



## Land Use Policy Context

There is a hierarchy of State, Metro and City land use goals and policies that need to be addressed. The purpose of the Economic Opportunities Analysis (EOA) is to analyze and forecast growth in Portland's industrial and other business districts, then designate an adequate 20-year supply of developable land for business and job growth. The EOA update will align 2045 growth expectations with a number of policy objectives around economic development, shared prosperity, job creation, environmental protection, health and equity. As a background document to the 2035 Comprehensive Plan, the EOA is adopted by City Council as a legislative land use decision.

### Statewide Planning Goals

#### Statewide Planning Goal 9: Economic Development

<https://www.oregon.gov/lcd/OP/Documents/goal9.pdf>

*To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.*

The purpose of Goal 9 planning is to make sure cities have enough land available to realize economic growth and development opportunities. Goal 9 requires that local comprehensive plans provide for an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies.

Goal 9 also provides direction that plans shall be based on:

- inventories of areas suitable for increased economic growth and activity after taking into consideration the health of the current economic base;
- materials and energy availability and cost;
- labor market factors;



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- educational and technical training programs;
- availability of key public facilities;
- necessary support facilities;
- current market forces;
- location relative to markets;
- availability of renewable and non-renewable resources;
- availability of land; and
- pollution control requirements.

Comprehensive plans for urban areas shall:

1. Include an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends;
2. Contain policies concerning the economic development opportunities in the community;
3. Provide for at least an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies

The comprehensive plan should also take into account the social, environmental, energy, and economic impacts upon the resident population. Plans should consider as a major determinant, the carrying capacity of the air, land and water resources of the planning area.

The [Goal 9 administrative rules](#) establish how cities are to demonstrate there is a sufficient supply of land for economic development through an Economic Opportunity Analyses (EOA).

### **660-009-0015 Economic Opportunities Analysis**

Cities and counties must review and, as necessary, amend their comprehensive plans to provide economic opportunities analyses. This analysis will compare the demand for land for industrial and other employment uses to the supply of such land.

1. Review of National, State, Regional, County and Local Trends. Identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area. This review of trends is the principal basis for estimating future industrial and other employment uses as described in section (4).
2. Identification of Required Site Types. Number of sites by type to accommodate expected employment growth.
3. Inventory of Industrial and Other Employment Lands. An inventory of vacant and developed lands within the planning area designated for industrial or other employment use.



4. Assess Community Economic Development Potential. Estimate industrial and employment uses likely to occur in the planning area based on information from sections (1) to (3). Must consider the planning area's economic advantages and disadvantages. Relevant economic advantages and disadvantages to be considered may include but are not limited to:
- (a) Location, size and buying power of markets;
  - (b) Availability of transportation facilities for access and freight mobility;
  - (c) Public facilities and public services;
  - (d) Labor market factors;
  - (e) Access to suppliers and utilities;
  - (f) Necessary support services;
  - (g) Limits on development due to federal and state environmental protection laws; and
  - (h) Educational and technical training programs.

Cities and counties are strongly encouraged to assess community economic development potential through a visioning or some other public input-based process. Cities and counties are strongly encouraged to use the assessment of community economic development potential to form the community economic development objectives.

To the extent that a land use decision could reduce the employment capacity, the City must show, based on the information in the adopted EOA, that there will continue to be an adequate supply of land.

**Statewide Planning Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces**

<https://www.oregon.gov/lcd/OP/Documents/goal5.pdf>

*To protect natural resources and conserve scenic and historic areas and open spaces.*

Goal 5 requires local governments to adopt programs that will protect natural resources and conserve scenic, historic, and open space resources for present and future generations. These resources promote a healthy environment and natural landscape that contributes to Oregon's livability.

The following resources shall be inventoried:

- a. Riparian corridors, including water and riparian areas and fish habitat;
- b. Wetlands;
- c. Wildlife Habitat;
- d. Federal Wild and Scenic Rivers;
- e. State Scenic Waterways;
- f. Groundwater Resources;
- g. Approved Oregon Recreation Trails;



- h. Natural Areas;
- i. Wilderness Areas;
- j. Mineral and Aggregate Resources;
- k. Energy sources;
- l. Cultural areas.

Local governments shall determine significant sites for inventoried resources and develop programs to achieve the goal according to procedures, standards, and definitions contained in the following administrative rules:

#### **660-016-0000 Inventory Goal 5 Resources**

#### **660-023-0000 Procedures and Requirements For Complying with Goal 5**

These administrative rules establish the procedures and criteria for inventorying and evaluating Goal 5 resources and for developing land use programs to conserve and protect significant Goal 5 resources. These rules explain how local governments apply Goal 5 when amending acknowledged comprehensive plans and land use regulations.

