



Economic Productivity of
Employment and Industrial Land
Economic Mapping Pilot Project
June 2009

Project Objectives

- Develop methodology for determining the economic productivity of industrial/ employment land.
- Document methodology so it can be used elsewhere
- Contribute to the current dialogue on urban and rural reserves in the Portland metro area

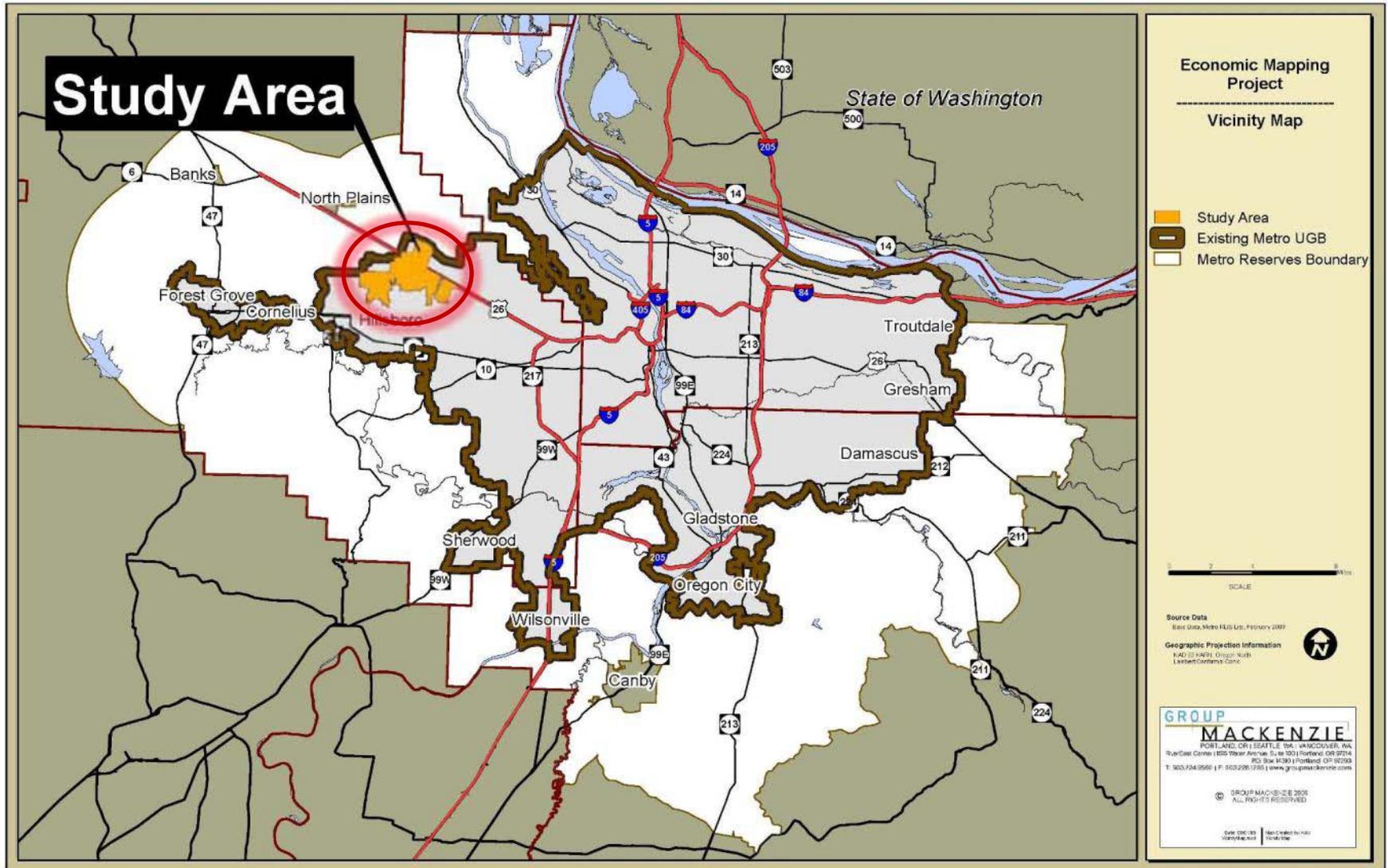
Methodology - Approach

- Define and analyze existing employment area as influenced by economic clustering
- Determine physical constraints and net developable acres
- Identify and calculate key productivity measures
- Project findings to defined undeveloped area

