



Metro | *Agenda*

Meeting: Metro Council Work Session
Date: Tuesday, Nov. 22, 2011
Time: 2 p.m.
Place: Council Chambers

CALL TO ORDER AND ROLL CALL

2 PM 1. ADMINISTRATIVE/ CHIEF OPERATING OFFICER COMMUNICATIONS

2:15 PM 2. INDUSTRIAL AND EMPLOYMENT AREAS WORK PROGRAM UPDATE: REGIONAL INDUSTRIAL SITE READINESS PROJECT – INFORMATION/ DISCUSSION

**John Williams, Metro
Ted Reid, Metro
Keith Leavitt, Port of Portland
Susie Lahsene, Port of Portland
Lise Glancy, Port of Portland
Bernie Bottomly ,
Portland Business Alliance**

3 PM 3. BREAK

3:05 PM 4. PARKS PORTFOLIO PROJECT – INFORMATION/ DISCUSSION

**Jim Desmond, Metro
Mary Anne Cassin, Metro**

4:05 PM 5. COUNCIL BRIEFINGS/COMMUNICATION

ADJOURN

Agenda Item Number 2.0

**INDUSTRIAL AND EMPLOYMENT AREAS WORK PROGRAM
UPDATE: REGIONAL INDUSTRIAL SITE READINESS PROJECT**

Metro Council Work Session
Tuesday, Nov. 22, 2011
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: November 22, 2011 Time:

Length: 45 minutes

Presentation Title: Industrial and Employment Areas work program update: Regional Industrial Site Readiness project

Service, Office, or Center: Planning and Development

Presenters (include phone number/extension and alternative contact information):

Ted Reid: 503-797-1768, ted.reid@oregonmetro.gov

John Williams 503-797-1635, john.williams@oregonmetro.gov

Bernie Bottomly (Portland Business Alliance)

Keith Leavitt, Susie Lahsene, Lise Glancy (Port of Portland)

ISSUE & BACKGROUND

Metro's Industrial and Employment Areas work program (included in packet for reference), part of the Community Investment Strategy, is aimed at identifying barriers, developing and promoting tools, and coordinating investments to support a regional economic development strategy. Program objectives include:

- Create development-ready employment sites
- Support job growth in industrial and employment areas
- Promote equitable jobs access for all populations
- Foster energy efficient and environmentally sustainable industrial and employment areas
- Increase regional coordination of employment forecasts, data and strategies
- Coordinate a regional investment strategy in support of the regional economic development strategy

As one element of Metro's Industrial and Employment Areas work program, Metro has partnered with NAIOP, the Portland Business Alliance, Business Oregon, and the Port of Portland to conduct an inventory of large industrial sites (greater than 25 buildable acres) that describes actions and investments that are needed to make sites development ready. Enhancing the development readiness of large industrial sites is one way to support the growth and recruitment of traded-sector companies, which sell goods to buyers outside of the Metro region, bringing additional wealth into the region. To that end, the focus of the Regional Industrial Site Readiness project is to:

- Achieve a better understanding of the development readiness of the region's inventory of large industrial sites
- Identify actions and investments that are needed to make more of the region's large industrial sites development-ready
- Identify 5-10 strategic large industrial sites and assess in more detail the costs and actions necessary to make them development ready for traded sector employment

Phase I of the Regional Industrial Site Readiness project (the regional inventory) is now complete and members of the project team wish to bring Phase I findings to the Council for discussion. Phase II (detailed analysis of 5 to 10 strategic sites) will be completed in early 2012.

OPTIONS AVAILABLE

- Have Metro take on responsibility for updating this regional inventory on a periodic basis.
- Encourage the Leadership Council of the Community Investment Initiative to include industrial site readiness as an element of the Community Investment Initiative.
- Encourage local jurisdictions to take necessary legislative actions to bring sites closer to development readiness (e.g., concept planning, annexation, comprehensive planning).

IMPLICATIONS AND SUGGESTIONS

The Phase I inventory illustrates that many of the industrial sites in the region are not development ready. For many sites, investments and policy actions are needed. In light of these findings, staff recommends that:

- Metro should incorporate an update of the large site inventory, including its assessment of barriers to development, into urban growth reports (every five years). Doing so will provide the Council with better information regarding the region's capacity to accommodate not just long-term, but short term employment growth. This assessment would also provide better information for determining if UGB expansions are the region's best response to any short-term or long-term capacity shortage. This will require a reconciliation of statutory guidance regarding capacity assessments with the more "market-based" approach taken in Phase I of this project. More frequent updates could provide useful information to guide investments and policy actions, but staff suggests having additional discussions about which agency or organization may be best suited for conducting more frequent updates.
- Investments and actions that enhance the development readiness of large industrial sites should be elements of the Community Investment Initiative. Metro should support these efforts. This will place an emphasis on the need for brownfield cleanup, site assembly, infrastructure investments, planning, and annexation.

QUESTION(S) PRESENTED FOR CONSIDERATION

No policy questions for Council consideration at this time. Instead, staff would like to provide Council with an opportunity to consider this study's findings and Metro's long term roles on this topic.

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __Yes __x__No
DRAFT IS ATTACHED __Yes __No

Industrial and Employment Areas Work Program

John Williams, Program Manager

GOAL: Prosperous, sustainable and accessible industrial and employment areas.

METRO ROLE: Identify barriers, develop and promote tools and coordinate investments to support a regional economic development strategy.

PROGRAM OBJECTIVES:

- Create development-ready employment sites
- Support job growth in industrial and employment areas
- Promote equitable jobs access for all populations
- Foster energy efficient and environmentally sustainable industrial and employment areas
- Increase regional coordination of employment forecasts, data and strategies
- Coordinate regional investment strategy in support of regional economic development strategy



WORK PROGRAM ELEMENTS:

- 1:** Develop inventory and replenishment plan for regional large-lot industrial needs (*Ted Reid, lead*). This work follows up on the 2010 Metro Council decision that sites 50 acres and larger were the only regional employment land need that was not satisfied within the existing urban growth boundary (UGB) and anticipates that this will be an ongoing capacity need. ¹ The project will identify large-lot opportunities (both inside and outside the UGB) and the strategies needed to make those sites development-ready. Strategies to be considered may include:
 - Identifying, assessing and cleaning up brownfield contamination
 - Consolidating fragmented ownership patterns
 - Prioritizing and developing needed infrastructure
 - Assessing and mitigating environmental constraints
 - Streamlining permitting requirementsFinally, the project will address next steps for monitoring and replenishing regional employment land supply from identified opportunity sites.
- 2:** Promote and support implementation of Metro's 2010 *Eco-Efficient Employment Toolkit* (*Miranda Bateschell, lead*). This work will identify barriers to triple-bottom line development in targeted employment areas around the region and will develop and promote tools to address these barriers. In FY 2011-2012 a major focus will be areas within the SW Corridor Plan and East Metro Connections Plan boundaries to support those major planning efforts.
- 3:** Compliance related to Metro's Industrial and Employment Areas code (Title 4) to protect industrial and employment lands for job creation (*Ted Reid, lead*).

