
www.oregonmetro.gov

Appendix 5:

**Focus on jobs – maintaining a
competitive supply of large sites
for industrial uses**

August 2010

About Metro

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy

Metro representatives

Metro Council President – David Bragdon

Metro Councilors – Rod Park, District 1; Carlotta Collette, District 2; Carl Hosticka, District 3; Kathryn Harrington, District 4; Rex Burkholder, District 5; Robert Liberty, District 6.

Auditor – Suzanne Flynn

Metro

600 NE Grand Ave.
Portland, OR 97232
503-797-1800

www.oregonmetro.gov

PURPOSE

Local traded-sector industrial firms such as Intel, Precision Castparts, Boeing, and SolarWorld provide residents with family-wage jobs and bring wealth into the Metro region by selling products to consumers worldwide. These types of firms also have multiplier effects in the region's economy, indirectly creating jobs in other sectors. When deciding where to locate, large industrial firms often consider multiple regions¹. Having a supply of developable sites available in the Metro region is a basic requirement for remaining competitive in a global economy.

PROPOSAL

It is proposed that the region adopt a performance-based system that maintains a competitive supply of large sites inside the urban growth boundary (UGB) for traded-sector industrial jobs. The Metro Policy Advisory Committee proposed a large-site replenishment mechanism to achieve this purpose. This system would ensure that an additional large site is made available for every large site that is developed. Maintaining a competitive supply would be achieved through:

- Brownfield cleanup
- Focused investments to ensure that sites are developable
- Tax lot assembly
- Regulatory protection of industrial sites from conflicting uses
- Strategic UGB expansions

Implementing legislation

If the Metro Council supports the creation of a replenishment system, the policy would be described in the Regional Framework Plan and would be implemented through Titles 4 (Industrial and Other Employment Areas) and 14 (Urban Growth Boundary) of the Urban Growth Management Functional Plan.

To achieve the purposes of the replenishment mechanism, regulations that protect the region's supply of large industrial sites from non-industrial uses will be essential. The region should also focus investments in a way that supports development on industrial lands, including the cleanup and reuse of contaminated sites.

¹ Frequently-mentioned competitors include Albuquerque, Austin, and Salt Lake City

Baseline inventory of large sites for monitoring

Metro has compiled a draft inventory of large, vacant industrial and employment sites inside the UGB (attached to this appendix). For the purpose of the inventory, the following criteria were used to identify large sites:

- The site must be large – the site must have one or more adjacent tax lots in common ownership that comprise at least 50 gross acres.
- The site must be mostly vacant – the site must be vacant or have minimal improvements. An exception is made for large sites that have been added to the UGB to meet industrial needs, but that had existing improvements at the time of the expansion (this is likely to be the case with future UGB expansions as well).
- The site must be intended for industrial or employment uses – the site must be designated under Title 4 of the Urban Growth Management Functional Plan (Industrial and Other Employment Lands)² or have industrial zoning. These designations help to protect the site from conflicting uses and division into smaller sites.
- The site must be developable – less than 25 percent of the site must be covered with slopes of 10 percent or greater.

Local planning staff had the opportunity to review the draft inventory for accuracy. If the Metro Council implements a large-site replenishment mechanism, a final large-site inventory would be adopted by an order of Metro's Chief Operating Officer after the adoption of the December 2010 Capacity Ordinance. The final inventory would include any large sites added to the UGB as part of the 2010 growth management decision. The final inventory of large sites would establish the target number of large sites to maintain inside the UGB through the year 2014 (the year that a new urban growth report analysis will be conducted)³.

Large-site replenishment

With a replenishment mechanism, if a large site in the inventory gets developed or if a portion of a large site gets developed, leaving fewer than 50 vacant acres, one additional large site would be

² Title 4 is intended to protect the region's supply of industrial lands from conflicting uses.

³ The replenishment mechanism would be suspended during any year that a new Urban Growth Report Analysis is being conducted (e.g., 2014 and 2019).

made available in the UGB⁴ within one year. The trigger for the mechanism would be that the jurisdiction responsible for planning the area notifies Metro that construction has begun⁵.

To satisfy state law, Metro, in coordination with cities and counties in the region, would first seek to identify measures that make an additional large site inside the UGB available for industrial use. Examples of efficiency measures include tax lot assembly or brownfield cleanup. If no efficiency measures are in place, a Major UGB Amendment process would be completed within a year of the initial notice that a large site had developed⁶. The UGB expansion would occur in adopted urban reserve areas. Advance completion of concept planning for potential expansion areas would facilitate the decision of which site to bring into the UGB. A proposed fast-track UGB expansion mechanism could be used to expedite this process.

Cyclical reassessment of large site supply and demand

Regional large-site demand and supply would be reassessed in the 2014 UGR, which would be the basis for a growth management decision in 2015. The supply of large sites that results from those decisions would be the new target inventory inside the UGB to maintain through 2020. The large-site replenishment process would again be used in those intervening years to maintain a competitive supply within the UGB.

Protection of large sites

In order to maintain a competitive supply of large sites, it is also necessary to protect sites from conflicting uses and division into smaller sites. All applicable Title 4 and zoning protections would continue to protect large sites. It is proposed that Title 4 include additional protections including the prohibition of new schools, parks, and places of assembly on Regionally Significant Industrial Areas. It is also proposed that Title 4 would prohibit division of a lot or parcel smaller than 50 acres that is part of an inventoried large site.

⁴ The replacement large site would not necessarily be provided in the same jurisdiction or submarket area as the site that gets developed. This is because Metro is obligated first to attempt to identify measures that would make more efficient use of land inside the UGB. Given Metro's charge to plan for regional growth, these efficiency measures may take place in any jurisdiction in the Metro UGB. Likewise, some cities in the region are landlocked—an expansion of the UGB cannot provide a replacement large site.

