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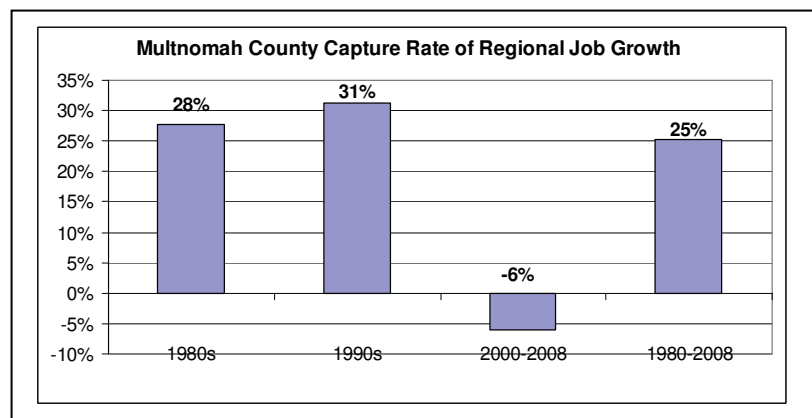
Portland Economic Opportunities Analysis June 2012

The EOA is an analysis of the long-term supply and demand for employment land. It consists of four sections:

1. Trends, Opportunities & Market Factors
2. Long Range Employment Forecast (Demand)
3. Buildable Land Inventory (Supply)
4. Policy Alternatives

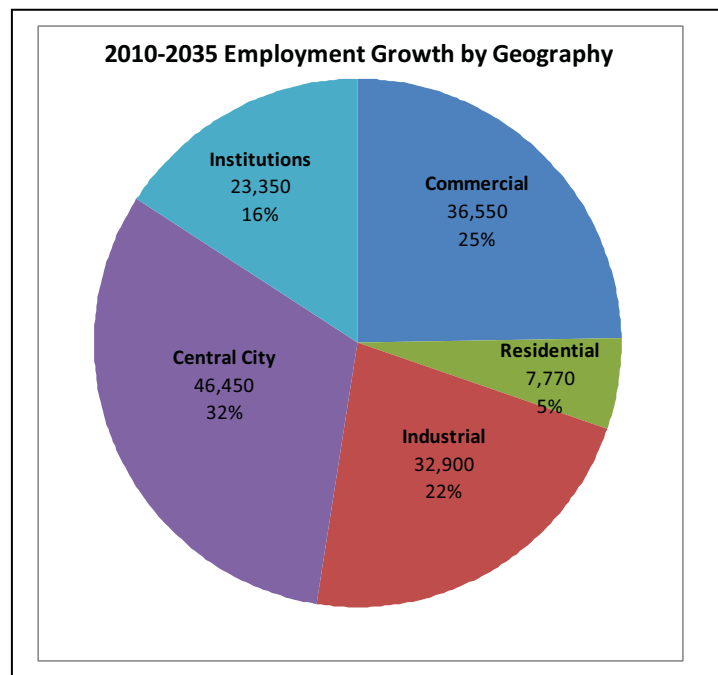
Employment Trends

- Portland is the regional job center - 39% of the jobs versus 26% of the population.
- Nearly flat city job growth since 2000. Portland regional capture rate was only 5%, compared to a historic rate of 25%.
- Institutional and office are leading sectors, with employment shift from manufacturing to services.
- Manufacturing remains a key sector with above-average wages and high employment multiplier effects - one manufacturing job supports 3.69 total jobs in the region. Manufacturing output (or GDP) has actually been growing faster than the service sectors.



2035 Employment Forecast

- Metro allocates **147,000** new jobs to Portland -with a **27% job capture rate**.
- Need **additional 580 acres of land for traded-sector transportation facilities** such as airport facilities, rail yards, and marine terminals.