¹ This work program is not intended to provide additional large-lot capacity to count towards the need identified in the 2009 urban growth report. This is a longer-term effort to provide large-lot capacity for employment.

- 4: Coordinate employment forecasts and data distribution (*Gerry Uba, lead*).

RELATED PROJECTS/PROGRAMS:

- Integrated mobility corridors (SW Corridor/East Metro Connections Plan)
- Community Investment Initiative especially to recognize the cost to implement the actions needed to upgrade the candidate sites to development-ready status.
- Climate Smart Communities Scenarios
- Community Development and Planning Grants
- Major regional investments – Lake Oswego to Portland transit project, Portland-Milwaukie Light Rail, Columbia River Crossing
- Future urban growth reports and UGB expansions
- Regional coordination for local economic opportunity analysis and comprehensive plan updates
- Housing and Equity Opportunity Mapping
- Implementation of the Regional Transportation Plan’s Freight Plan
- Greenlight Greater Portland/Regional Partners economic development organization

EXTERNAL PARTNERS:

- Business Oregon
- Local jurisdictions
- Greenlight Greater Portland/Regional Partners
- Businesses, developers and private business development associations
- Workforce training organizations, equity groups
- Port of Portland
- Freight interests

COUNCIL ROLE: (*Councilors Harrington and Collette, liaisons*)

- Policy direction on overall program and elements including:
 - Whether the inventory and replenishment system triggers UGB expansions on an annual or other frequent timeline if no new sites have been made available inside the UGB
 - Potential changes to land protections and/or incentives for designated employment and industrial areas
- Political leadership in establishing investment strategies for industrial and employment areas and seeking resources for implementation
- Connecting industrial and employment investment strategies to Greenlight Greater Portland’s regional economic development strategy, consistent with 2040 growth concept and desired regional outcomes
- Outreach to partners

KEY MILESTONES AND DECISIONS TIMELINE (WORK IN PROGRESS)

1. Metro Council direction on overall work program	April 2011
2. Metro Council decision on local jurisdiction requests to amend regional industrial and employment areas map	July 2011
3. Metro Council direction on large lot opportunity sites/barriers	November 2011
4. SW Corridor Plan/East Metro Connection Plan milestones TBD	TBD

NOTE: FORMAL ACTIONS ARE BOLDED AND HIGHLIGHTED IN GRAY

EVENTS AND PRODUCTS TO ACTUALIZE KEY MILESTONES**Milestone 1 (Council direction on work program):**

- Direction from Council liaisons *March 2, April 11*
- Initial discussion with Council *April 19*
- Work session on inventory and replenishment program

Milestone 2 (Title 4 status and local jurisdiction map requests):

- Staff report *June, date TBD*
- Metro Council decision on local jurisdiction map requests *July, date TBD*

Milestone 3 (Council direction on large lot opportunity sites, strategies and replenishment):

- Base inventory of large lots *done*
- Council initial direction on work program and replenishment concepts (based on 2009-2010 work) *Date TBD (April/May)*
- Work with local jurisdictions, private sector and others to identify opportunity sites *May-July*
- Work with local jurisdictions, private sector and others to identify barriers *August-September*
- Draft report to MTAC, MPAC and Council on large lots and barriers *October*
- Final report to MTAC, MPAC, Council – seek policy direction *November*

Milestone 4 (SW Corridor/East Metro Connections Plan):

- Milestone development still underway *TBD*

RESOURCES CURRENTLY ALLOCATED BY LAND USE PLANNING SECTION, FY 2011-2012

Staff: 3.70 FTE, includes 2.70 FTE in Planning, 1.00 FTE supported in Research Center

M&S: \$15,000 for consultant expertise

Note: does not include staff in other departments

POTENTIAL ADDITIONAL WORK TASKS (NOT BUDGETED)

1. \$50,000 for additional technical assistance by consultants related to the eco-efficient toolkit in corridors and other targeted locations. Funds would provide up to five site visits and consultations with local jurisdictions.



Date: November 15, 2011
To: Metro Council
From: Ted Reid, Metro Land Use Planning
Re: Industrial site readiness project update

Background

Traded-sector companies sell goods and services to buyers outside of the Metro region, bringing additional wealth into the region. Attracting and retaining traded-sector industrial companies is important for the Portland region's long-term economic prosperity. Because the Portland region must compete with other metropolitan areas to attract these firms, it must be able to provide a reasonable inventory of development-ready sites. While providing large industrial sites (over 25 buildable acres) is not the only means to traded-sector job creation, a diverse supply of development-ready sites is important to the region's ability remain competitive in global markets.

The Project

As one element of Metro's Industrial and Employment Areas work program, Metro has partnered with the Port of Portland, the Portland Business Alliance, the National Association of Industrial and Office Properties (NAIOP), and Business Oregon to conduct a market-based study of barriers to development of large industrial sites. For this study, staff from these agencies and organizations have served on a project management team with Group Mackenzie conducting the analysis.

There are two phases of this project. In Phase 1 of the project, an inventory of vacant large parcels zoned for industrial use was developed. The inventory identified the development constraints and market readiness of these parcels. This work began in June 2011 and concluded in October 2011. Phase 2 will identify 10 strategic sites in the region for more detailed site analysis. This will include outlining a development scenario for each site, defining investments and actions needed to bring these sites to market readiness, and summarizing the economic benefit associated with these investments. This work will occur between November 2011 and February 2012.

The deliverable of the two-phase project will be a report which will provide a better understanding of the need for policy actions and investments to support economic development goals and make efficient use of lands inside the urban growth boundary. This report will support the regional economic development strategy and help ensure our region can retain and attract the industries critical for job and investment growth; inform the work of local jurisdictions, Greater Portland, Community Investment Initiative Leadership Council, Metro, Port of Portland, and the State; and lay a foundation for innovative financing tools and approaches needed to make sites ready for traded-sector investment.

Phase 1 methodology

In establishing the inventory of market-ready industrial land, the project management team looked at all vacant industrial parcels inside the UGB and several Urban Reserves using Metro's 2009 Buildable Lands Inventory as a base. Metro's inventory was supplemented with land inventories from local governments in the region. Sites that have the potential for redevelopment were also identified using a methodology that assesses land and improvement values. However, potential redevelopment sites have not been included in the tiered inventory due to the preliminary nature of the analysis. Further study of redevelopment sites in the region is merited.

Using the buildable land inventory, the first step was to identify single-owner parcels with 25+ vacant acres and opportunities for multiple-owner aggregation to achieve 25+ acre parcels zoned or planned industrial. These gross-acre parcels were evaluated for on-site development constraints (e.g., wetlands, flood plain, slope) to determine net developable acres.

Parcels that are user-owned and held for future development (e.g., Intel, Genentech, Providence) were removed from further analysis. These parcels are being held (land banked) by their owners and not available to the general market.