#### **Statewide Planning Goal 6: Air, Water and Land Resource Quality**

<https://www.oregon.gov/lcd/OP/Documents/goal6.pdf>

*To maintain and improve the quality of the air, water and land resources of the state.*

Goal 6 instructs local governments to consider protection of air, water and land resources from pollution and pollutants when developing comprehensive plans. The pollutants addressed in Goal 6 include solid waste, water waste, noise and thermal pollution, air pollution, and industry-related contaminants. The goal asks cities and counties to designate areas suitable for use in controlling pollution. It calls on them to use a variety of market, zoning and management tools in creating these outcomes.

At a federal level, the elements within Goal 6 correspond broadly to the Clean Air Act and Clean Water Act. At a state level, Goal 6 covers many areas regulated by the Oregon Department of Environmental Quality (DEQ) through its permitting actions. DEQ ensures its permitting decisions comply with the plan and zoning regulations of the affected local government and coordinates with DLCD and other agencies to be sure that city and county plans comply with state and federal laws.

Unfortunately, there is no state administrative rule to provide additional guidance on how to implement Goal 6.



## Statewide Planning Goal 7: Areas Subject to Natural Hazards

<https://www.oregon.gov/lcd/OP/Pages/Goal-7.aspx>

*To protect people and property from natural hazards.*

Goal 7 requires local comprehensive plans to reduce risk to people and property from natural hazards. Natural hazards include: floods (coastal and riverine), landslides, earthquakes and related hazards, tsunamis, coastal erosion, and wildfires.

Unfortunately, there is no state administrative rule to provide additional guidance on how to implement Goal 7.

## Statewide Planning Goal 15: Willamette River Greenway

<https://www.oregon.gov/lcd/OP/Pages/Goal-15.aspx>

*To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.*

Goal 15 is focused on the Willamette River and applies to cities and counties located along the river throughout the state. Cities and counties adopt local greenway plans, along with criteria for new development, new uses, and the increase of uses along the river. New development must follow standards designed to maintain physical and visual access to the river, preserve habitat and vegetation near the river, and to direct development away from the river. Directing development away from the river does not mean development is prohibited. It means that the site design needs to provide open space and access as appropriate to the situation. Goal 15 recognizes the needs of river-dependent and river-related uses and therefore does not require those uses to be setback from the river. Local codes also have standards to preserve the visual experience of people recreating on the river and a specified structural setback distance to preserve access to the river's bank from the water.

There is no state administrative rule that provides specific guidance on the implementation of Goal 15.

## Metro

Metro's [Urban Growth Management Functional Plan](#) implements regional goals and objectives adopted by the Metro Council as the Regional Urban Growth Goals and Objectives (RUGGO) including the Metro 2040 Growth Concept and the Regional Framework Plan. The regional policies in Urban Growth Management Functional Plan require changes to city and county comprehensive plans and implementing ordinances. There are three Titles that specifically apply to policy decisions that impact employment land.



### **Title 3 – Water Quality and Flood Management**

The purpose of Title 3 is to “protect the beneficial water uses and functions and values of resources within Water Quality and Flood Management Areas by limiting or mitigating impacts from development activities and protecting life and property from dangers associated with flooding.”

This title establishes requirements for development in “Flood Management Areas,” which include the FEMA 100-year floodplain and the majority of the area that was flooded in February of 1996. Development in these areas must include excavation to offset any placement of fill (i.e., soil) in the floodplain so that flood storage and conveyance capacity are maintained or increased and the estimated elevation of flooding does not increase with development. The requirement to excavate a volume equal to the volume of fill placed in the floodplain is commonly referred to as “balanced cut and fill.”

This title also establishes requirements for “water quality resource areas,” which include waterways and vegetated corridors along them. Per the Title 3 guidance, development in these areas impacts must be mitigated to maintain the functions and values of the Water Quality Resource Area. If mitigation is not possible in these areas, development should be prohibited, per Title 3.

### **Title 4 – Industrial and Other Employment Areas**

Title 4 seeks to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIAs), Industrial and Employment Areas. Regionally Significant Industrial Areas (RSIAs) are those areas near the region’s most significant transportation facilities for the movement of freight and other areas most suitable for movement and storage of goods. In Portland, RSIAs are designated and protected by the Prime Industrial Land Overlay Zone. Title 4 provides direction to limit the size and location of commercial services and other uses to ensure that they serve primarily the needs of workers in the area. There are similar, but not as restrictive, regulations for industrial and employment areas.