⁵ Jurisdictions would also, at an earlier date, notify Metro that land use approvals have been granted for a large site, allowing additional time to identify a replacement site in case construction proceeds. The one year period would, however begin upon notification that construction has begun.

⁶ UGB expansions will not necessarily be able to provide a large site with all tax lots in common ownership. If a tax lot assembly strategy is not already described in concept plans, such expansions should include a condition that the city responsible for planning is required to adopt a strategy for tax lot assembly. UGB expansions will also not necessarily be able to provide sites that are completely vacant. Regardless of ownership patterns or development status at the time of UGB expansion, it is proposed that any area added to the UGB under this replenishment mechanism should be included in a revised large-site inventory. Tax lot assembly needs or development status would be noted in the inventory to assist policy makers in identifying strategies for making sites development ready.

SHARED RESPONSIBILITIES

This proposed replenishment concept will not work without collaboration between Metro and local governments.

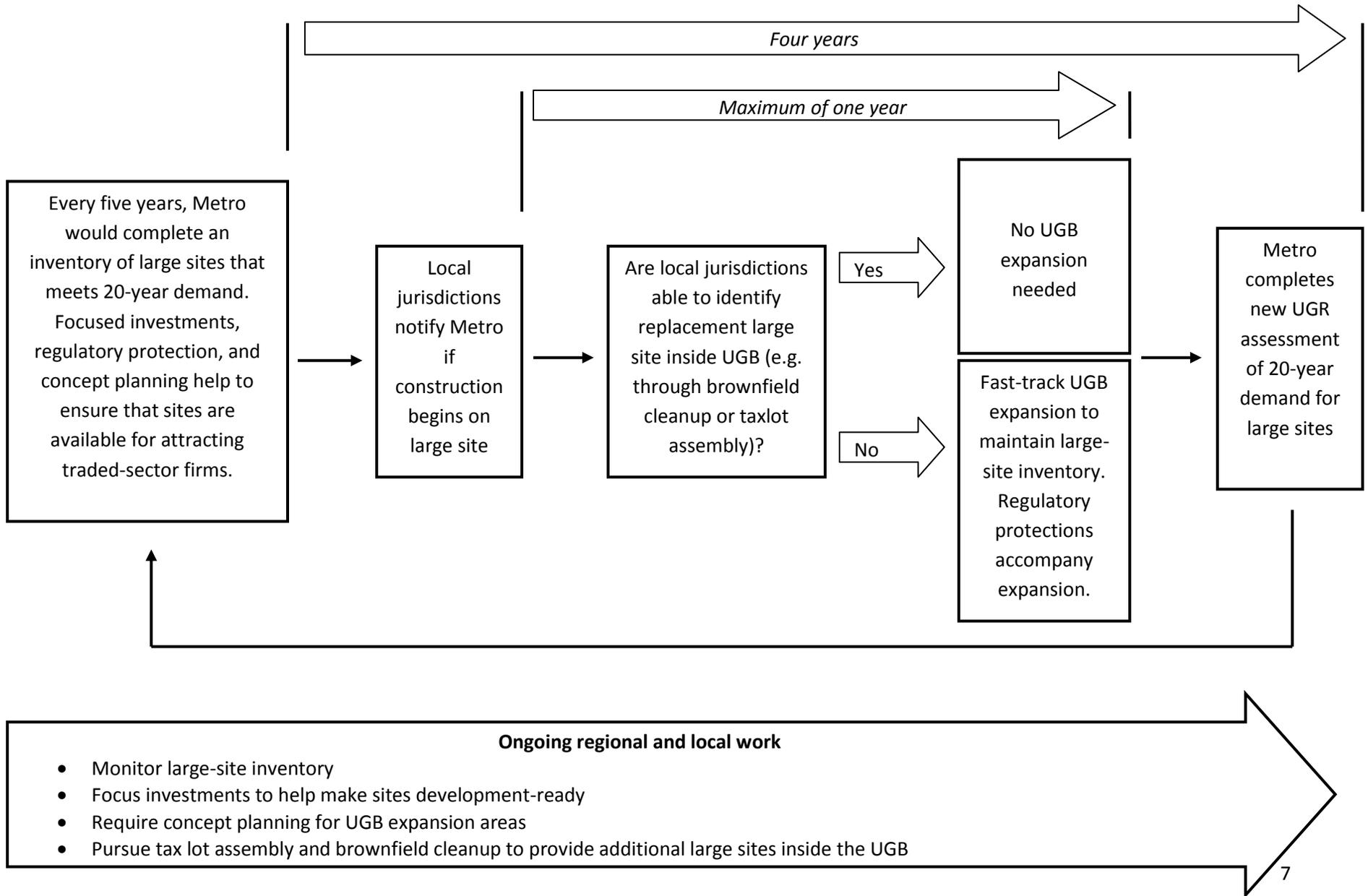
Responsibilities of Metro

- Convene regional leaders from the public and private sectors to identify critical public investment gaps and recommend methods to fill those gaps, including:
 - Make the most of existing development finance tools and identify new tools to support our communities
 - Focus regional resources on specific priority investments to catalyze private investment
- Ensure that regulatory protections of industrial lands are enforced by cities and counties
- Maintain inventory map of large industrial sites
- Reassess adequacy of large-site inventory as economic conditions evolve (as part of the UGR, every five years)
- Make strategic UGB expansions when needed

Responsibilities of local governments

- Participate in a Community Investment Strategy to make large sites developable
- Enforce regulatory protections of industrial lands
- Pursue brownfield cleanup and tax lot assembly opportunities
- Notify Metro when an inventoried large site is developed
- Complete concept planning before UGB expansions are made

Large-site replenishment concept



Draft large-site inventory