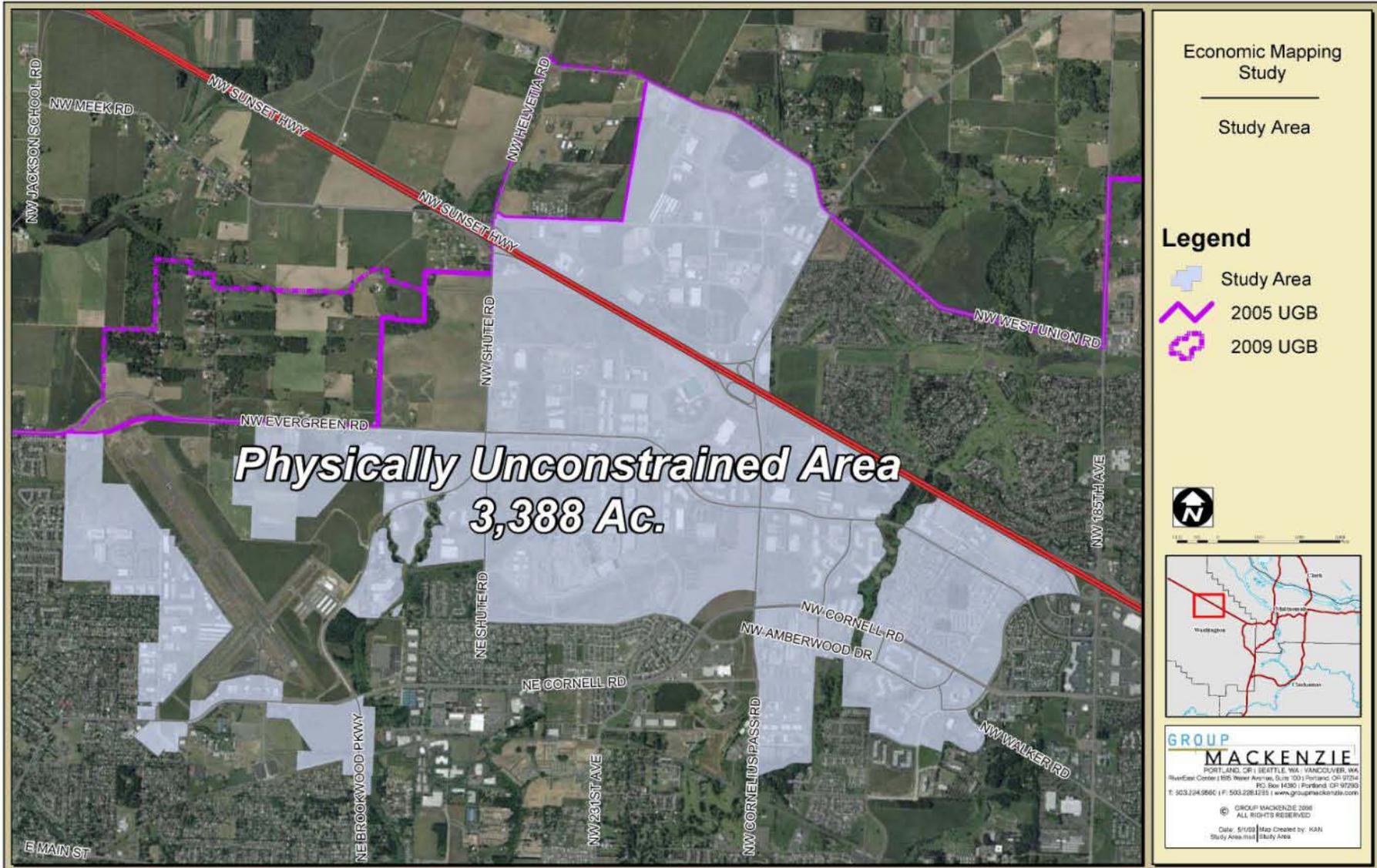
Methodology – Data Sources

- Metro
 - RLIS (Land Data, GIS)
- Oregon Employment Department
 - ES202 (Confidential Payroll & Employment)
- Washington County
 - Assessor Data
- 2005 data set (consistency across data sets)

