



# Portland Brownfield Redevelopment Assessment

Planning and Sustainability Commission

February 12, 2013



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# Today's Agenda

1. Brownfields 101
2. Brownfield Inventory and Typologies
3. Financial Feasibility Analysis
4. Public Benefit Analysis
5. Policy and Tools Recommendations
6. Summary of Findings
7. Next Steps



# Brownfields 101

- What is a brownfield?
  - The term “brownfield” refers to real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of hazardous substances.



# Brownfields 101

- Why should we care about brownfields?
  - Economic development
  - Environmental health
  - Public health
  - Preserving agricultural land
  - Industrial land supply













**211 new  
housing  
units!**



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**48,000  
square feet  
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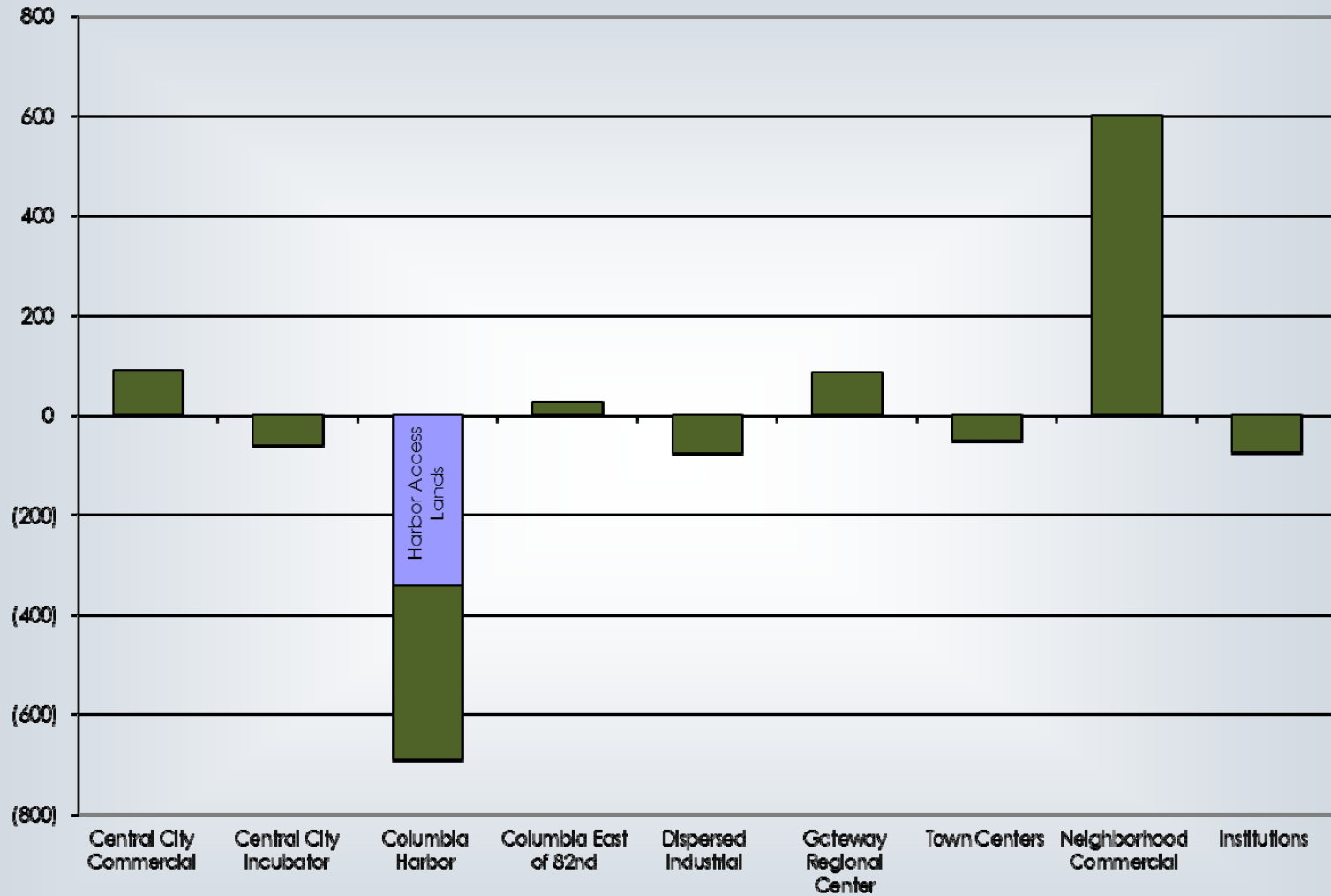
**211 new housing units!**

**48,000 square feet of retail!**

**90+ new full time jobs!**



# 2035 Employment Land Surplus/(Deficits)



# Barriers to Brownfield Redevelopment

## Financial

- Direct cost of remedial actions
- Indirect carrying costs
- Competition with greenfield sites
- Timing
- Limited public and private resources for site investigations and remediation

## Uncertainty and Risk

- Unknown extent of contamination
- Lack of predictability in regulatory decisions
- Superfund overlay
- Transaction costs of regulatory processes

## Regulatory Process

- Perception of overly constrained land use regulations
- Uncoordinated or conflicting permitting processes
- Lack of a timely pathway for liability settlement



