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## MEMO

**DATE:** June 5, 2015  
**TO:** Planning and Sustainability Commission  
**FROM:** Tyler Bump, Economic Planner (503-823-7713)  
**CC:** Troy Doss, Susan Anderson, Joe Zehnder and Sallie Edmunds  
**SUBJECT:** 6/9/2015 Central City 2035 Southeast Quadrant Plan Employment Summary

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The Planning and Sustainability Commission held a public hearing on the Proposed Draft Southeast Quadrant Plan on Tuesday, May 26th. At the hearing, there were a large number of comments from property owners seeking expansion of the Employment Opportunity Subarea to all IG1 zoned properties in the Central Eastside. This prompted multiple commissioners to ask for more information about rents and the kinds of jobs found in the existing EOS.

### Rents for Industrial, Industrial Office and Traditional Office Uses in the District

- **Industrial.** Rents for Industrial space have remained relatively flat (adjusting for inflation) over time. They currently range from \$7-\$13 per square foot on average. *The Zoning Code includes the following uses within the Industrial Category: Wholesale sales, warehouse and freight movement, industrial services, manufacturing and production except for the manufacture of goods primarily for sale on-site.*
- **Industrial Office.** These rates vary by location throughout the Central Eastside. District wide Industrial Office rates are around \$20 per square foot. However, Industrial Office rates are slightly higher in high demand areas such as MLK to Water (the location of the current EOS) and North of Burnside. In these areas with more recently renovated properties and more in-building amenities, lease rates range from \$20-\$28 per square foot. The IG zone allows one office (Traditional or Industrial) or retail use totaling up to 3,000 square feet and the EOS provision increases the allowance to 5,000 square feet. The EOS provision expands the Industrial Office allowance up to 60,000 square feet. *The Zoning Code includes the following uses within the Industrial Office Category:*



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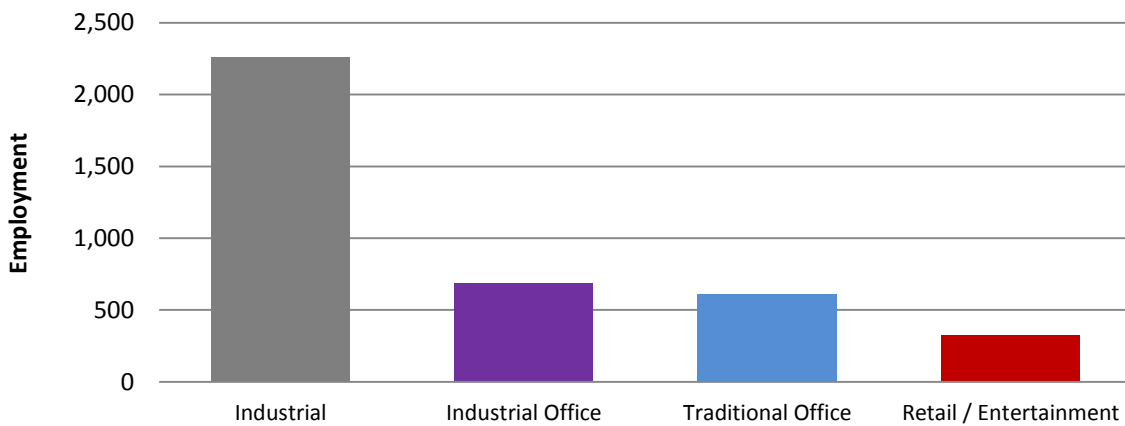
- **Traditional Office.** Traditional Office lease rates are currently around \$20 per square foot. The IG zone allows one office (Traditional or Industrial) or retail use totaling up to 3,000 square feet and the EOS provision increases the allowance to 5,000 square feet. Although conditional use provisions would allow for much more Traditional Office, few projects have utilized these. As a result, relatively few Traditional Office spaces exist in the district.