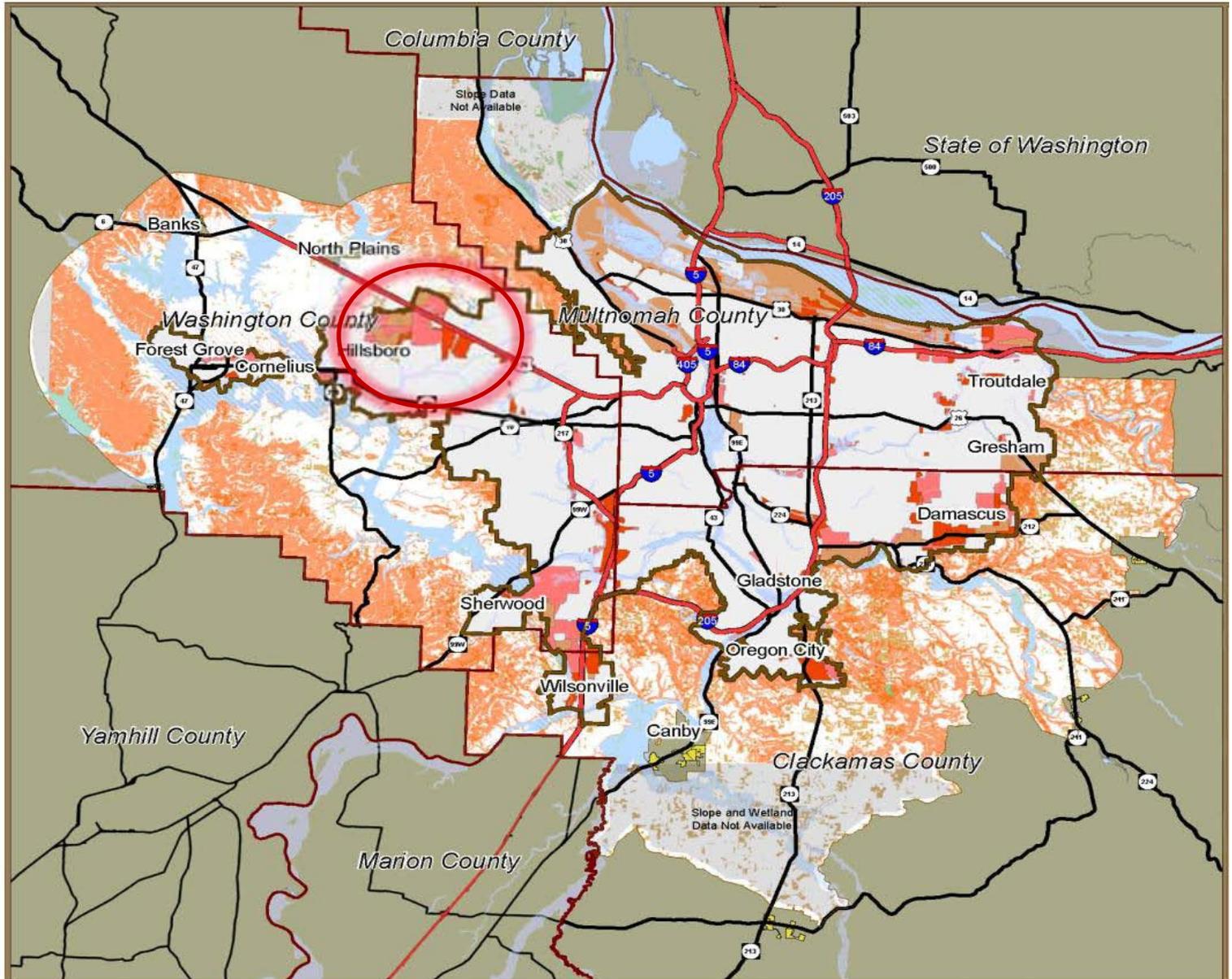
Study Area = 3,534 Acres (Gross)