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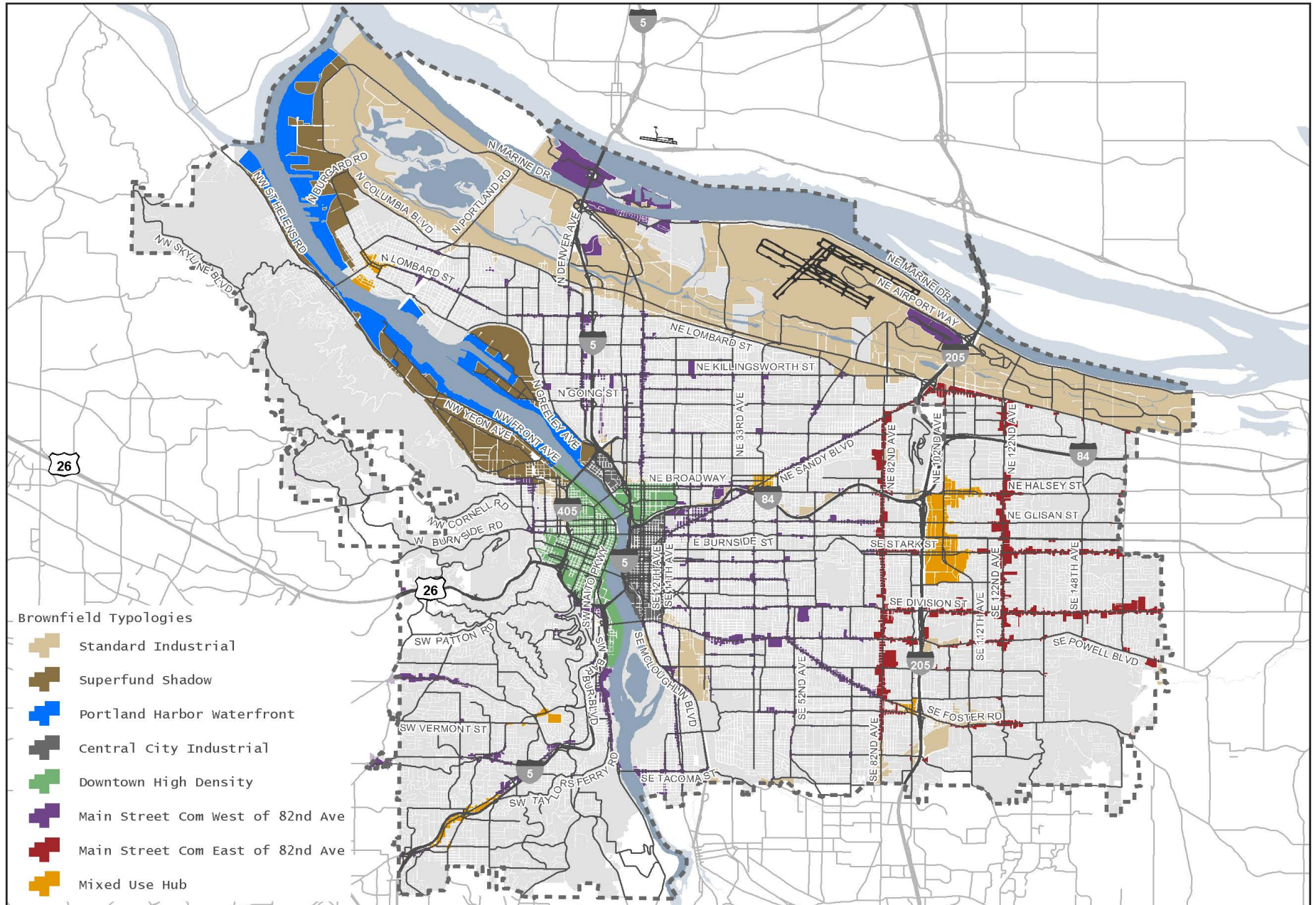
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# Brownfield Inventory and Typologies





## Buildable Lands Inventory

August 15, 2012

The information on this map was derived from City of Portland GIS databases. Care was taken in the creation of this map but it is provided "as is". The City of Portland cannot accept any responsibility for error, omissions or positional accuracy.



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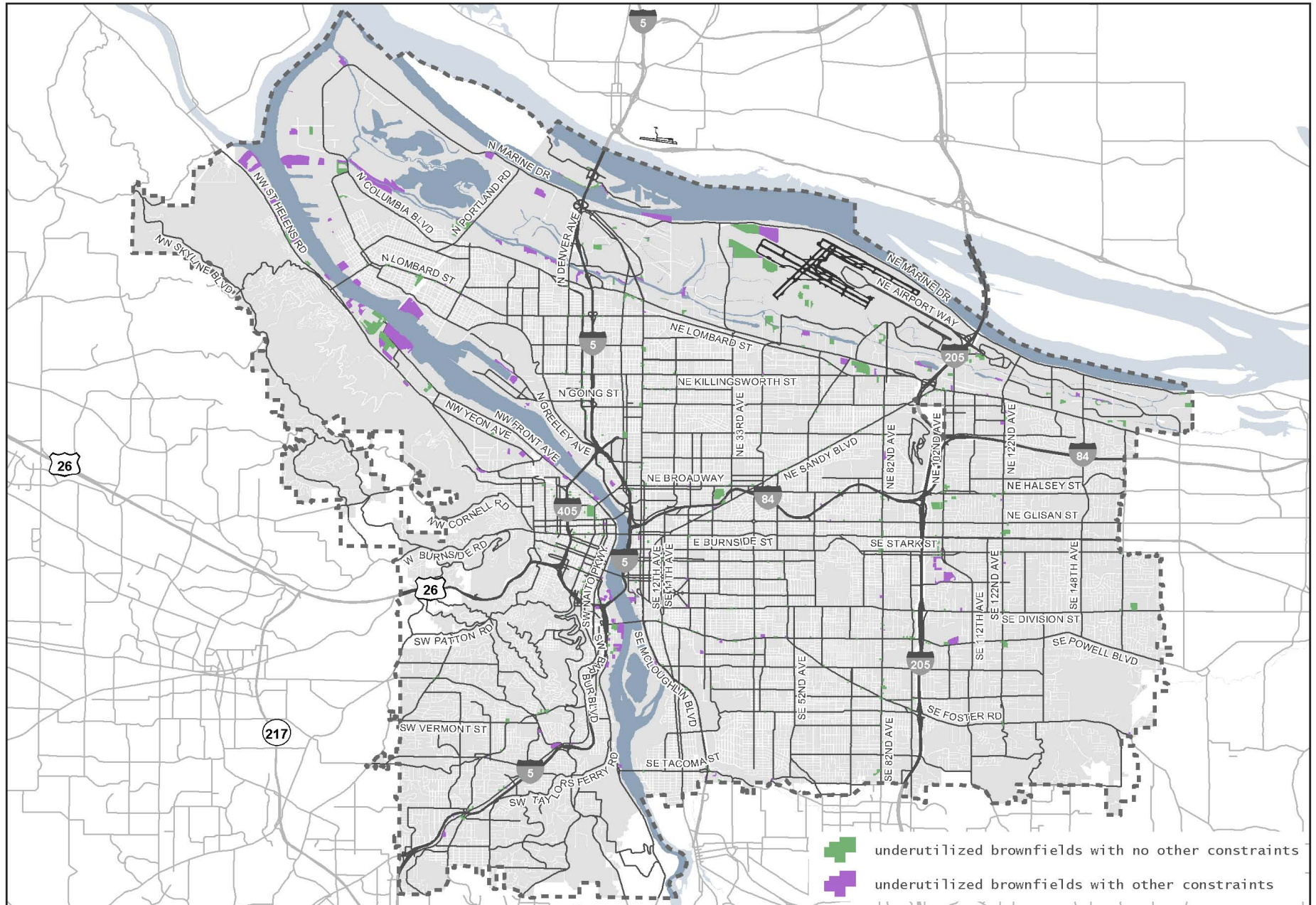




