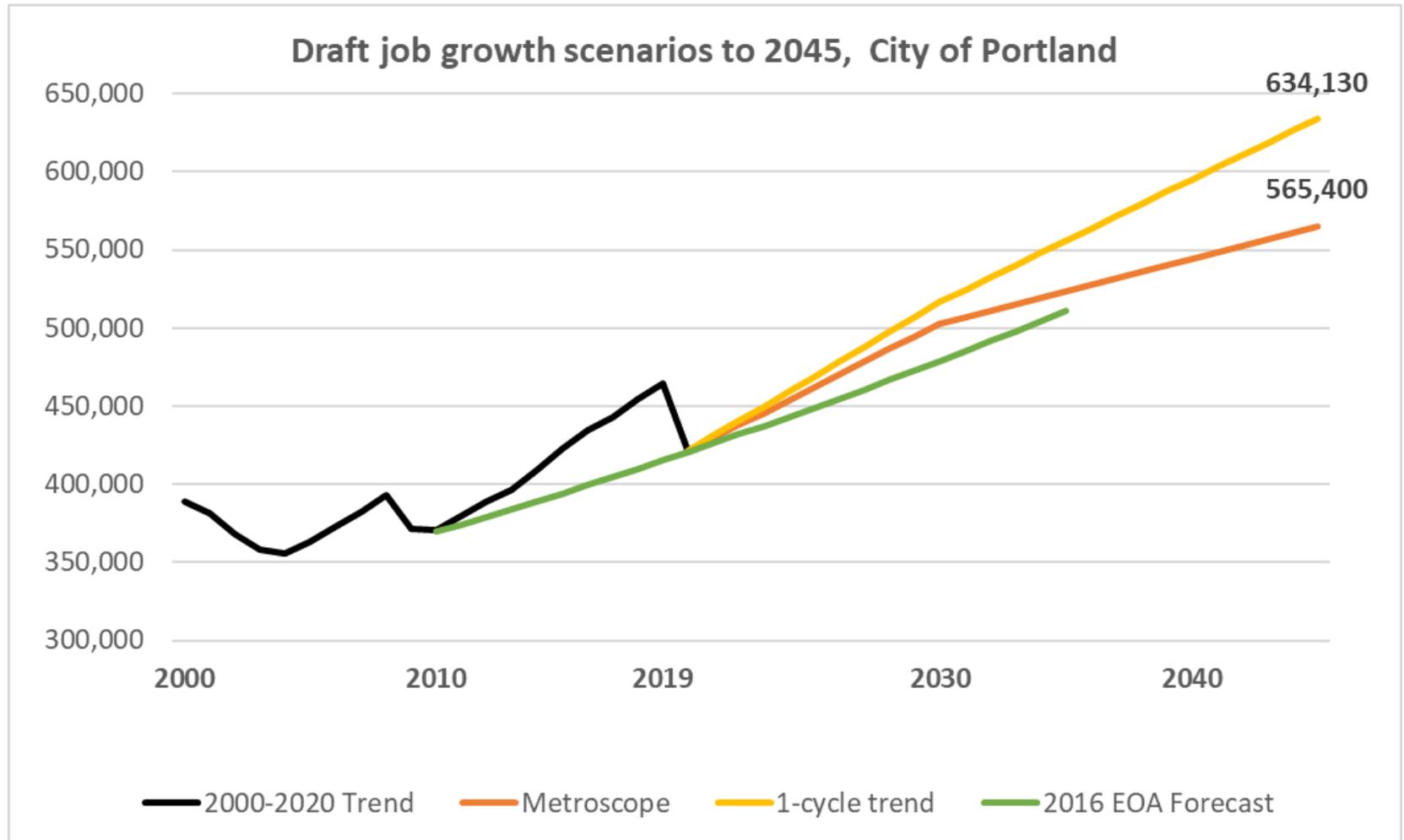


■ Need ■ Have ■ At risk

* 'At-risk' capacity addresses reliance on new investments (brownfield incentives, freight infrastructure) and proposed environmental zoning.