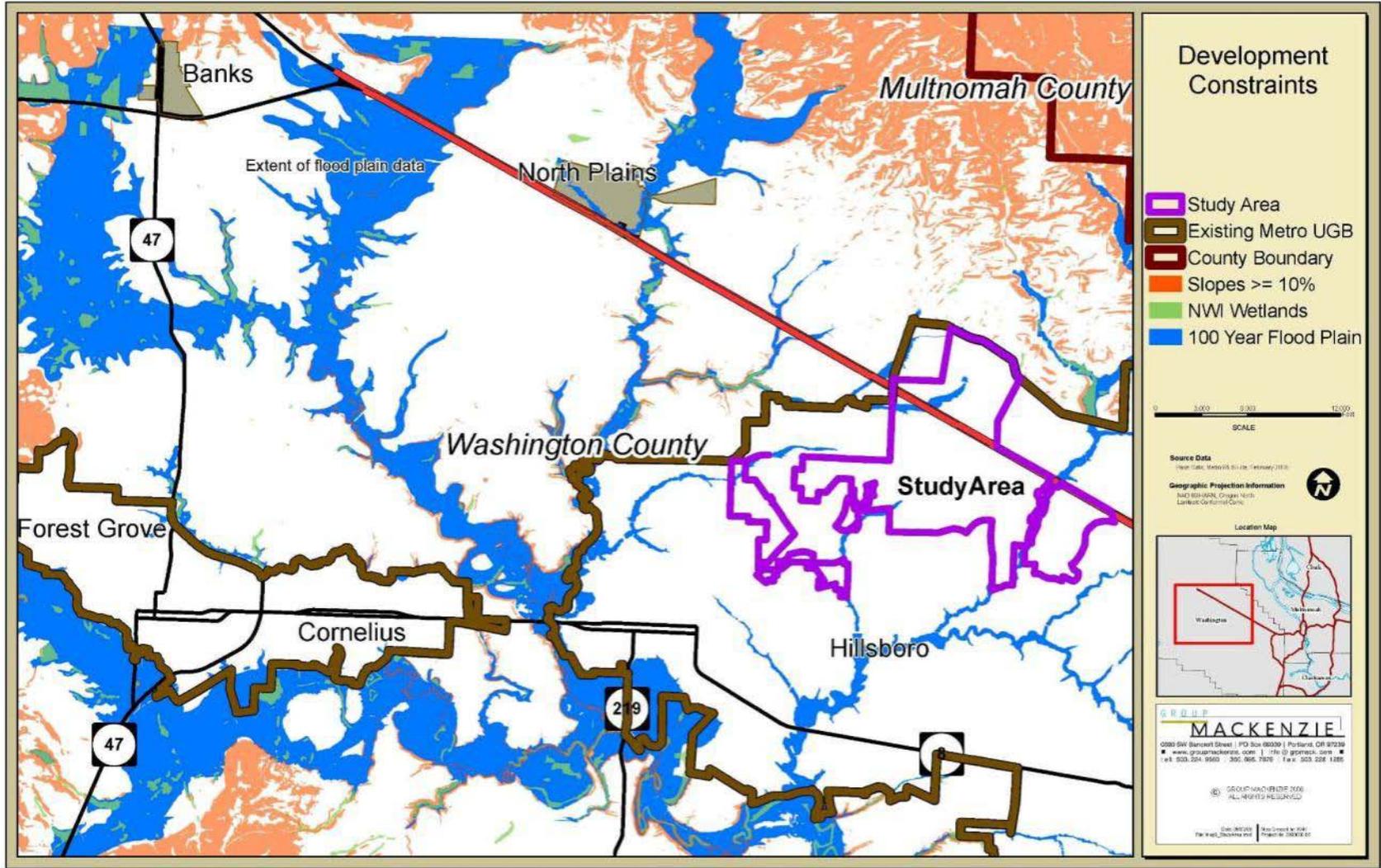
Study Area – Hillsboro Title 4 Land

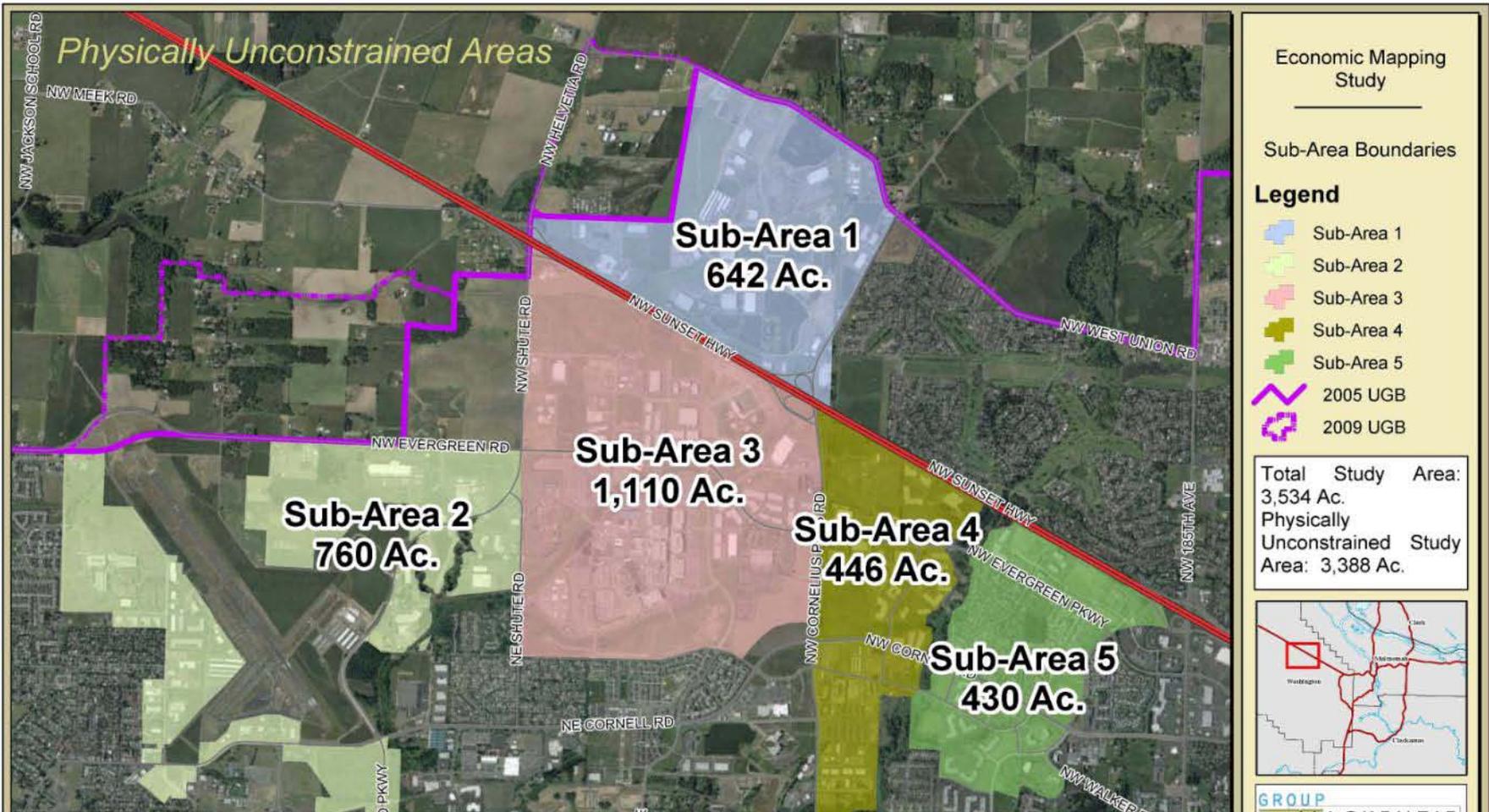


Physical Development Constraints



Physical Development Constraints





Sub-Area	Location	Description
One	North of US 26	General Industrial Manufacturing
Two	Hillsboro Airport	Corporate Campus
Three	E. Shute W. Cornelius Pass	High-Tech Manufacturing
Four	E. Cornelius Pass W. Mill Creek	Professional Business Park
Five	E. of Mill Creek W. of Stucki Ave	Services & Regional Retail



Cluster Production Inputs Hillsboro Title 4 Lands

- Highly skilled, specialized workforce
- Water supply & cooling capacity
- Electrical power capacity
- Seismically stable, low-slope land
- Freeway, public transit, executive airport
- Specialized chemical and gas inputs
- A local government that is experienced with large, high tech facility planning and delivery needs

Industry Characteristics

Hillsboro Title 4 Lands

- Commonly Referred to as the *Silicon Forest*
 - Anchored by Semiconductor and other Computer Electronics manufacturing
 - “Anchor” firms attract and support clustered vendor, service, and customer firms including Novellus and ETEC.
 - “Spin-Off” or start-ups by former employees or others with industry relationships including Radisys, FEI, Triquint, and Lattice Semiconductor.
- The Next Wave: Solar Cell Manufacturing & Biotech



Study Area Profile

- Total of 26,875 Jobs
 - 8.9 employees per acre less right of way and physical constraints
 - 15.2 employees per acre on the developed parcels
- \$77,000 average annual payroll
- 63% of the jobs are related to manufacturing



Study Area Gross Productivity

- \$2.7 billion in Market Value
- \$2.1 billion in Annual payroll
- \$21 million in annual property taxes