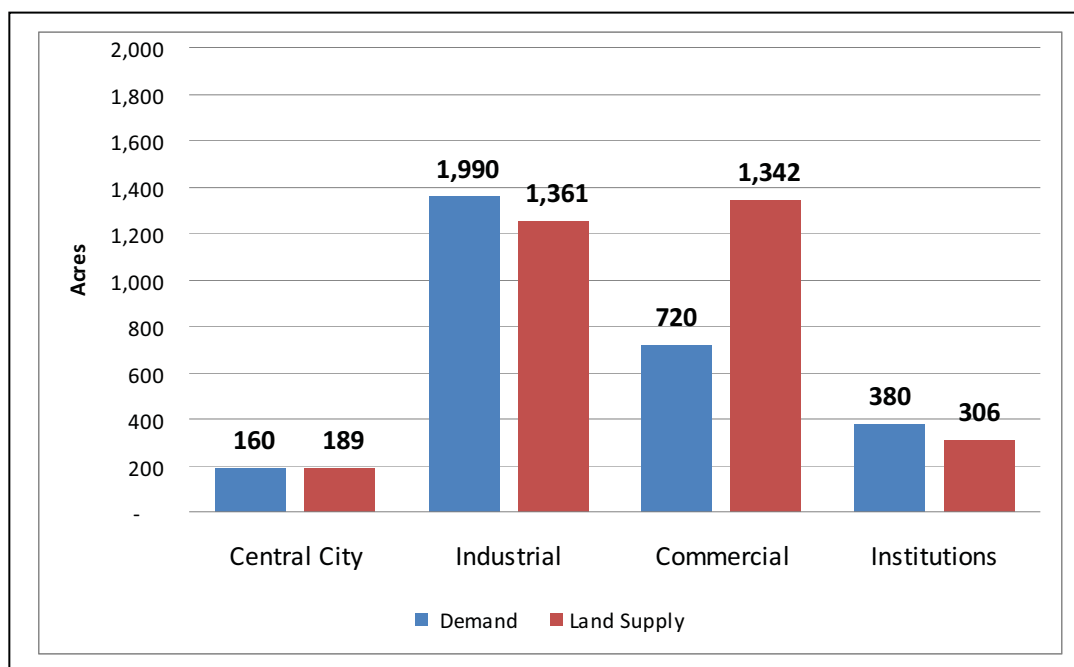
Buildable Land Inventory

The Buildable Land Inventory (BLI) is a series of steps or filters to identify the gross acreage of land that is available for development or redevelopment in Portland.

1. Identify vacant land.
2. Identify land likely to redevelop.
3. Discount capacity based on physical constraints
4. Adjust capacity for mixed use development and market factors

Employment Land Need Reconciliation

- The **Central City** has a surplus of capacity, but the Central Eastside and Lower Albina districts have a shortfall, especially for cheaper, Class B office space that account for about 48% of the employment growth.
- In the **Industrial** areas, Portland only has about 60% of the land needed, with a shortfall of about 800 acres.
- The **Commercial** areas have a surplus of capacity, but specific areas may be underserved.
- **Institutions** have strong demand but current master plans and zoning accounts for only 80% of the demand.



Portland Economic Opportunities Analysis

March 2012

Key Opportunities

The following summarizes the alternative actions that could be undertaken to increase or more fully realize the development capacity of the city's supply of sites for employment-generating uses. The potential impact and trade-offs associated with these alternatives will be evaluated as part of the Comprehensive Plan process, or in the case of West Hayden Island as part of other city decisions taking place during the Comprehensive Plan process. The alternatives are organized by the EOA's "employment geographies."

Citywide

1. Establish a job capture rate target to help focus action and measure Portland's performance over time.
2. Create a strong business climate through cost-competitiveness, regulatory improvements, and business development.
3. Provide a competitive employment land supply with a wide range of types, sizes and locations.
4. Expand exports and grow traded sector businesses.

Central City Commercial

1. Promote and invest in the Central City as the region and state's office, employment, and cultural center.
2. Provide incentives to support high/mid-rise office development and increase the Central City share of regional office market.
3. Increase supply of lower cost Class B/C office space to support urban innovation and research commercialization initiatives.
4. Support initiatives to enhance Portland as a national leader in urban innovation and sustainability, supporting entrepreneurship in the expanding creative and green sectors of the economy.

Central City Incubator (the Central Eastside and Lower Albina districts)

1. Make Portland the preferred location for new and growing start-up businesses through Class B/C and small-site office development incentives, business development, and public investments.
2. Expand the use of the "Employment Opportunity" overlay zone to increase the zoning capacity for lower cost Class B/C office space while sustaining close-in industrial businesses.

Columbia Harbor and Other Industrial Areas

1. Annex and rezone West Hayden Island for industrial use to meet the demand for marine terminals.



2. Identify other opportunities to create additional industrial capacity including:
 - Supporting remediation and reuse of brownfields
 - Making progress on the Portland Harbor Superfund cleanup program
 - Maintaining industrial sanctuary designations
 - Giving priority to investments that yield greater utilization of existing industrial properties
3. Invest in Columbia Harbor as Oregon's Trade and Freight Hub
4. Create innovative approaches to improving the complex relationship between industrial uses and natural resources

Neighborhood Centers (Gateway, Town Center, and Neighborhood Commercial geographies)

1. Provide incentives and small business supporting priority neighborhoods.
2. Expand housing, retail and amenities to improve the attractiveness as live-work districts.
3. Provide incentives to expand mid-rise office development as lower cost office space.
4. Provide incentives to create satellite facilities for campus institutions.