# Brownfield Inventory by Typology

Typology	Total Acres
Downtown High Density	94
Mixed Use Hub	58
Main Street Com E of 82nd	57
Main Street Com W of 82nd	137
Central City Industrial	4
Standard Industrial	326
Superfund Shadow	70
Portland Harbor Waterfront	154
<b>Total Acres</b>	<b>910</b>





**Buildable Lands Inventory | Parcels with Identified Potential Contamination**

**August 15, 2012**

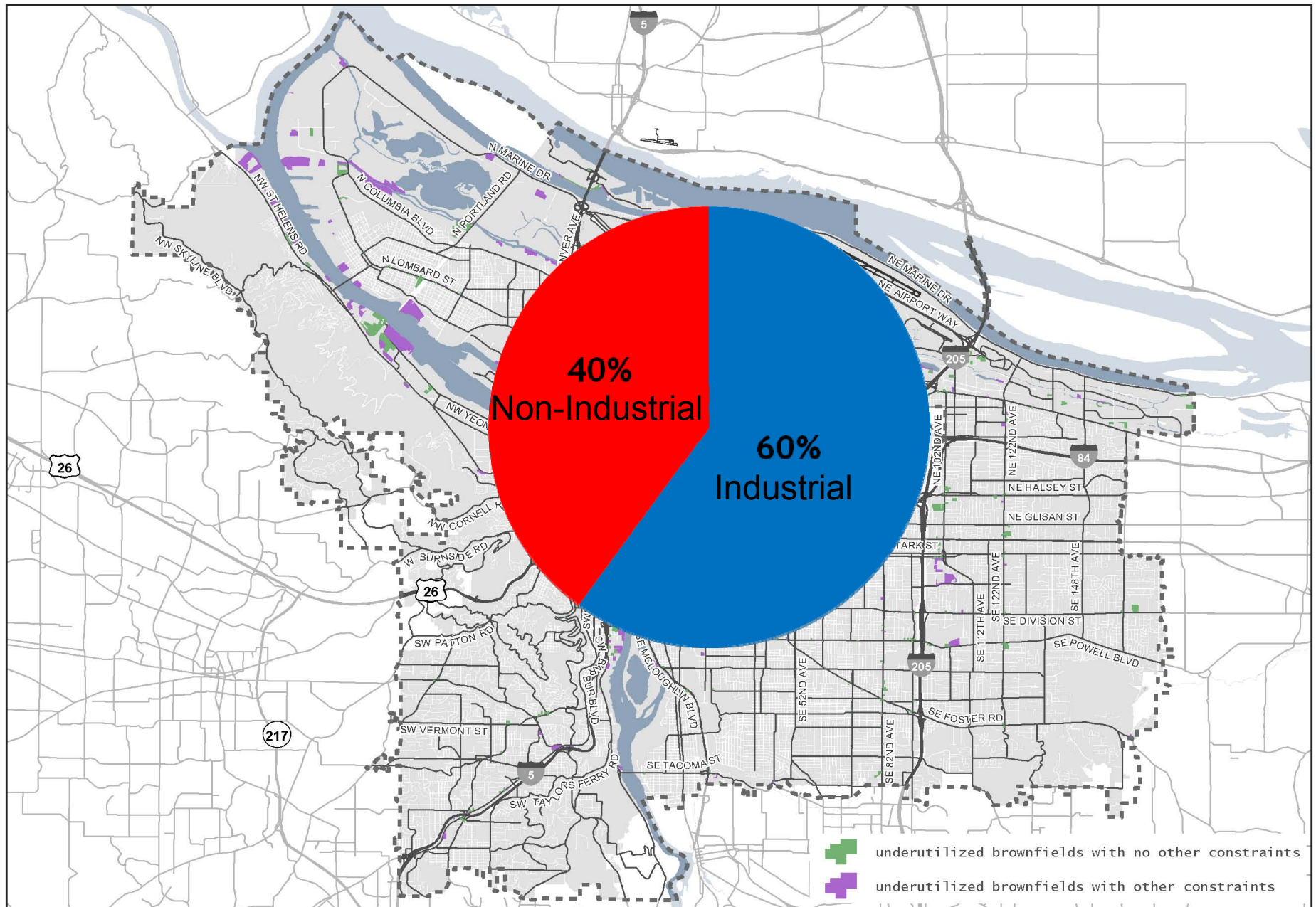
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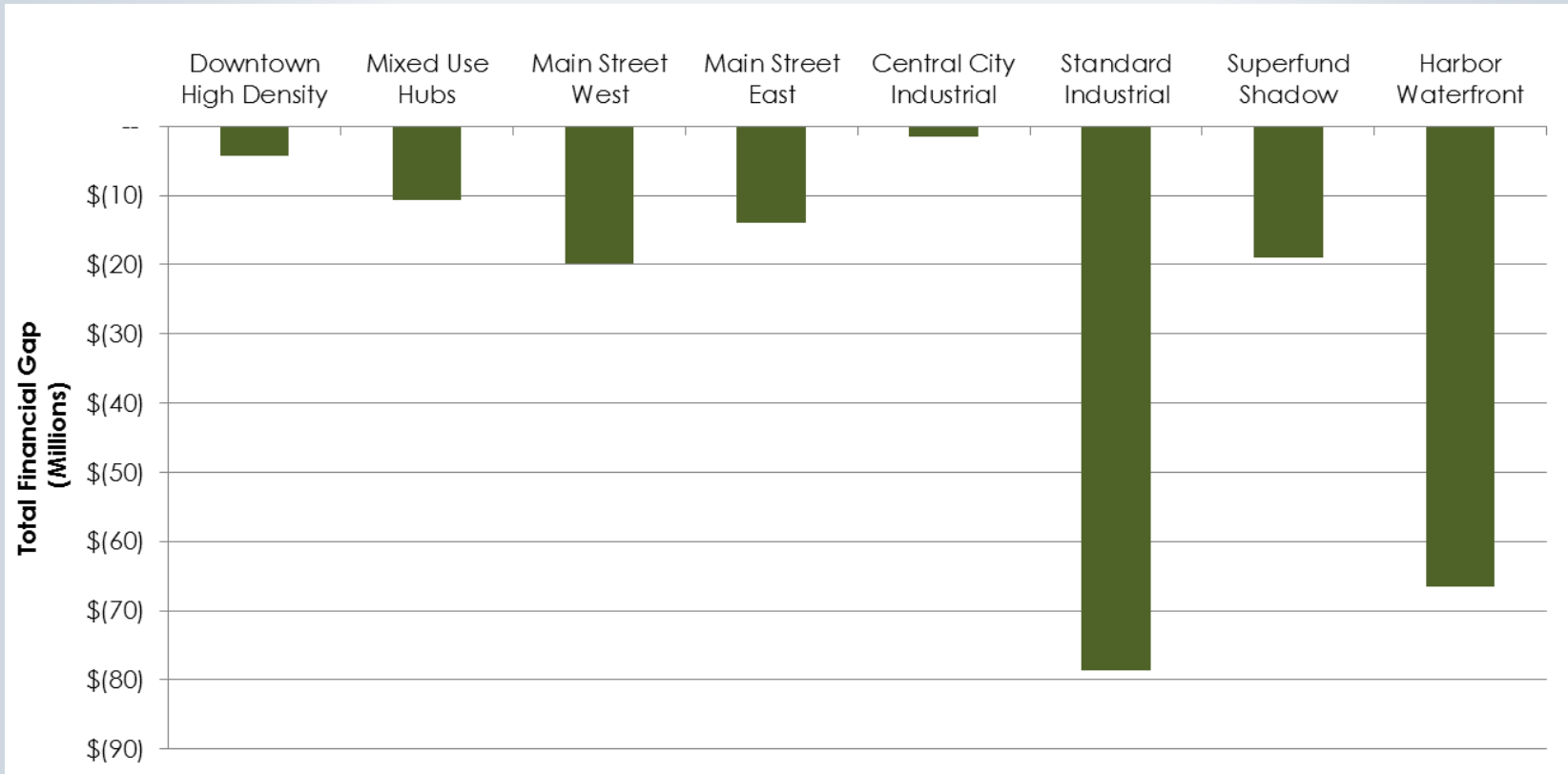
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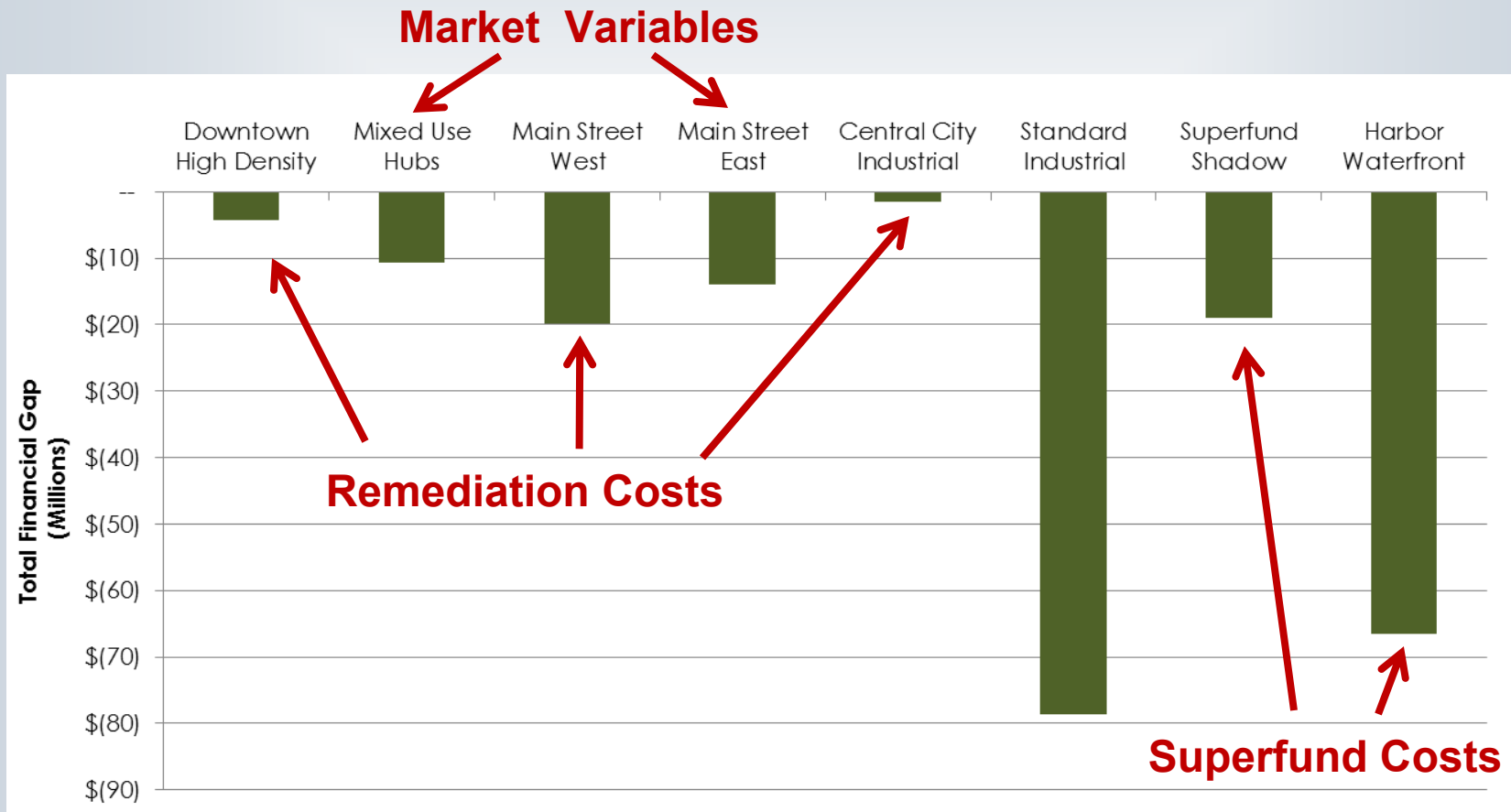
# Financial Feasibility Analysis