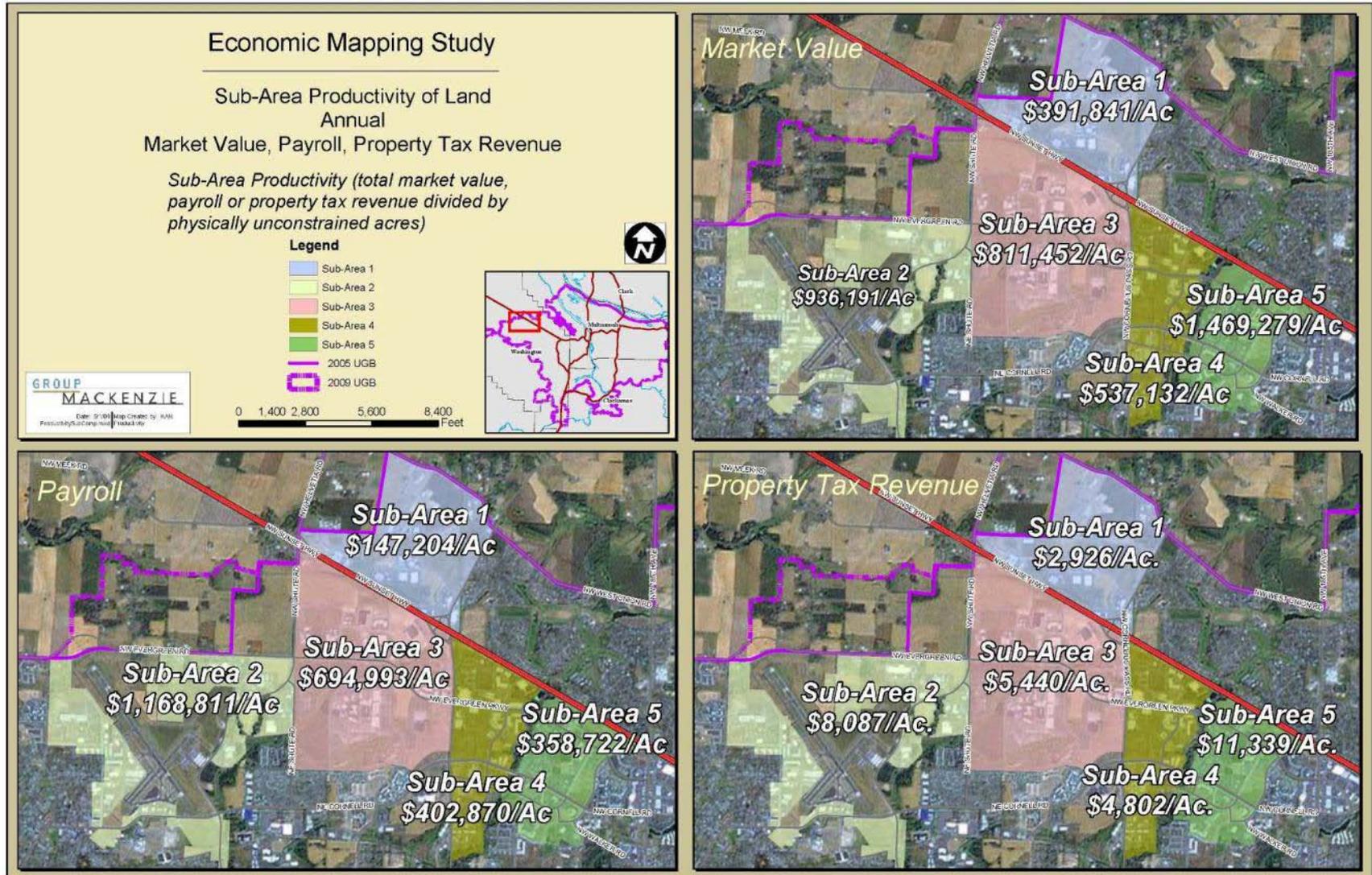


Study Area Productivity Per Unconstrained Acre

