



Bureau of Planning and Sustainability

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2015 Economic Opportunities Analysis (EOA)

January 2015

Overview

The policies, infrastructure investments and land use map changes contained in the Proposed Draft of the Comprehensive Plan will support economic growth as Portland's economy moves into the middle of the 21st century.

- The plan will expand available employment land to provide adequate growth capacity to meet the 20-year forecast for employment growth.
- The revised EOA shows that the Proposed Draft of the Comprehensive Plan provides the growth capacity to accommodate 142,000 new jobs on 3,000 acres of employment land. This is in addition to the 370,000 jobs that are already in Portland.
- Statewide Planning Goal 9 requires cities to demonstrate that they have an adequate supply of land (development capacity) to accommodate 20 years of forecasted employment growth.
- Metro prepares a regional growth forecast and allocates household and employment growth to each city in the region. Metro has allocated 142,000 new jobs to Portland by 2035.
- Previous land use plans would have resulted in shortfalls in employment capacity in three areas:
 - Industrial lands, especially in the Portland Harbor
 - Central City Industrial areas, like the Lower Albina and Central Eastside districts
 - Major Campus Institutions, like hospitals and colleges

Industrial Lands/Watershed Health Strategies

- Industrial lands play a key role in supporting and growing middle-skill, family-wage jobs that support a balanced economy and our income self-sufficiency and equitable prosperity goals.
- Much of the industrially-zoned land in Portland is located in or near environmentally-sensitive areas along the confluence of the Willamette River and Columbia Rivers. The proposed plan includes a balanced strategy of goals, policies, infrastructure investment, and map changes to both promote economic prosperity and improve watershed health.
- The Proposed Comprehensive Plan accommodates 31,600 new jobs, 22 million square feet of new building area, and 1,700 acres of land development in our industrial districts by 2035.
- The Proposed Comprehensive Plan includes an integrated strategy:
 - **Retention and protection of prime industrial land** by limiting retail sales and services and conversions to other uses.



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandonline.com/bps
1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

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- **Intensification and reinvestment** by existing businesses through strategic freight investments and business climate improvements.
- **Brownfield redevelopment** is encouraged through a comprehensive local, regional and state brownfield toolkit of incentives and best practices, as well as moving forward with cleanup of the Portland Harbor Superfund. Portland’s industrial districts contain an estimated 560 acres of vacant brownfields.
- **Map changes on portions of three private golf courses** to allow for future conversion to industrial use. The map designations were drawn to avoid encroaching on existing environmental overlay zones, and to create large, functional industrial sites and open spaces with opportunities for substantial environmental restoration.

For Harbor Access Lands:

- The proposed plan accommodates the low end of the marine cargo forecast.
- West Hayden Island (WHI) is not included in the strategy. It will be designated Rural Farm Forest pending future annexation and a Comprehensive Plan amendment to determine the industrial and open space designations.
- The small 33-acre harbor access land shortfall can be accommodated in other industrial areas. Not all of the existing jobs in the area are dependent on access to the Portland Harbor. We expect with a tight land supply, over time some of the industrial demand will relocate in industrial areas nearby. For example, expanding harbor businesses like Evraz Steel have grown on nearby sites off of the harbor.

Watershed Health:

- The Watershed Health Strategies propose Comprehensive Plan Map changes from industrial to open space on approximately 550 acres that have been acquired to serve as green infrastructure, natural areas, or parks.
- The Watershed Health Strategies also identify significant natural resources that should be protected through future updates to the City’s environmental and greenway overlay zones. These capacity estimates related to these changes are intended as placeholders and are not binding until an actual decision is made as part of future post-acknowledgement legislative projects.
- Taking into consideration the strategies to both improve employment capacity and watershed health, the analysis indicates there could be a shortfall of development capacity in the Harbor Access Lands and Harbor & Airport Districts geographies. Future legislative projects to protect these natural resources will need to explain how industrial development capacity needs will be met.
- Given the tightening land supply in these districts, a responsive, ongoing capacity-management approach is proposed as the optimal way to meet industrial land needs and improve watershed health.



Other Job Growth Capacity Strategies

- **Central City Industrial:** The SE Quadrant Plan of the Central City 2035 Plan Update will designate additional capacity in these industrial areas, primarily by expanding the area allowing industrial office development and limiting retail sales and services.
- **Campus Institutions:** Policies and the Comprehensive Plan Map propose a shift in direction for campus institutions by designating them as employment districts, where their operations are allowed, rather than conditional uses in residentially designated areas. Moderate campus-wide densities can accommodate substantial growth, while limiting development at campus edges to be context-sensitive to the surrounding neighborhood.
- **Central City Commercial and Neighborhood Commercial areas** have more than enough capacity to accommodate the forecast job growth.

Figure 1. Proposed Employment Land Development Capacity

Employment Geography	2010-35 Demand		Supply (acres)			Reconciliation	
	Added Jobs	Land (acres)	Existing Plan BLI	Proposed Plan BLI*	Other Gains**	Surplus/ Deficit	Supply/ Demand
Central City Commercial	34,120	60	201	201	201	141	335%
Central City Industrial	10,620	90	65	65	65	-25	72%
Harbor & Airport Districts	16,210	1,020	774	905	1,076	56	105%
Harbor Access Lands	1,910	200	113	136	167	-33	84%
Columbia East	9,310	350	356	365	435	85	124%
Dispersed Employment	4,200	130	121	135	135	5	104%
Gateway Regional Center	3,970	50	137	164	164	114	327%
Town Centers	6,160	130	304	371	371	241	285%
Neighb. Centers & Corridors	25,010	510	863	928	928	418	182%
Institutions	22,730	370	306	522	522	152	141%
Residential	7,400						
Total	141,640	2,910	3,240	3,791	4,064		
Aggregate Geography							
Central City	44,740	150	266	266	266	116	177%
Industrial	31,630	1,700	1,365	1,540	1,813	113	107%
Neighborhood Commercial	35,140	690	1,303	1,463	1,463	773	212%
Institutions	22,730	370	306	522	522	152	141%
Total	141,640	2,910	3,240	3,791	4,064		

* Proposed Plan BLI (Buildable Land Inventory) includes gains from plan map changes and brownfield proposals.

** Other gains result from proposed strategies for industrial land intensification, retention, and site-assistance.

Source: Bureau of Planning and Sustainability