Preliminary employment forecast scenarios

City employment trends and projection scenarios, 2000-2045

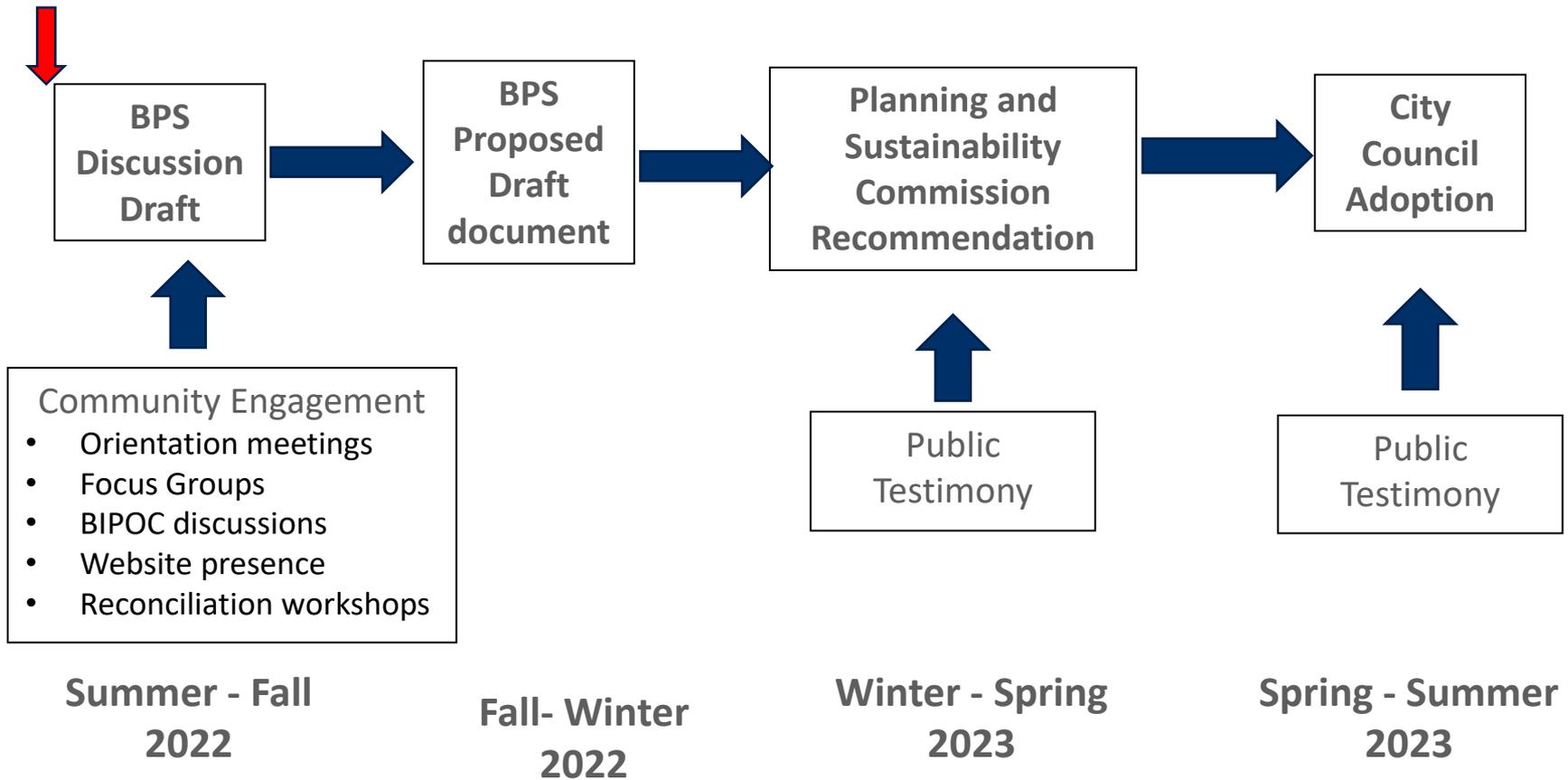


Trends Takeaways

- Portland has experience robust economic growth
- Growth has been unequal – mostly (65%) high wage jobs
- BIPOC workers have higher incomes in the industrial and office sectors
- Most (60%) middle-wage jobs are in the industrial sector
- Industrial land supply is tight and getting tighter

Legislative Process

We Are Here



Discussion Draft Development Community Engagement Process 2022

January – June
Phase 1

May-July
Phase 2

August – October
Phase 3

Land Supply and
Demand Analysis
Conceptual
Scenarios
Conceptual
Eval. Framework

Data +
assumptions

Draft Scenarios
Draft Evaluation Framework

Analysis +
Research

Evaluate Scenarios
Discussion Draft

Focus of Engagement:

- EOA orientation,
- Market trends summary, Draft supply and demand table,
- Conceptual scenarios

Focus of Engagement:

- Refinement of scenarios
- Drafting metrics for evaluation
- Stakeholder Reconciliation Workshop

Focus of Engagement:

- Analysis and Research
- Quantify metrics
- Multiple objective analysis of scenarios
- Stakeholder Reconciliation Workshop

Community Engagement

General Community Input - web page information, surveys, email comments

Focus Groups
Business

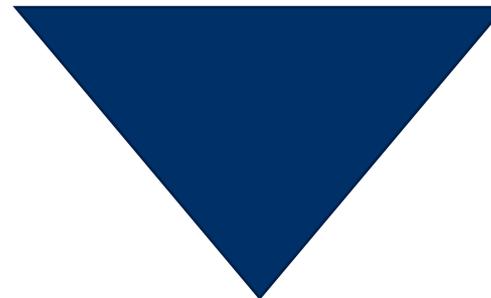
Focus Groups
Environmental
and Climate
Justice

Focus Groups
Labor

Focus Groups
BIPOC
Communities

Focus Groups
Neighborhoods
(adjacent to
industrial &
East Portland)

Government meetings
Tribal, Federal,
State, Metro, Other
Jurisdictions



Reconciliation Workshop
Stakeholder Review of Comments

Conceptual Scenarios

Draft Evaluation Framework

Scenarios (Alternatives)

Demand (3 scenarios)

- Recent Trends Forecast
- Metro Growth Forecast
- Inclusive Prosperity 40-40-20 Forecast

Supply (6-10 scenarios)

- Natural Resource Protections (E-zones, floodplain, trees)
- Conversion to other uses (e.g., new parks)
- Expand employment capacity (e.g brownfields, map changes)

Evaluation Framework

- Economic Opportunities (meeting demand)
- Natural Resource Functions
- Social Benefits and Burdens (climate, public health, inclusive prosperity)
- Other goals and policies

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