These sites were then analyzed and put into one of three tiers based on their market readiness. Factors used to determine tiers included infrastructure needs, brownfield status, annexation requirements, land assembly needs, transportation conditions, and availability (for lease or sale, or owner being willing to transact):

Tier 1: Market ready in less than 180 days

Tier 2: Market ready in 7 to 30 months

Tier 3: Over 30 months to market readiness

Phase I findings

56 sites were identified in the Metro region that are larger than 25 net acres and are zoned, concept planned, or designated for future industrial uses. The inventory is summarized in a matrix, which is included in the meeting packet. As noted, these 56 sites do not include potential redevelopment sites, sites held by users for future business expansion, or sites in the three-county area that are outside of Metro's jurisdictional boundaries.

- There are 9 Tier 1 sites that are, or can be, shovel ready within 6 months.
- 5 of the 9 Tier 1 sites have broad marketability.
- There are few 50+ and 100+ acre sites in the region and only 2 of these sites are Tier 1.
- Tier 2 and 3 sites have multiple development constraints that will require significant investments and policy actions to make them development-ready.
- All but 4 of the sites are located in Multnomah County and Washington County.

Tier 1 site findings

The region's immediate inventory of Tier 1 sites includes 9 sites that are, or can be, shovel ready within 6 months or 180 days. 5 of these Tier 1 sites have broad marketability. There is only one 100+ and one 50+ acre site within this Tier 1 category.

Tier 2 site findings

The mid-term inventory of Tier 2 sites that can be shovel ready in 7 to 30 months requires investments and policy actions to bring these sites to market. There are 16 Tier 2 sites in the Metro region. Four of these sites are not in single ownership and require land assembly. There are no sites of 100+ acres and only 4 sites of 50+ acres within this Tier 2 category.

Tier 3 site findings

The pipeline of industrial sites in the region - Tier 3 sites requiring more than 30 months to development readiness - includes 31 sites with multiple challenges requiring significant investments and policy actions such as annexation. Ten of these sites require land assembly involving multiple owners. There are 6 sites of 100+ acres and 4 sites of 50+ acres. Three Tier 3 sites are outside the UGB (located in Urban Reserves) and will be considered for inclusion in the 2016 periodic review process. Three Tier 3 sites are located in the Lower Willamette Superfund area which means complex cleanup, uncertainty, high costs and delay to market readiness.

Conclusions

Phase 1 of the project confirms that investments and policy actions are needed to make more sites development ready to accommodate traded-sector employers. Tier 2 and Tier 3 have a broad range of potential development constraints associated with them that limit the region's ability to attract new employers. To make more of these sites development ready, recommended actions include:

- Brownfields/cleanup;
- Natural resource mitigation and permitting;
- Infrastructure improvements (sewer, water, storm);
- Transportation improvements;
- Acquisition of parcels for land assembly; and
- Legislative actions, including annexation, concept planning, and UGB expansion.

Site ID	Preliminary Tier	State Certified	Traded-Sector Industry	Owner/Site	Location	County	Gross Acres	Wetlands (RLIS)	Wetland Acreage (Jurisdictions)*	Flood 96 Acres (RLIS)	FEMA Flood AC (RLIS)	Floodplain AC (Jurisdictions)*	Streams AC (RLIS)	Stream AC (Jurisdictions)*	7-25% Slope Acres (RLIS)	10-35% Slope Acres (Jurisdiction/RLIS)*	All Constraints (RLIS)	All Constraints (Jurisdictions)*	% Constraints (RLIS)	% Constraints (Jurisdictions)*	Net Developable Acreage (RLIS)	Net Developable Acreage (Market Knowledge)	Use Restriction	Brownfield	Annexation Required	Number of Taxlots	Number of Owners	Sewer Score	Water Score	Storm Score	Surrounding System Quality	Access to Interstate Highway	Access to Freight Route (Roadway)	Access to Freight System (All Modes)	Currently for Sale/Lease	Willing to Transact	Private Ownership	Investor	Public	User	Site ID	Notes		
35	3		C, D	TONQUIN INDUSTRIAL AREA	TUALATIN	Washington	49.70	0.83	0.50	0.00	0.00		0.15		9.18		9.73	9.40	19.58%	18.91%	39.97	40.30			YES	8	7	B	C	B	B	B	A	A		YES				YES	35	Property owners have expressed willingness to aggregate - per City of Tualatin		
36	3		B, C, D	TIGARD SAND & GRAVEL SITE	TUALATIN	Washington	296.88	9.33		0.00	0.00		1.02		163.71		168.78		56.85%		128.10				YES	15	3	C	C	B	C	B	A	A		NO				YES	36	Tigard Sand & Gravel owns 12 parcels		
37	3		D	ORR FAMILY FARM LLC	SHERWOOD	Washington	96.26	4.20		0.00	0.00		0.00		49.60		53.42		55.50%		42.84				YES	1		C	A	B	C	B	B	A		NO	YES					37	Preparing for spring 2012 annexation	
47	3		D, F	CRANFORD JULIAN F & SHARON D	HILLSBORO	Washington	28.51	0.44	0.44	0.55	2.32	0.52	0.00	0.50	5.63	0.47	7.93	1.22	27.82%	4.28%	20.57	27.29				1		C	B	B	A	A	A	A		NO	YES					47	Combination of hydric and partially hydric soils present; On site wetland investigation warranted - per DSL	
59	3		C, D, H	COFFEE CREEK INDUSTRIAL AREA - site 2	WILSONVILLE	Washington	46.37	0.00	0.00	0.00	0.00	0.00	0.00		0.10		0.10	0	0.22%		46.27				YES	12	8	B	B	A	B	B	C	B		NO	YES					59	8 property owners; ability to aggregate has not been discussed	
60	3		C, D, H	COFFEE CREEK INDUSTRIAL AREA - site 3	WILSONVILLE	Washington	29.65	0.00	0.00	0.00	0.00	0.00	0.00		2.60		2.60	0	8.77%		27.05			X	YES	10	7	B	A	A	B	B	C	C		NO	YES					60	7 property owners; No expressed willingness to aggregate; Site includes parcels that are split by County lines; Potential underground storage tank on site but exact location is unclear (Metro database); UST could be also located in parcel 61 to the north	
61	3		C, D, H	COFFEE CREEK INDUSTRIAL AREA - site 4	WILSONVILLE	Washington	48.56	0.00	0.00	0.00	0.00	0.00	0.00				0.00	0	0.00%		48.56				YES	12	8	B	A	A	B	B	B	C		NO	YES					61	8 property owners; No expressed willingness to aggregate	
64	3		D	WOODFOLD-MARCO MFG INC (East Oak St)	FOREST GROVE	Washington	25.46	0.00		0.00	0.00		0.00		0.00		0.00		0.00%		25.46					2	2	B	B	B	A	C	A	C		NO	YES					64		
65	3		D	WOODFOLD-MARCO MFG INC (West Oak St)	FOREST GROVE	Washington	53.93	0.02		0.00	0.00		0.00		0.00		0.02		0.04%		53.91						5		B	B	C	A	C	A	C		NO	YES					65	
100	3		A, B, D, F	HOLZMEYER RICHARD HENRY ET AL	FOREST GROVE	Washington	111.37	0.00		0.00	0.00		0.00		11.63		11.25		10.10%		100.12				YES	1		C	--	B	A	C	C	C	B		N/A	YES					100	Water service information was not available at the time of this analysis
101	3		A, B, F	VANROSE FARMS and VANDERZANDEN	HILLSBORO	Washington	270.5	18.45		9.08	27.34	22.85	12.14		29.99	23.41	35.77	45.67	13.22%	16.88%	234.73	224.83			YES	2	2	C	B	B	B	C	B	B		YES	YES					101	Aggregated per C of Hillsboro request; On site wetland investigation is warranted - per DSL	
104	3		A, B, F	HILLSBORO URBAN RESERVES (Aggregate)	HILLSBORO	Washington	320	0.00	0.00	0.00	14.96	9.24	0.00		4.54	1.36	19.50	10.60	6.09%	3.31%	300.50	309.40			YES	9	8	C	B	B	C	C	C	B	B		YES	YES					104	Property owners have expressed willingness to aggregate and transact - per City of Hillsboro; On site wetland investigation is warranted - per DSL
109	3		A, D, H	MORSE BROS INC	TUALATIN	Washington	85.31	3.98		0.00	0.00		0.00		21.26		23.59		27.65%		61.73			C	YES	7		C	C	B	C	C	C	C	B		NO				YES	109		