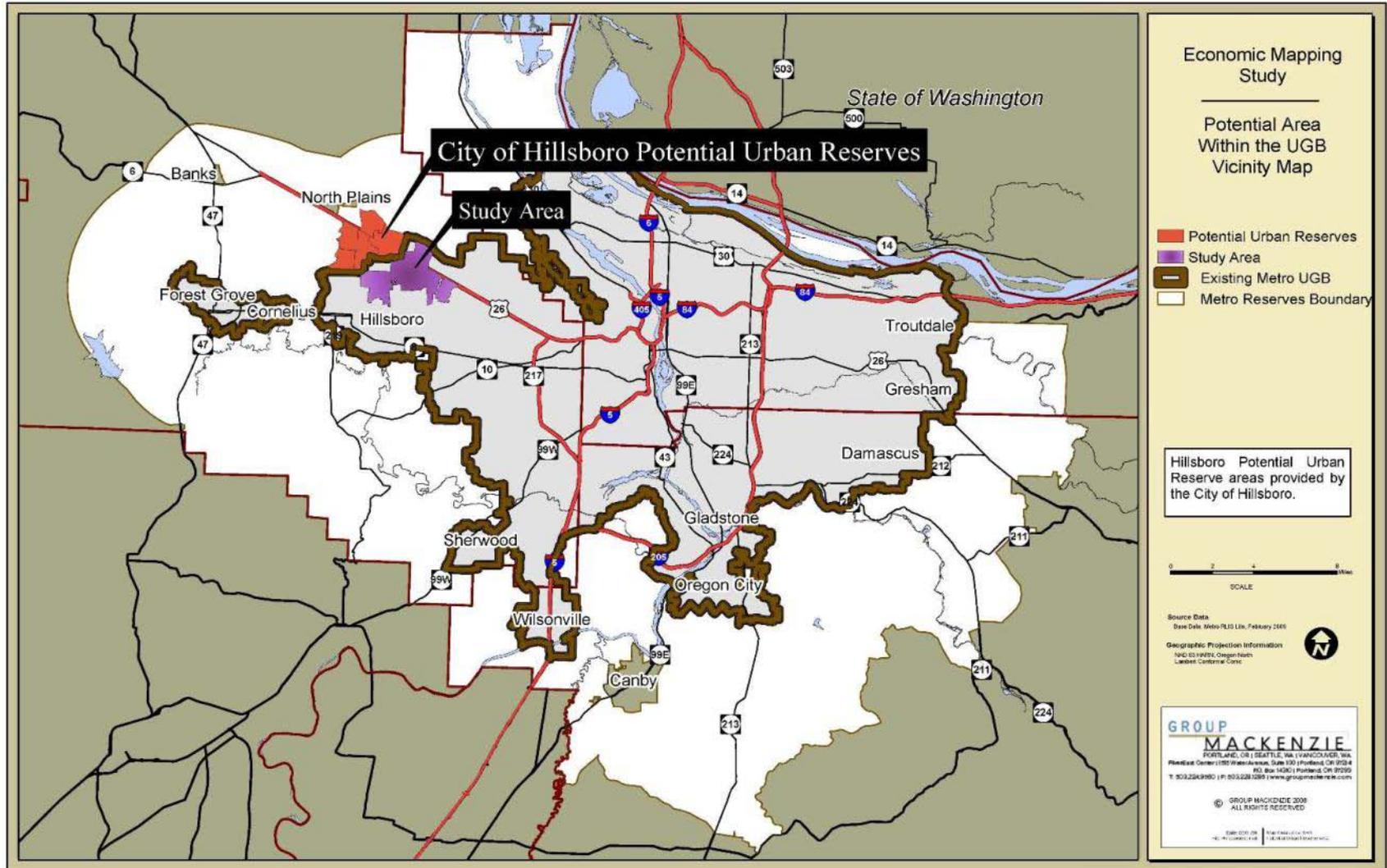
- \$807,000 in Market Value
- \$616,000 Annual payroll
- \$6,220 annual property taxes