# Total Financial Feasibility Gap by Typology



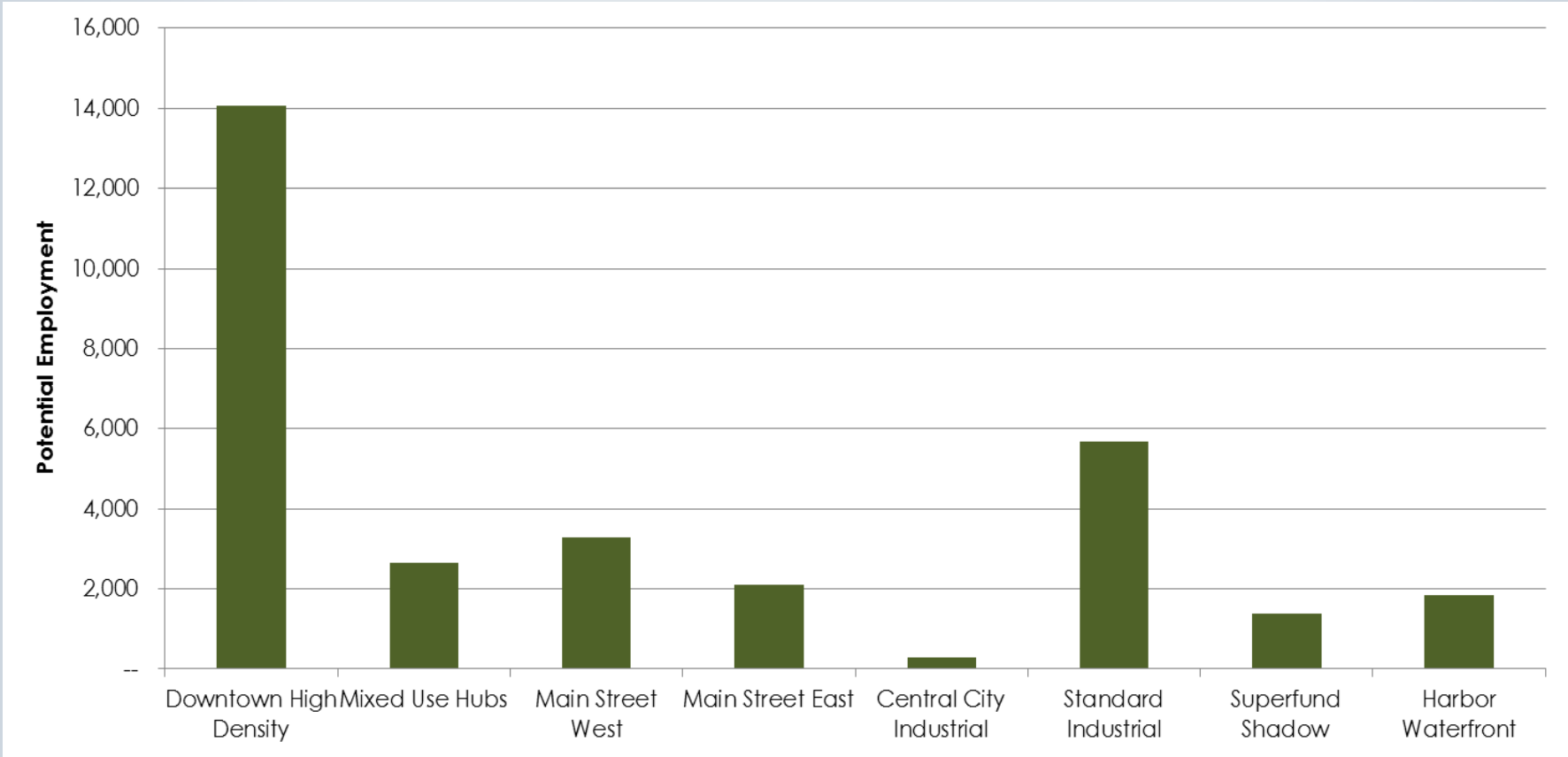
# Total Financial Feasibility Gap by Typology