* These columns indicate that environmental constraint information was provided by jurisdictions, Port of Portland, or Group Mackenzie knowledge and are not from Metro RLIS data. These columns supplement the previous RLIS columns. Net developable acreage (market knowledge) supplements the net developable acreage (RLIS) column.

** Indicates a seller is willing to transact but not within in tier 1 timeframe of 180 days.

TRADED-SECTOR INDUSTRY:
A: Regionally to nationally scaled clean-tech manufacturer
B: Globally scaled clean technology campus
C: Heavy industrial/manufacturing
D: General manufacturing
E: Food processing
F: High-tech manufacturing or campus industrial
G: Regional (multi-state) distribution center
H: Warehouse/distribution
I. Portland regional distribution center
J: Call center/business services
K. Data centers
L: Rural/frontier industrial

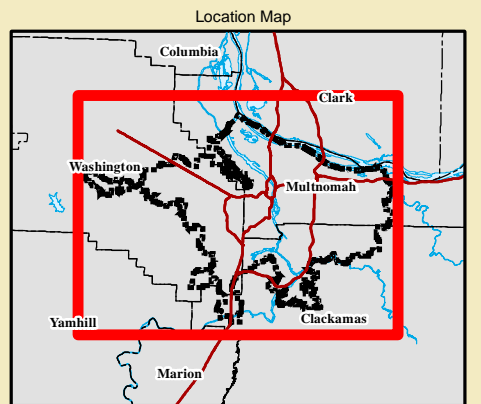
Regional Industrial Site Inventory

Potential Industrial Sites



Source Data
Metro RLIS Lite Base Data, August 2011

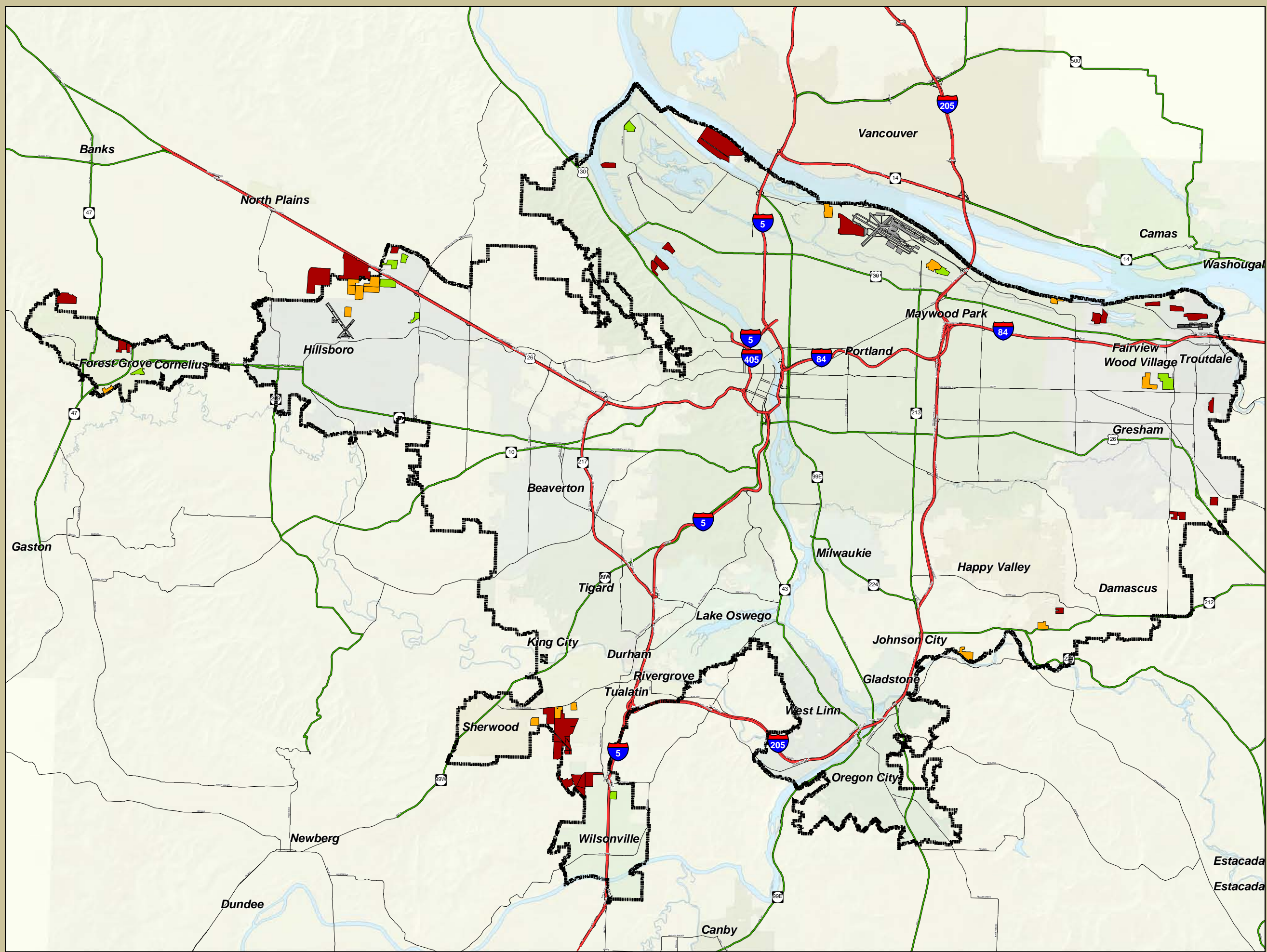
Geographic Projection Information
NAD 83 HARN, Oregon North
Lambert Conformal Conic



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Date: 11/9/11 | Map Created by: GF
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Agenda Item Number 4.0

PARKS PORTFOLIO PROJECT

Metro Council Work Session
Tuesday, Nov. 22, 2011
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: 11/22/11 Time: 3:05 pm Length: 75 minutes

Presentation Title: Parks Portfolio Project

Service, Office, or Center: Sustainability Center

Presenters (include phone number/extension and alternative contact information):

Jim Desmond - 1914

Mary Anne Cassin - 1854

ISSUE & BACKGROUND

Council asked the Sustainability Center to prepare this report, which summarizes current opportunities and challenges for the existing property portfolio of parks, trails and natural areas. It has been 20 years since the Metropolitan Greenspaces Plan was completed, and both the population of the region and the acreage of the portfolio have grown since then.