Productivity of Land

Annual Market Value, Payroll, Property Tax Revenue



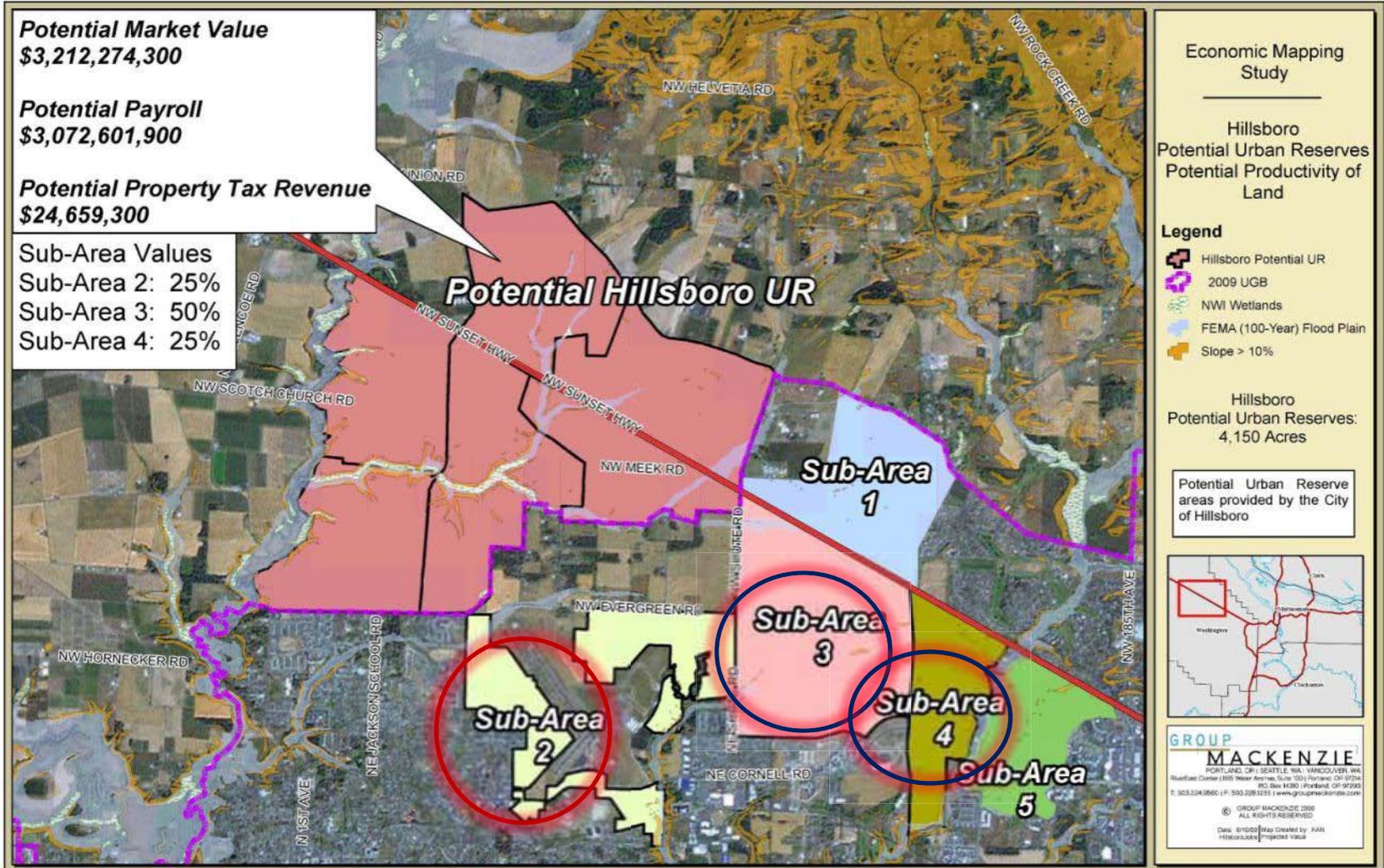
Potential Urban Reserves



Economic Productivity Model

- Projected economic productivity in the new urban area is a function of the per acre value of:
 - Productivity of nearby existing uses
 - Productivity values of regional or aspirational economic activity

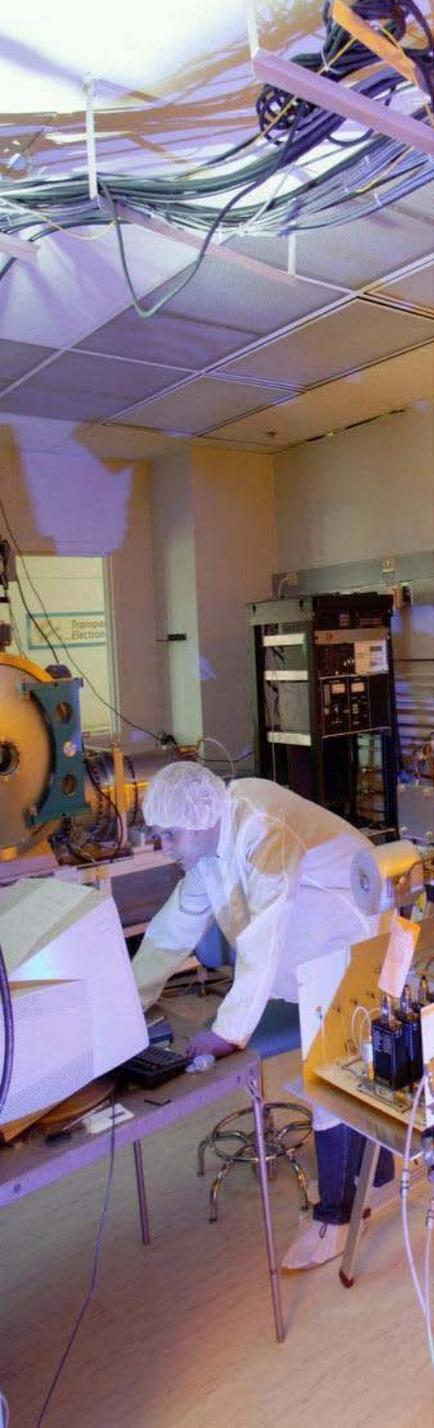
Projected Annual Economic Value



Hillsboro Potential Reserve Area Gross Productivity

- \$3.2 billion in Market Value
- \$3.0 billion in Annual payroll
- \$24.6 million in property taxes





Factors Influencing Economic Potential of Employment Land

- Land
 - Wetlands
 - Floodplain
 - Slope
 - Available Land
- Infrastructure
 - Utilities
 - Transportation
- Adjacency
 - Economic activity
 - Labor force
- State and Regional Aspirations
 - State/Regional opportunities
 - Goal 9