Map changes to change the designation must comply with specific criteria to ensure the change would not:

- Reduce the employment capacity of the city;
- Reduce the off-peak performance of freight routes;
- Reduce the integrity or viability of a traded sector cluster of industries;
- Create or worsen a significant imbalance between jobs and housing in a regional market area;



- would not remove the RSIA designation from land that is especially suitable for industrial use due to the availability of specialized services, such as redundant electrical power or industrial gases, or due to proximity to freight transport facilities, such as trans-shipment facilities.

### **Title 13- Nature in Neighborhoods**

The purposes of Title 13 to (1) conserve, protect, and restore a continuous ecologically viable streamside corridor system, from the streams' headwaters to their confluence with other streams and rivers, and with their floodplains in a manner that is integrated with upland wildlife habitat and with the surrounding urban landscape; and (2) to control and prevent water pollution for the protection of the public health and safety, and to maintain and improve water quality throughout the region.

Cities must demonstrate that its comprehensive plan and implementing ordinances substantially comply with Metro's performance standards and best management practices. The Metro Habitat Conservation Areas Map identifies regionally significant fish and wildlife habitat that is subject to those standards and practices. Maps used for habitat protections that are adopted by cities must be determined to be in substantial compliance with the Metro Habitat Conservation Areas Map.

### **2035 Comprehensive Plan**

The [Comprehensive Plan](#) is a long-range land use and public facility investment plan to guide future growth and the physical development of the City. The goals and policies within the Comprehensive Plan are designed to help Portland become a prosperous, healthy, equitable, and resilient city. This chapter defines both the scope and limit of the Plan's elements and explains how and when supporting documents and implementing tools are used.

The Comprehensive Plan is used to make land use decisions. This includes decisions about how land is used or developed, and public facility investment decisions related to those planned land uses or developments.

The goals and policies of the Comprehensive Plan are implemented through regulations, land use decisions, agreements, and community development programs, including:

- Zoning Code
- Zoning Map
- Service Coordination Agreements
- Annexations
- Urban Renewal Areas
- Development Agreements



The Comprehensive Plan and these implementation tools are not static; they are expected to change over time. City Council will consider decisions to adopt, amend, or repeal parts of the Comprehensive Plan or implementation tools in response to changing conditions, needs, trends, and other information.

## Guiding Principles

The Comprehensive Plan includes five [Guiding Principles](#) to recognize that implementation of this Plan must be balanced, integrated and multi-disciplinary. The influence of the Guiding Principles is seen throughout the Plan as they shape many of the individual policies and projects.

**Economic Prosperity** - Support a low-carbon economy and foster employment growth, competitiveness and equitably distributed household prosperity.

**Human Health** - Avoid or minimize negative health impacts and improve opportunities for Portlanders to lead healthy, active lives.

**Environmental Health** - Weave nature into the city and foster a healthy environment that sustains people, neighborhoods, and fish and wildlife. Recognize the intrinsic value of nature and sustain the ecosystem services of Portland's air, water and land.

**Equity** - Promote equity and environmental justice by reducing disparities, minimizing burdens, extending community benefits, increasing the amount of affordable housing, affirmatively furthering fair housing, proactively fighting displacement, and improving socio-economic opportunities for under-served and under-represented populations. Intentionally engage under-served and underrepresented populations in decisions that affect them. Specifically recognize, address and prevent repetition of the injustices suffered by communities of color throughout Portland's history.

**Resilience** - Reduce risk and improve the ability of individuals, communities, economic systems, and the natural and built environments to withstand, recover from, and adapt to changes from natural hazards, human-made disasters, climate change, and economic shifts.

## Goals and Policies

The goals and policies in the Plan cover a wide variety of topics, but they are all for the purpose of informing and guiding land use decisions.

The two most relevant chapters are Chapter 6: Economic Development and Chapter 7: Environment and Watershed Health.





## [Chapter 6: Economic Development](#)

This chapter conveys the City's intent to:

- Provide land supply to support job growth, and to expand the use of tools, such as brownfield redevelopment, to increase efficient use of land.
- Expand economic opportunity and improve economic equity for Portland's growing population through sustained business growth.
- Support traded sector growth, expand exports and retain Portland's position as an innovative industrial and commercial center and a West Coast trade gateway.
- Provide land use policies to support the growth and vitality of business districts.
- Create an environment that encourages innovation and entrepreneurship, builds on local strengths for business success and growth, and offers businesses a functional and attractive place to locate.
- Ensure parks, trails, natural areas, and a healthy environment continue to protect the city's quality of life that attracts and retains businesses and work force.