Chapter One: Introduction

Chapter Two: Metro's Evolution as a Landowner

Chapter Three: An Overview of Metro's Portfolio

Chapter Four: Restoration and Land Management

Chapter Five: Access

Chapter Six: Deferred Maintenance and Capital Projects

Chapter Seven: Regional Context and Relationships

Chapter Eight: Next Steps

OPTIONS AVAILABLE

1. Council may review this report and ask for more factual information.
2. Council may review this report, ask staff to develop a process to make certain policy decisions and/or make policy recommendations on how to move forward.
3. Council may decide that no further action is necessary at this time.

IMPLICATIONS AND SUGGESTIONS

The report outlines the magnitude of funding needed to maintain what is already in the portfolio, expand on the number of nature parks, and the consequences of not taking any action.

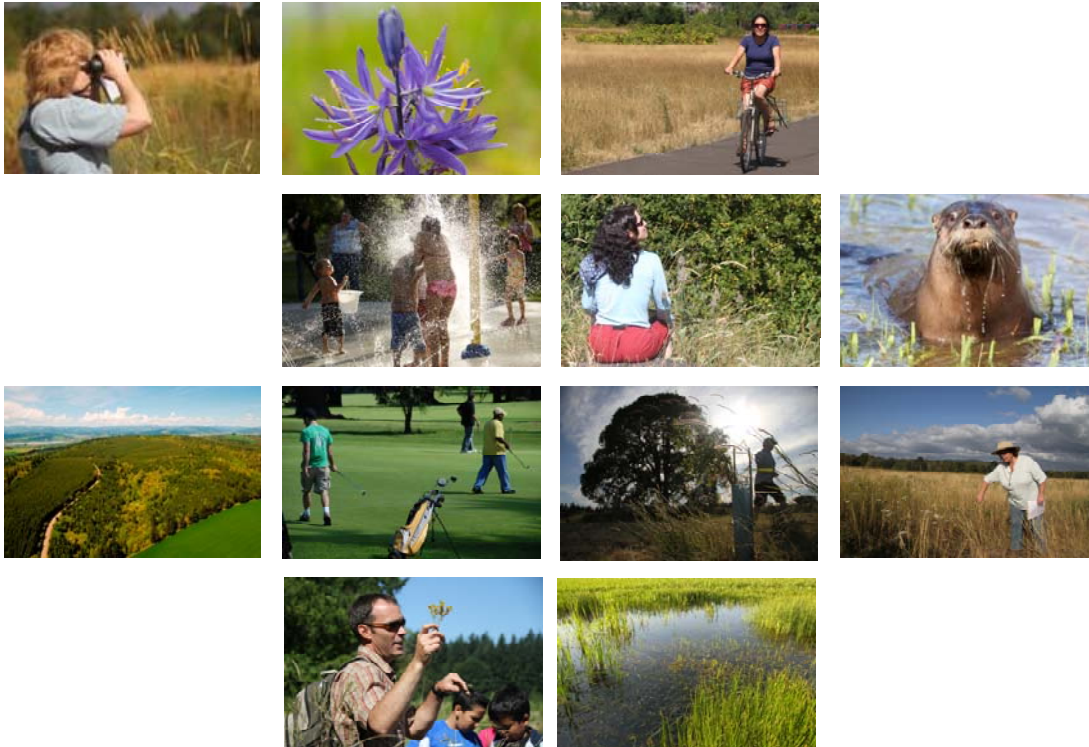
QUESTION(S) PRESENTED FOR CONSIDERATION

1. Should Metro invest more money in restoring and maintaining land and, if so, where will the funding come from?
2. How much land should Metro open to the public, how soon and how will park development be paid for?
3. Where does Metro want to be on the continuum of natural areas, parks and trails providers: an active land manager or a convener, planner and technical expert?

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __Yes X__No
DRAFT IS ATTACHED __Yes __No**

CLICK HERE FOR FULL REPORT

www.oregonmetro.gov



METRO'S PORTFOLIO OF NATURAL AREAS, PARKS AND TRAILS: OPPORTUNITIES AND CHALLENGES

NOVEMBER 2011

Materials following this page were distributed at the meeting.



Regional Industrial Lands Inventory Findings

November 22, 2011
Metro Council Informal





Project Purpose

- **Vacant, large lot industrial sites** critical to expanding and locating traded-sector companies resulting in jobs and tax base
- Determine supply and readiness of large lot industrial sites **within the Metro region**
- Inform the work of local jurisdictions, Community Investment Initiative Leadership Council, Greater Portland, Metro, the Port of Portland, and the State
- Lay foundation for innovative financing tools and approaches to meet market demand



Project Management Team

- Representatives from the **Port, Business Oregon, Metro, Portland Business Alliance, and NAIOP**
- Extensive experience in industrial development and planning
- Market driven
- Consensus decisions on criteria and tiering for inventory
- Consultation throughout the process with:
 - Local planners,
 - Economic development practitioners,
 - Brokers,
 - Regulators, and
 - Industry groups