Gateway Regional Center

1. Promote Gateway as Portland's second business center.

Town Centers

1. Promote midrise and institutional development.

Neighborhood Commercial Districts

1. Add commercial and mixed use capacity in underserved neighborhoods.

Campus Institutions

1. Expand development capacity to meet institutional employment demand.
2. Reform land use regulations to meet institution and neighborhood needs.
3. Integrate part of campus growth into nearby town centers and commercial districts.



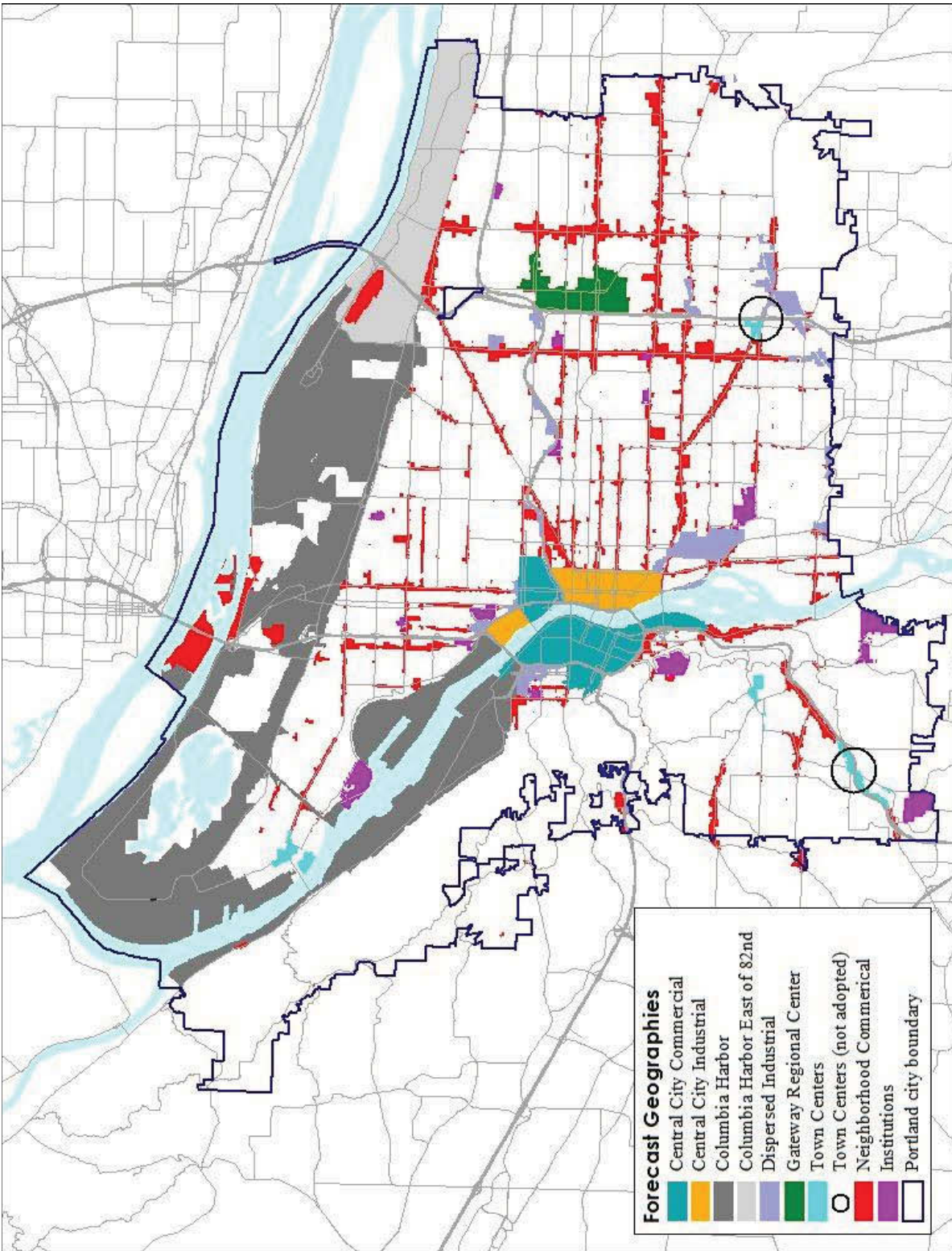
Employment Land Need Reconciliation (revised 5-30-12)

Employment Geography	Added Jobs	Land Demand	Land Supply	Surplus/Deficit	Capacity
Central City Commercial	35,500	60	149	89	248%
Central City Incubator	10,950	100	40	(60)	40%
Columbia Harbor	18,900	1,490	855	(635)	57%
<i>Harbor Access Lands</i>	2,000	450	94	(356)	21%
Columbia East of 82nd	9,600	360	394	34	109%
Dispersed Industrial	4,400	140	112	(28)	80%
Gateway Regional Center	4,100	50	135	85	270%
Town Centers	6,350	140	90	(50)	64%
Neighborhood Commercial	26,100	530	1,118	588	211%
Institutions	23,350	380	306	(74)	81%
Residential	7,770	-	-	-	-
Total	147,000	3,250	3,198		