## [Chapter 7: Environment and Watershed Health](#)

This chapter conveys the City's intent to:

- Recognize the economic, health, cultural, and intrinsic values of nature, and the importance of community stewardship.
- Preserve natural resources and the beneficial functions and services they provide.
- Improve air quality and watershed health, including hydrology, water quality, fish and wildlife habitat, and biodiversity.
- Ensure all Portlanders experience the benefits of a livable environment and healthy watersheds, and reduce environmental disparities affecting under-served and under-represented communities.
- Recognize the city's impact on global climate change, opportunities to reduce carbon emissions, and sequester carbon.
- Recognize the importance of a healthy urban forest and natural systems in reducing the impacts of natural hazards, such as landslides, flooding, and wildfire, and in adapting to climate change.
- Prevent incremental environmental degradation including the spread of invasive species, loss of habitat, and adverse impacts of additional impervious surfaces.
- Ensure that environmental protection programs and regulations reflect current data, the best available science, and evaluation of impacts to under-served and underrepresented communities.



- Advance good decisions and adaptive management through better data collection.
- Provide guidance that addresses the distinct ecological issues of specific watersheds.
- Ensure that plans and investments are coordinated with relevant policies from other City plans such as the Portland Watershed Management Plan, Urban Forest Management Plan, Climate Action Plan, Climate Change Preparation Strategy, Parks plans, Natural Hazard Mitigation Plan, and plans addressing environmental equity.

## How are decisions balanced?

The Comprehensive Plan contains a broad range of policies for Council to consider. Each policy describes a desirable outcome. But it is unlikely that all policies are relevant to a decision and that a particular decision could be expected to advance all of the policies in the plan equally well. For this reason, policies are examined for their applicability to the decision at hand, and only applicable policies are considered. Council must then weigh and balance applicable policies to determine whether a particular decision would “on the whole” comply with the Comprehensive Plan.

When applying goals and policies to particular situations, there may be competing or conflicting policies. Although it would be ideal to always meet each goal and policy, sometimes that is not possible, so proposals or situations must be judged whether they meet the goals and policies on balance.

A decision “complies” if it can be found to be equally or more supportive of the existing plan as a whole. If these findings cannot be made, City Council has two choices: 1) to not make the change; or 2) amend the plan in a way that it can be found to be supportive of the plan as a whole. However, the reverse is not true; Council is not compelled to make a decision just because it would meet plan policy.

In virtually all decisions, some applicable policies will weigh — or matter — more than others. For example, a policy that specifically addresses the topic or location of the proposed change would probably outweigh a policy that applies to a wide variety of topics or to the city at large. Most policies begin with a verb, and some verbs establish stronger imperatives than others. Accordingly, a policy to “require” something may outweigh a policy to “encourage” something else.

But even the strongest policies do not automatically trump other policies. Every decision is different and supported by unique facts. The particular policies that matter more will change from one decision to another. There is no set formula — no number of “heavier” policies equals a larger set of “lighter” policies. In cases where there are competing directions embodied by different policies, City Council may choose the direction they believe best embodies the plan in toto.

The vision and guiding principles in this Comprehensive Plan help to provide additional guidance when policies are balanced. Council ordinances do, however, contain a “conclusion on law” explaining how



complementary and competing policies have been weighed and balanced in determining whether the proposed decision complies with the Comprehensive Plan.

## Other Goals and Policies

There are other, non-land use, policy documents that influence the City's decision-making.

### Equity

[The Portland Plan](#), published in 2012, presents a strategic roadmap to help our city thrive into the future. The Portland Plan focuses on a set of guiding principles: prosperity, education, health and equity. The equity framework set forth a new way of working for the City that put achieving equity front and center.

In 2015, the Office of Equity and Human Rights (OEHR) created the City's [Racial Equity Goals and Strategies](#). City Council unanimously adopted the goals and strategies as binding City Policy, providing a guidepost for City employees and leadership to follow, to achieve the racial equity goals. There are three main equity goals:

1. We will end racial disparities within city government, so there is fairness in hiring and promotions, greater opportunities in contracting, and equitable services to all residents.
2. We will strengthen outreach, public engagement, and access to City services for communities of color and immigrant and refugee communities, and support or change existing services using racial equity best practices.
3. We will collaborate with communities and institutions to eliminate racial inequity in all areas of government, including education, criminal justice, environmental justice, health, housing, transportation, and economic success.