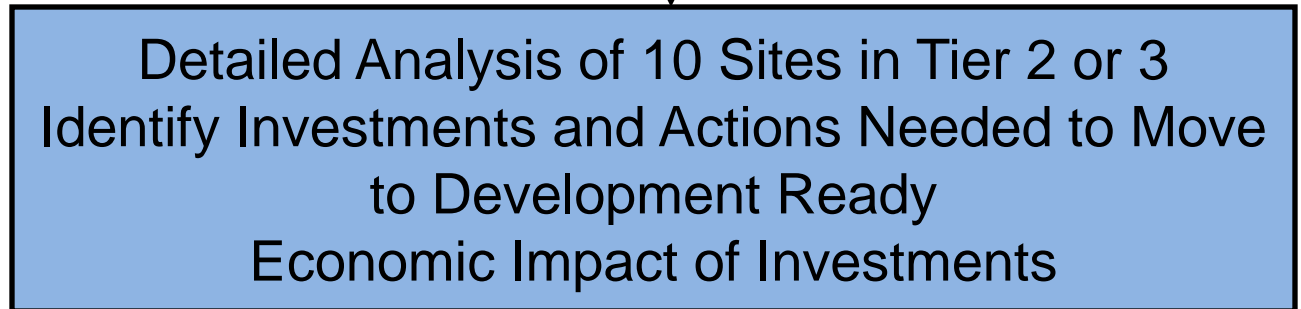


Project Overview

Phase 1

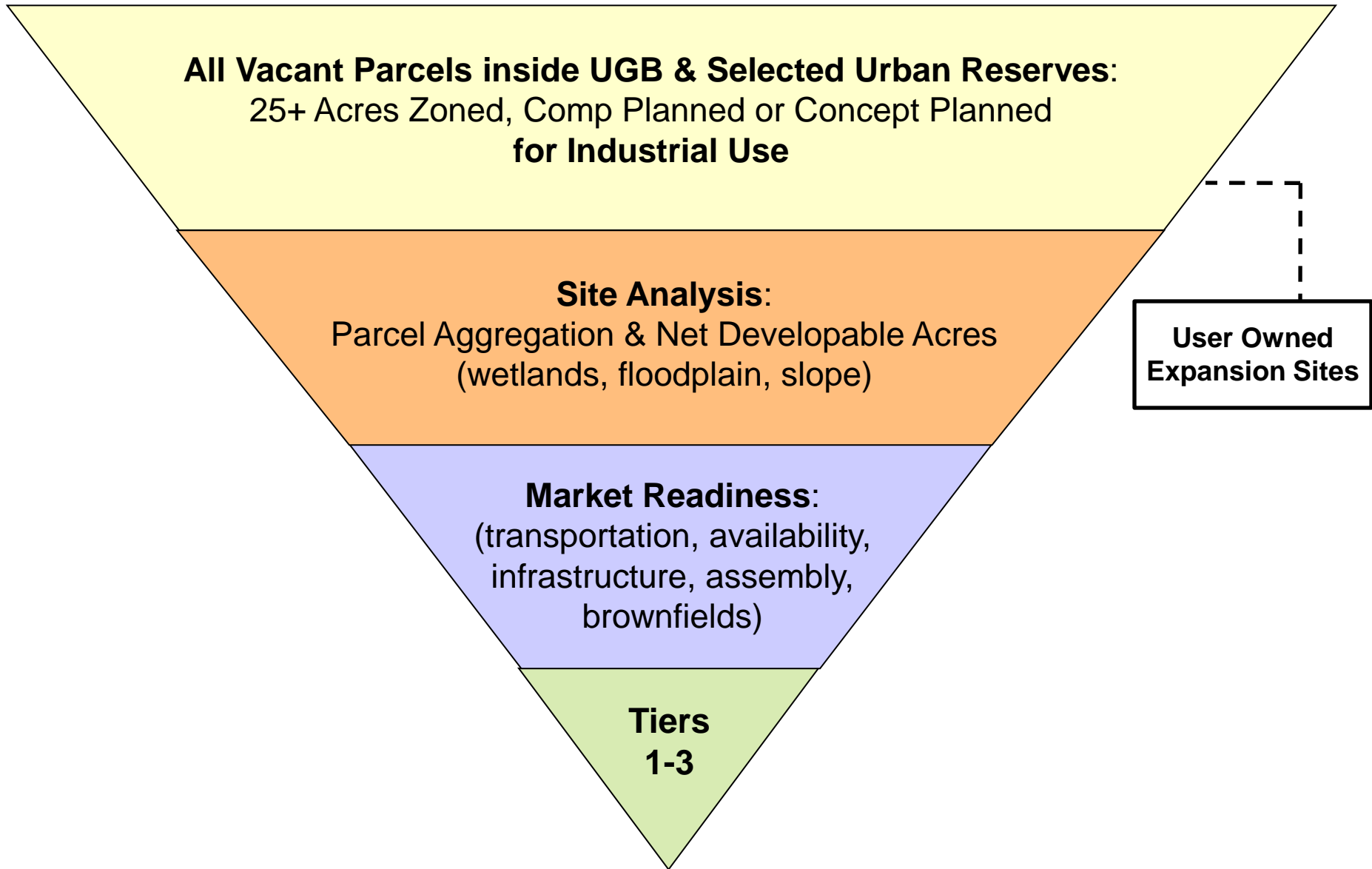


Phase 2





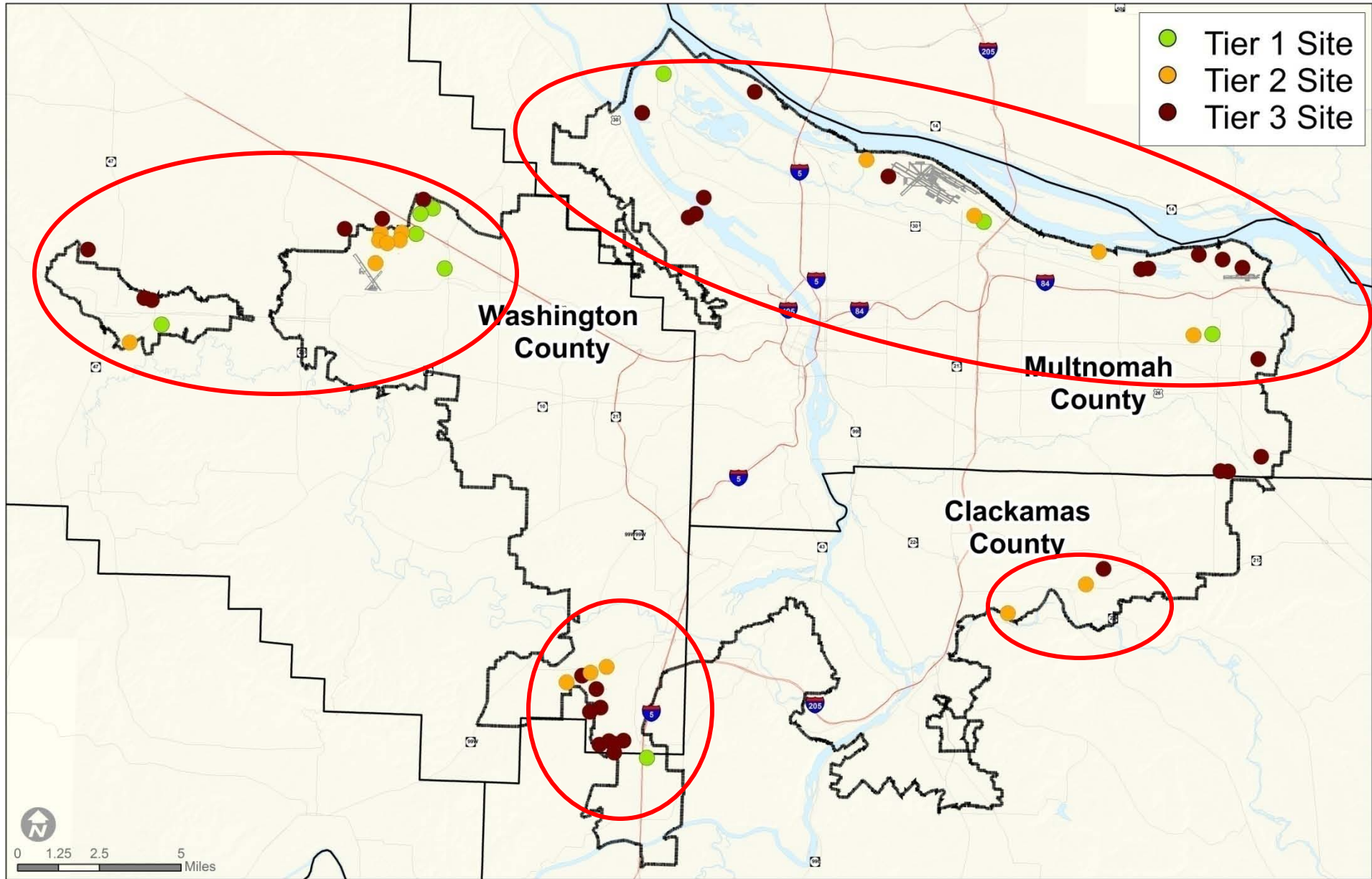
Phase 1 Process





Key Findings

- 56 industrial sites identified with 25+ net developable acres
 - 9 Tier 1 sites (180 days to shovel ready)
 - 16 Tier 2 sites (7 to 30 months to shovel ready)
 - 31 Potential Tier 3 sites (>30 months to shovel ready)
- 23 additional user owned industrial sites held for future expansion
 - Land banked, not available to market