Aggregate Geography

Central City	46,450	160	189	29	118%
Industrial	32,900	1,990	1,361	(629)	68%
Commercial	36,550	720	1,342	622	186%
Institutions	23,350	380	306	(74)	81%
Residential	7,770	-	-	-	-
Total	147,000	3,250	3,198		

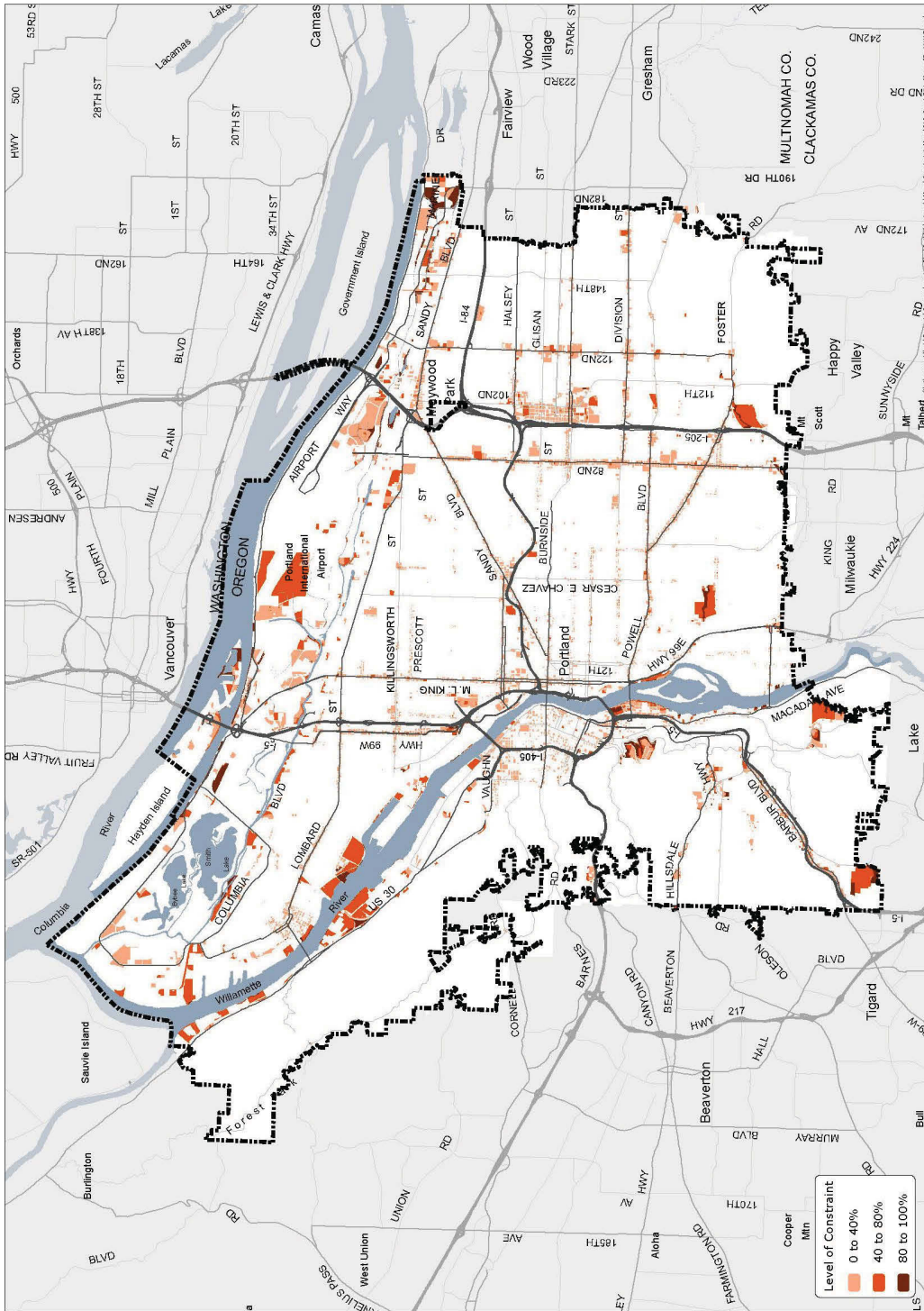
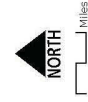




Buildable Lands Inventory Underutilized Capacity and Employment Constraints

June 7, 2012 City of Portland | Bureau of Planning and Sustainability | Geographic Information System
This work was supported, in part, by a grant from the Oregon Department of Land Conservation and Development.

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