# Public Benefit Analysis

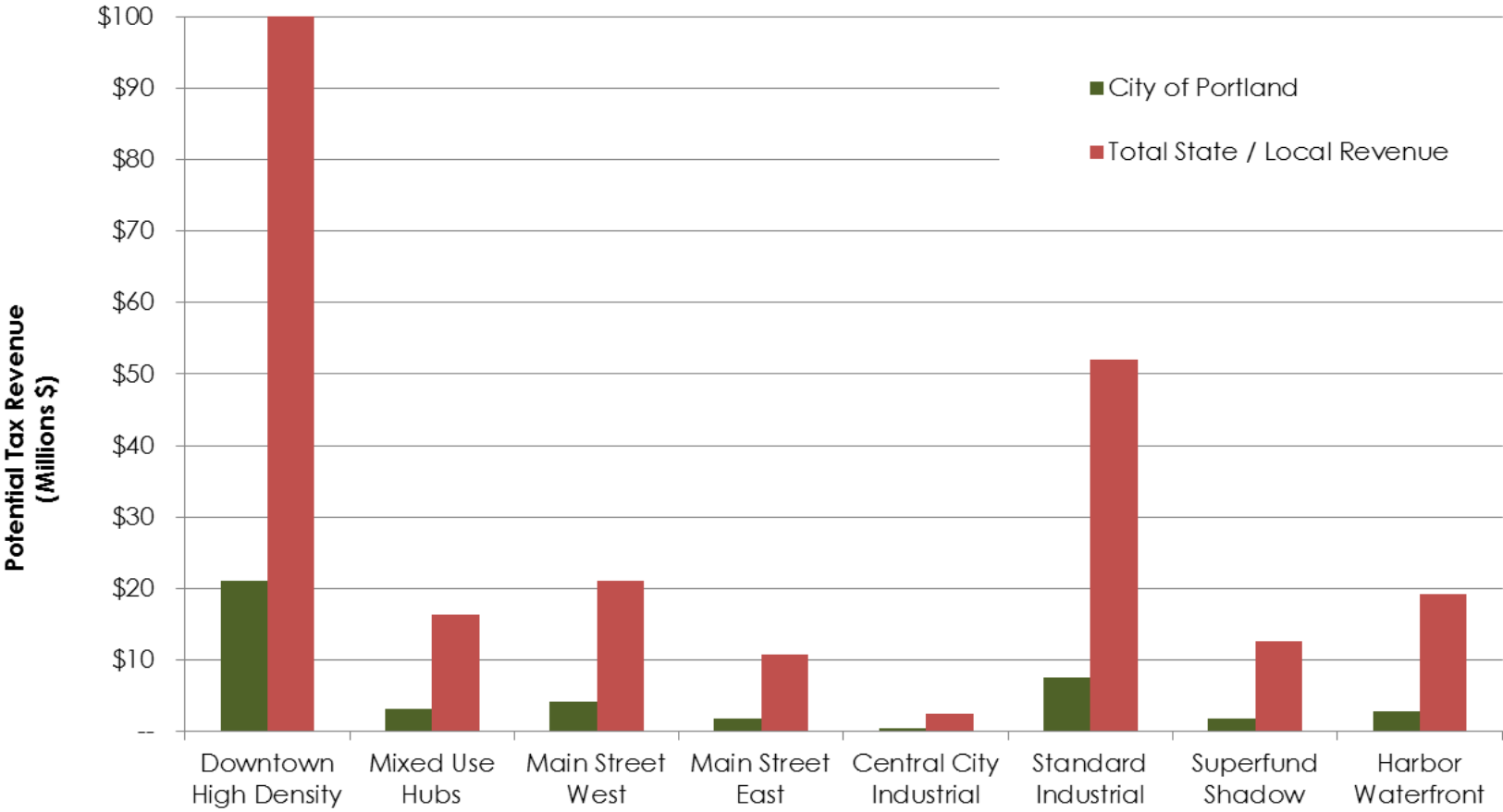


# Employment Potential





# Revenue Potential

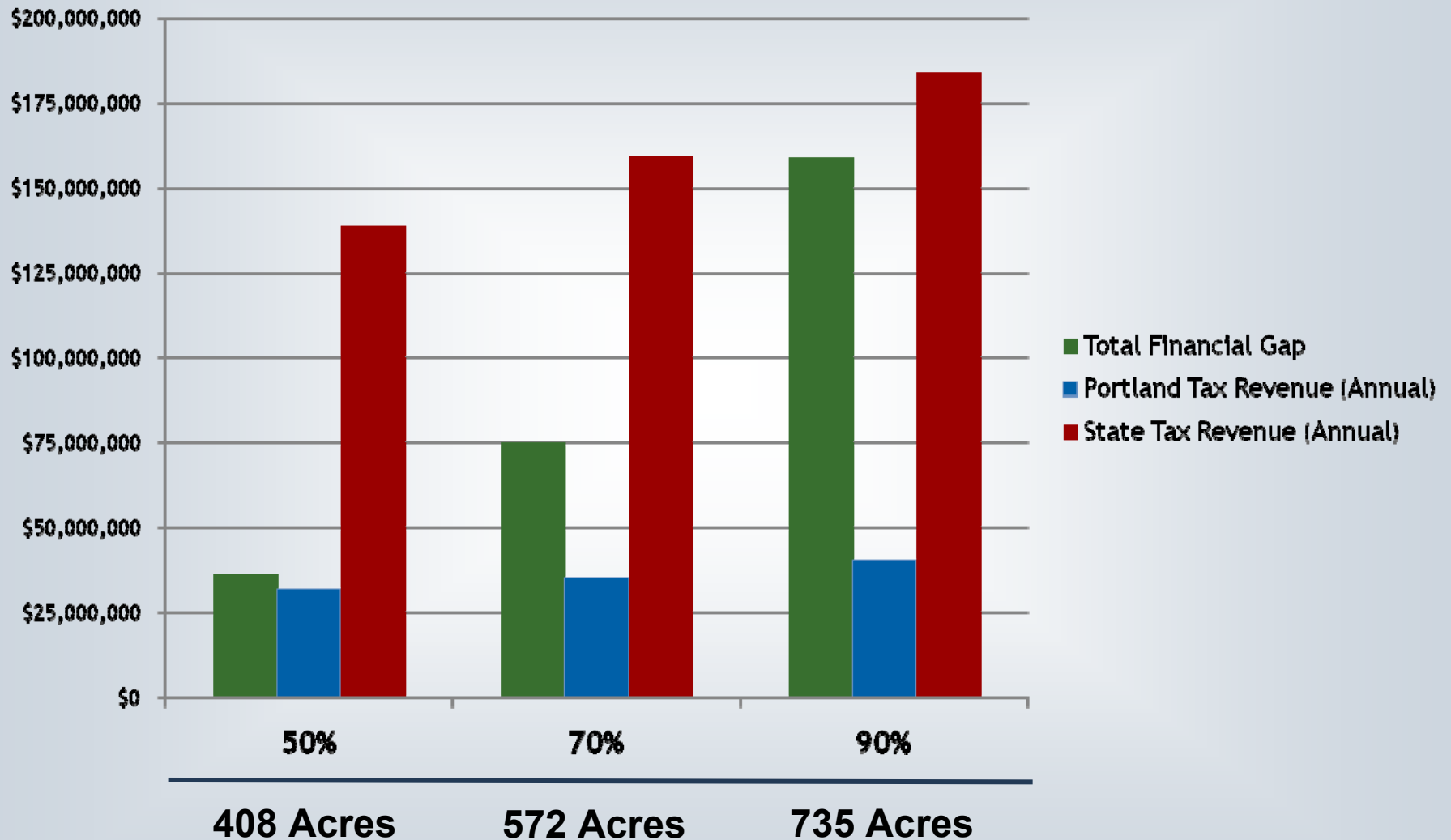


# Payback Period for Public Investment

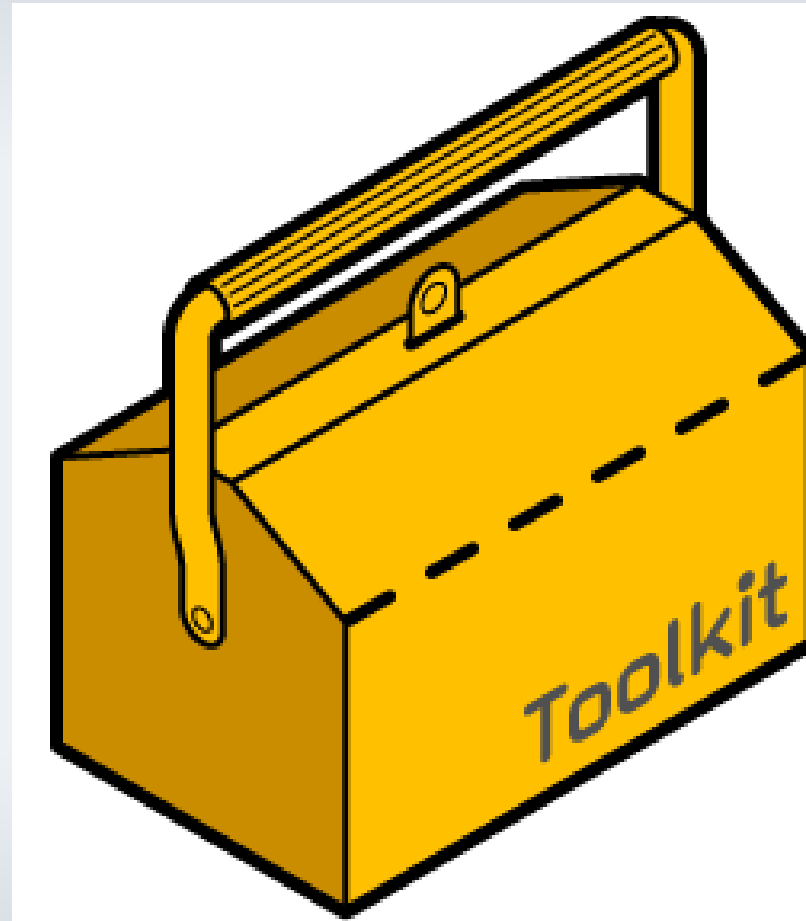
TYPOLOGY	YEARS	
	PORTLAND TAX REVENUE	TOTAL STATE & LOCAL TAX REVENUE
1. Downtown High Density	< 1	< 1
2. Mixed Use Hubs	4	< 1
3a. Main Street West	6	< 1
3b. Main Street East	9	2
4. Central City Industrial	4	< 1
5. Standard Industrial	13	2
6. Superfund Shadow	13	2
7. Portland Harbor Waterfront	43	4



# Payback Period for Public Investment



# Policy Tools and Recommendations



# Policy Tools

## Statewide Tax Incentives

- Contaminated Property Tax Assessment Reform