*The Zoning Code includes the following uses within the Traditional Office Category: Lawyers, accountants, bank headquarters, real estate agents, sales offices, government offices, medical and dental clinics.*

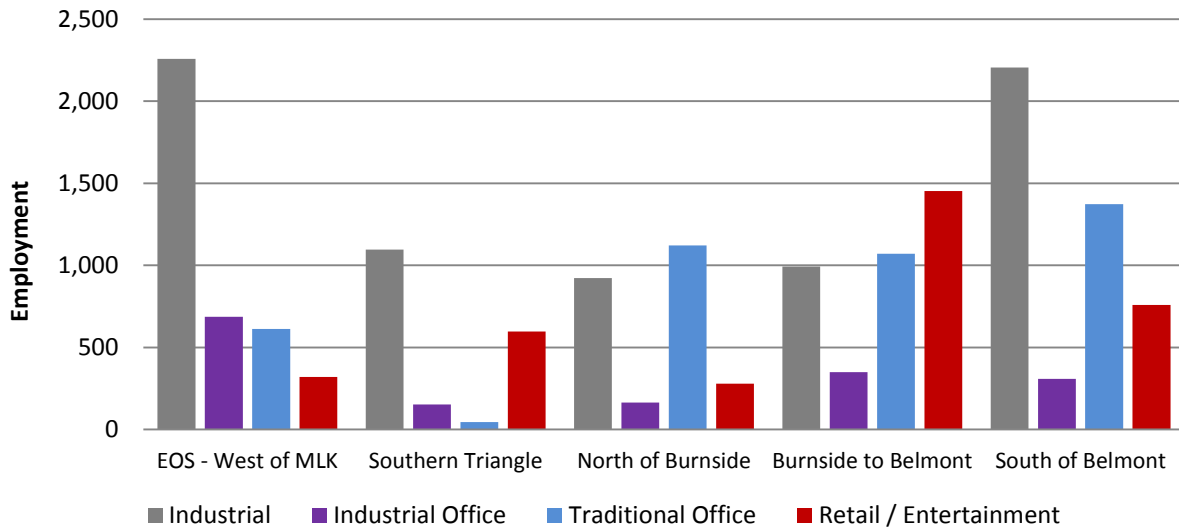
## Nature of Jobs in the EOS and Wage Levels Compared to Other Sub-Districts

The nature of the employment mix in the current EOS area is very diverse. Industrial employment continues to be the most significant employment type in the EOS (see figure below). Employment composition in the current EOS overlay is predominantly industrial. The re-use and rehabilitation of building stock in the EOS over the last two years has grown the share of industrial jobs significantly.

**EOS - West of MLK**

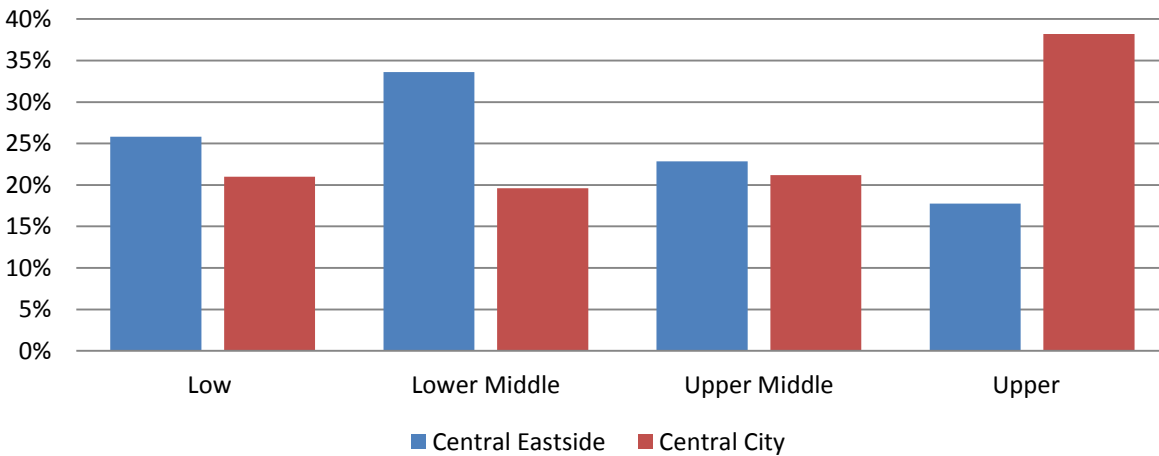


## Employment Types in the Central Eastside by Subarea



Traditional industrial wages are in the lower middle (\$26,000-\$46,000 per year) and upper middle income (\$46,000-\$68,000 per year) wage quartiles. Industrial office wages typically are in the upper middle (\$46,000-\$68,000 per year) and upper income (over \$68,000 per year) wage quartiles. The mix of employment uses allowed in the EOS reflects the range of incomes from lower middle income to upper income.

## Wage Quartile Comparison - Central Eastside and Central City



### Central Eastside Wage Quartile by Industry Group