### Climate Emergency Declaration

In June 2022, the City Council declared a Climate Emergency. With the Climate Emergency Declaration, the City of Portland committed to using a new climate justice and equity-focused approach that centers Black, Indigenous, other communities of color and youth from those communities in the next chapter of climate action planning and implementation.

In July 2022, the Bureau of Planning and Sustainability and its partners released a new [Climate Emergency Workplan](#) to get us to net zero by 2050. The workplan describes the actions the City of Portland and its partners can and must take to eliminate carbon emissions by 2050 to make Portland more resilient. Eliminating carbon from our buildings, vehicles, and businesses is one part of addressing the climate emergency. The other part is helping residents become resilient to day-to-day impacts of climate change like excessive heat, wildfire smoke, power outages, flooding and more. Portland's



Climate Emergency Workplan includes resilience actions that respond to the reality that Black, Indigenous and communities of color are being hit first and hardest by these events.

Industry is one of the carbon reduction pathways. The direction is to develop strategies to reduce emissions, pollution, and waste. in transitioning to a decarbonized, clean, circular, and inclusive economy. Decarbonizing this sector is complex, since many industrial processes require high temperatures that cannot be achieved with electrification. The clean industry hub will identify strategies to support the sector in meeting climate goals and implementing circular economy practices.

## Other Economic Development Policies and Strategies

The EOA [Volume 1. Trends Report](#) (Section 11, page 86) reviews the economic development policies in Portland’s Comprehensive Plan and other policy documents that shape local economic growth. These policies set current choices about how the community wants the population to thrive, the economy to grow, and the built environment to develop.

The Portland Plan set three overall policy directions for economic development aimed at broadening community prosperity, responding to prevalent, long-term economic issues. These overall policy directions were incorporated into the 2035 Comprehensive Plan.

1. A diverse and growing city economy – This policy section of the 2035 Comprehensive Plan responded to decades of national job-sprawl trends that typically made large core cities less prosperous. This policy response instead emphasizes the scale and diversity advantages of core cities as economic centers. Examples of policies include support for growth as a diverse economic center that supports diverse population growth, fiscal stability, and economic resilience (Policies 6.1-6.5); a 25% target share of regional job growth (6.3), low-carbon and small business growth opportunities (6.6 and 6.9), and strengthened competitive advantages and business environment (6.7, 6.8, and 6.12).
2. Competitive traded sectors – This policy section responds to economic globalization trends since the 1990s that made regional prosperity more reliant on competitive advantages for traded sector growth. Example policies include support for local specializations (clusters) and traded sector diversity (6-21-6.22); an improved business environment for traded sectors (6.20), trade and freight hub investment (6.23), and traded sector land supply (6.24).
3. Equitable household prosperity – This policy section responds to the economy’s increasing income inequality in recent decades and persistent racial income disparities, calling for inclusive benefits of economic growth. Examples policies support increasing income self-sufficiency and support industrial districts as a leading source of middle-wage jobs that don’t require 4-year college degrees (6.27); more living-wage job growth in East Portland (6.28); poverty reduction (6.29); reducing racial and other income disparities (6.29), and minority- and women-owned business development (6.30).



In the Portland Plan, these core economic development directions framed interagency partnerships and strategic actions on economic and business development, workforce development, land use, ports and transportation, affordable housing, poverty reduction, and others.

Prosper Portland, Greater Portland Inc., and Business Oregon provide economic and business development programs that support inclusive prosperity, target cluster support, and business retention/expansion/attraction services. Workforce development, employment land planning, and public facility planning complement these business development programs.

In April 2023, the City Council [approved Advance Portland: A Call to Action for Inclusive Economic Growth](#). The goal of this five-year citywide plan is to embrace and manage inclusive growth. Its actions support competitive industries and the development of green products and services. At the same time, the plan seeks to address barriers to growth, inclusion, and innovation.

The Advance Portland plan drives Prosper Portland's work. The plan's four key objectives ground all our programs, policies and initiatives:

1. Propel inclusive economic growth and innovation. Portland's priority industries are the source of quality jobs and growth potential.
2. Promote equitable wealth creation. Provide partnership, capital and support to BIPOC-owned small businesses and entrepreneurs.
3. Foster a vibrant Central City and neighborhood commercial districts. The aim is to have vital centers of employment, small business, entertainment, and cultural amenities.
4. Connect Portlanders to high-quality jobs in future-ready sectors. Industry-based and -driven job training and better proximity to quality jobs are necessary.