- Remediation Tax Credit
- Job Creation Tax Credits

## Complementary Tools

- Property Tax Abatement
- Tax Increment Finance Reform

## City-wide Institutional

- Public Land Bank
- Pooled Environmental Insurance
- Historical Insurance Recovery Support
- Model Purchase & Sale Agreement

## Complementary Tools

- Build Market Demand
- Public-Private Investment Entity
- Dedicated Cleanup Fund

## Superfund Policies

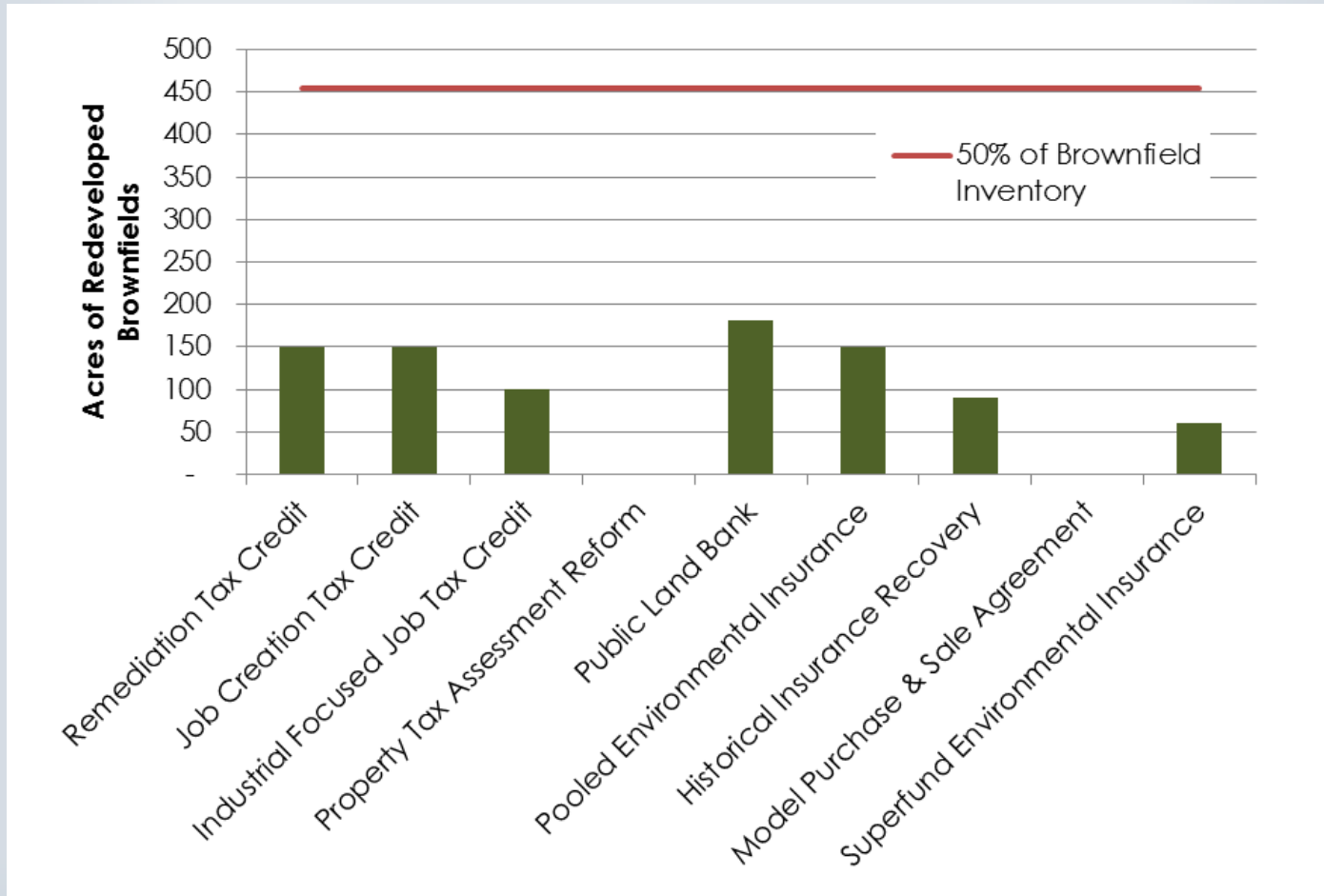
- Environmental Insurance Pool
- Federal Prospective Purchaser Agreements
- *De Minimis* Settlements