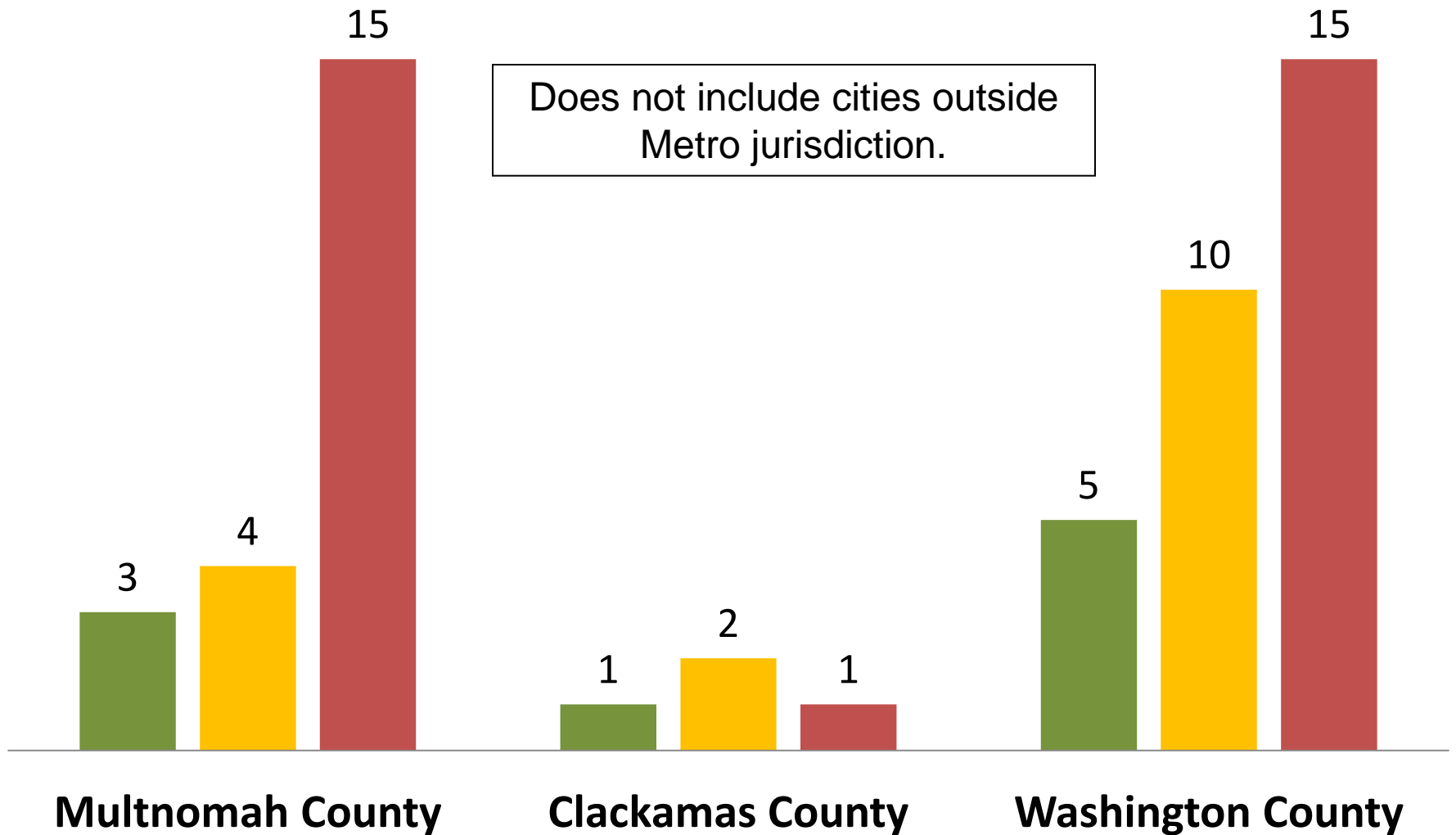




Regional Site Distribution

■ Tier 1 ■ Tier 2 ■ Tier 3

Does not include cities outside Metro jurisdiction.



5 Tier 1 Sites Broad Market Appeal

9 Tier 1 Sites

Full universe of Tier 1 sites

- 2 Lease Only Sites

Properties for lease generally considered harder to transact


- 1 Irregular Shaped Site

Industrial buildings and parking tend to be rectangular; irregular configurations are harder to design efficiently