## Complementary Tools

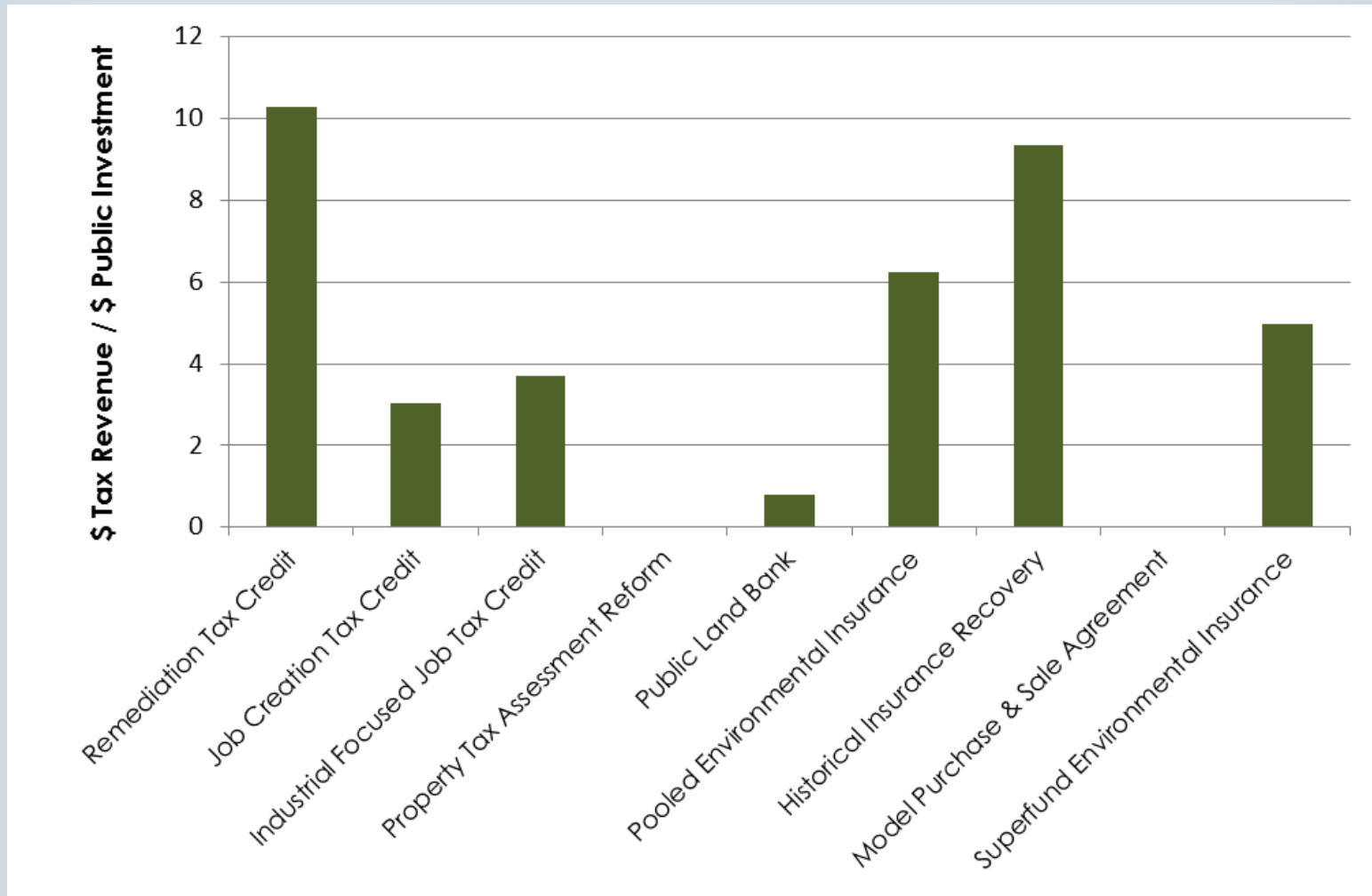
- Corps of Engineers Lead



# Impact of Policy Tools on Redevelopment



# Return on Investment Analysis



# Summary of Findings

- Brownfields exist in nearly all employment areas and neighborhood business districts
- There are 910 acres of potential brownfields throughout Portland.
- The primary barrier to brownfield redevelopment is financial feasibility
- Industrial properties account for a combined 77 percent of the overall feasibility gap.
- Redevelopment of the full brownfield inventory could generate \$42 million in annual tax revenues for the City of Portland
- The estimated payback period for redevelopment of the full brownfield inventory ranges from 1 to 4 years.
- No single policy incentive will be sufficient to catalyze redevelopment of all the brownfields or even achieve a 50 percent target.





# Comprehensive Plan Update



- Goal 9 requirement
- Provide land capacity and increase land efficiency
- Policy 3.10 Brownfield redevelopment
- Policy 3.40 Industrial district redevelopment



# Next Steps

- City Council Presentation to accept the report (February 2013)
- Continued coordination between city bureaus
- State Legislative Coordination with regional partners
- State Legislative Agenda for Tax Credits and Loan Funds
- Continue community development efforts of the Portland Brownfields Program



# Questions?



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