- 1 Above Market Site

Property owners seeking above market, non-industrial pricing

**= 5 Market Ready Sites
with Broad Market Appeal**



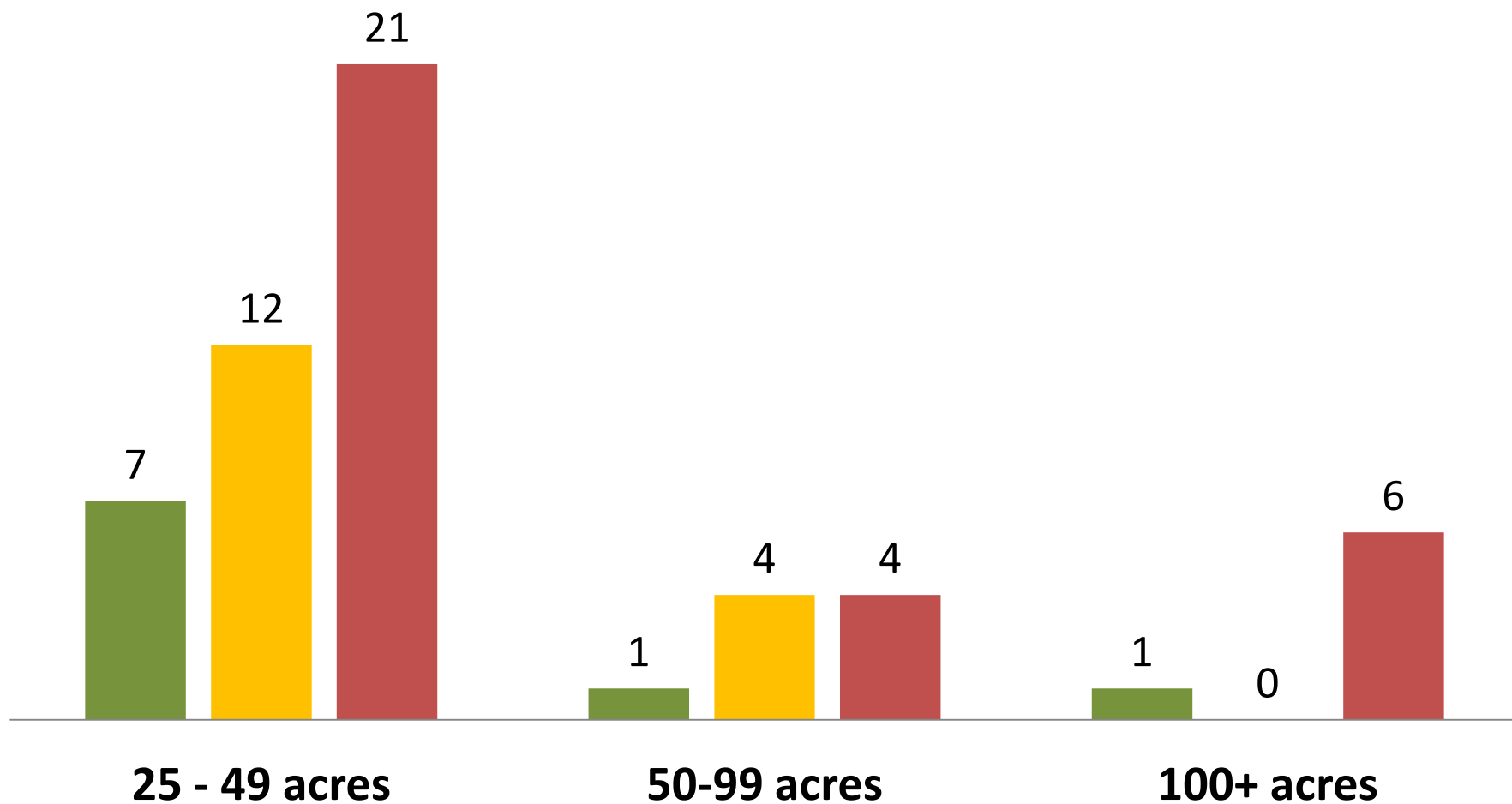
Tier 2 and 3 Potential Development Constraints

	TOTAL
BROWNFIELD / CLEANUP	8
NATURAL RESOURCES	13
INFRASTRUCTURE	19
TRANSPORTATION	18
LAND ASSEMBLY	14
LEGISLATIVE ACTIONS	20
NOT WILLING TO TRANSACT	18



Distribution of Sites by Acreage

■ Tier 1 ■ Tier 2 ■ Tier 3





Demand for Large Sites

- **Public:** 25% of Business Oregon leads seeking more than 25+ acres
 - Every major recruitment category had at least one opportunity needing more than 25 acres
- **Private:** Survey of 6 Metro brokers shows 11 leads a year for sites greater than 50 acres
- Consistent interest in 50+ and 100+ acres based on public and private data, even during current economic downturn

Traded Sector Industry

Acreage Requirements for Majority of Leads


	Regional/ National Scaled Clean Tech	Globally Scaled Clean Tech	Heavy Ind./ Mfrg	General Mfrg	High Tech Mfrg/ Campus Industrial	Warehouse / Dist.	Regional Dist. Centers
Competitive Acreage Required	50 acres	100 acres	25 acres	10 acres	25 acres	25 acres	80 acres

Market choice and diversity of site sizes is critical to traded sector industries and competitiveness



Conclusions

- **Tier 1:** Few market ready sites and choice for traded-sector opportunities
 - 9 sites shovel ready within 6 months - 5 with broad marketability
- **Tier 2:** Modest supply of mid-term sites requiring investment and policy actions to bring to market
 - 16 sites, 4 require assembly
- **Tier 3:** Multiple challenges and significant investment and time to market required
 - 31 potential sites, 10 require assembly



Conclusions – continued

- Uneven geographic distribution of all sites
- Few 50+ and 100+ acre sites
- Broad range of potential development constraints for Tier 2 and 3 sites



Key Takeaways

- Aggregate large lot, industrial land supply within the Metro region is constrained on a number of fronts
- Market choice and diversity of site sizes is critical for traded sector competitiveness
 - Market choice is limited for 50+ acre sites
- Investments and policy actions are required to move Tier 2 and 3 sites to market readiness



Next Steps: Nov. – Feb.

- Phase 1 – Nov.-Jan.
 - Briefings on findings
- Phase 2 – Nov.-Jan.
 - Conduct more detailed assessment of 10 diverse sites (size, location, barriers) for large lot users
 - Includes development scenarios, investments required, and economic benefit of development
 - Independent, market-oriented analytic approach
- Final report – Feb.

Project Contact Information

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Questions and Answers

Proposed Phase 2 Sites	Location	Tier / Size Net acres	Ownership	Traded-Sector Industry	Potential Development Constraints
13. ICDC LLC	Portland Mult. Co.	Tier 2 26.5+ acres	Private	D, H	Natural Resources; Infrastructure
29. Clackamas Co. Dev.	Clackamas Clack. Co.	Tier 2 40 acres	Public	C, D, H	Natural Resources
55/56. Spokane Humane Society& East Evergreen	Hillsboro Wash. Co.	Tier 2 116 comb. ac.	Private	B, D, F A, F	Nat Res; Infrastructure; Transportation; Assembly
62. Rock Creek	Happy Valley Clack. Co.	Tier 2 34 acres	Private	D, F	Infrastructure; Assembly
19. Troutdale Reynolds Phase 2	Troutdale Mult. Co.	Tier 2 80 acres	Public	A, D, H, I	Infrastructure; Transp; Nat Res; Brownfield
2. Time Oil Co.	Portland Mult. Co.	Tier 3 25+ acres	Private	C, D, H, Marine	Nat Res; Transp; Brownfield
15/16. BT Property (UPS) & Michael Cereghino	Gresham Mult. Co.	Tier 3 74.45 comb. ac.	Private	D, F, H	Nat Res; Transp; Not Willing to Transact; Assembly
24. Jean Johnson	Gresham Mult. Co.	Tier 3 33.2 acres	Private	D, F	Legislative Action; Infra
33. Coffee Creek site 1	Wilsonville Wash. Co.	Tier 3 80.3 comb. ac.	Private	C, D, F, H, I	Transp; Infrastructure; Assembly
37. Orr Family Farm	Sherwood Wash. Co.	Tier 3 42.8 acres	Private	D	Leg Action; Infra; Transp; Not Willing to Transact
104. Hillsboro Urban Reserves	Hillsboro Wash. Co.	Tier 3 309 comb. ac.	Private	A-2 50 ac, B-1 100 ac, F- 25 ac	Nat Res; Infras; Transp; Assembly; Leg Action

Traded-Sector Industry Key

based on Business Oregon Industry Siting Requirements

A = Regionally to nationally scaled clean-tech manufacturer

B = Globally scaled clean technology campus

C = Heavy industrial/manufacturing

D = General manufacturing

F = High-tech manufacturing or campus industrial

G = Regional (multi-state) distribution center

H = Warehouse/distribution

I = Portland regional distribution center