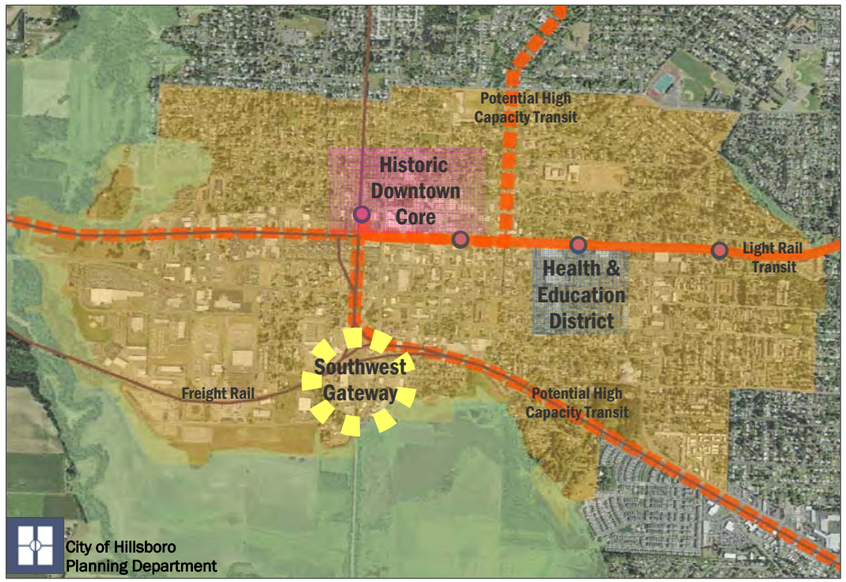
Downtown Hillsboro

Heart of the Hometown of the Future

Hillsboro Centers
12-hour

FOCUS | A rich mix of history, arts, civic life & agriculture



The Aspiration...

Approximately 20,000 people will live in this district and 15,000 will work here.

Jackson Bottom Wetlands Preserve

Hillsboro Saturday Farmer's Market, Main St

The Venetian

Main St., Photo: Mike Witt;

DOWNTOWN HILLSBORO remains the historic and cultural heart of the City. Vitality is enhanced by mixed-use and residential development near local employers and transit including the Westside Light Rail line.

Perpetuate the Historic Downtown Core

- Retain historic, civic, commercial and residential landmarks.
- Enhance mid-block pedestrian ways and squares.
- New residences atop existing commercial buildings on Main Street up to four or five floors.
- Giant sequoia's remain the core area's tallest feature.
- People have full access to civic activities, arts and events.
- Continued focus as the community's main gathering place.

Revitalized Southwest Gateway

- New boardwalk for biking and walking links Jackson Bottom Wetlands Education Center to the Downtown Core.
- Boardwalk also enhances access to a natural treasure: Jackson Bottom Wildlife Preserve.
- Southwest gateway catalyst project provides affordable housing for downtown and nearby industrial district jobs.
- Residential development near Jackson Bottom Preserve captures views of sky, water and wildlife.
- Area's industrial and agricultural roots inform architecture, forms and materials to create a distinct character to this downtown district.

Downtown Health & Education District

- High-intensity medical and professional services district within the downtown.
- Adjacent to the Westside Light Rail line and anchored by Tuality Hospital and Pacific University Health Professions Campus.
- Higher intensity, mixed-use development targeted for this district.

Sustainability/Civic Ecology Practice

- Continuous sidewalks and convenient pedestrian routes.
- Streetscapes designed to reduce stormwater runoff.
- Community gardens provide neighborhood gathering places and promote local food production and distribution networks.

Transit

- Streets, pathways and plazas provide safe pedestrian connections to bus routes and light rail.
- Local transit provides links to downtown and to job centers to the west and north.

Desired Amenities

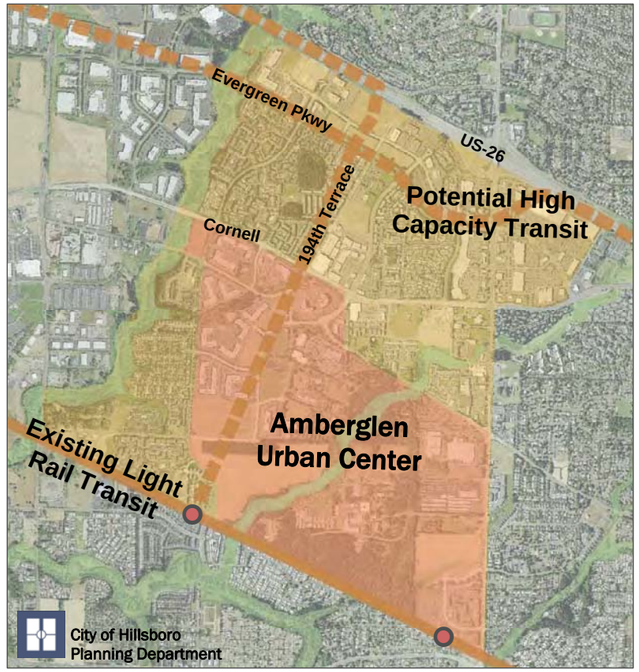
- Bakery
- Bar
- Bike Shop
- Book Store
- Brew Pub
- Child Care
- Cinema
- Clothing Store
- Coffee Shop
- Deli
- Dry Cleaner
- Fast Food Restaurant
- Fitness Gym
- Full Service Restaurant
- Garden Store
- Grocery Store
- Ltd Service Restaurant
- Music Store
- Wine Bar/Sales

TANASBOURNE | AMBERGLEN

A Vibrant, Transit-Supported, Regional-Scale Center

Hillsboro Centers
18-hour

FOCUS | An intense mix of housing, shopping, employment and transit



Magnolia Park

The Aspiration...

Approximately 24,000 people live in this district and 14,000 work here.

TANASBOURNE | AMBERGLEN is an ideal urban node for more intensive mixed-use development close to major employers, the dynamic Tanasbourne Town Center, and major transportation facilities including the Westside Light Rail line and Highway 26.

Area Vision

- Park and pond area redesigned to provide open space focal point and park amenity.
- High-density residential towers and neighborhood-serving commercial uses.
- Buildings oriented for solar exposure and views of the Tualatin Valley.
- Sidewalk café's and a variety of passive and active park areas within a centralized location.
- Density tapers off towards adjacent medium density townhouse developments.

Multi-modal Transit Service

- Light rail connects up through Amberglen from the Quatama Station past the Streets of Tanasbourne on NW 194th Avenue, and linking to the Kaiser Permanente Westside Medical Center.
- Pedestrian qualities enhanced by urban park along potential light rail alignment.

Retail/Shopping/Dining

- Shopping and dining district established at Streets of Tanasbourne extended across Cornell Road to augment office uses with additional major retail, restaurants, a boutique hotel and civic square.

Environmental/Recreational Amenities & Access

- Bronson Creek, Rock Creek and Beaverton Creek enhanced to provide passive recreation and wildlife viewing.
- Extensive trail system skirts the edges of wetlands and streams and enhances access for people interested in nature, health sustainability and an urban way of life.

Desired Amenities

- Bakery
- Bar
- Bike Shop
- Book Store
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- Child Care
- Cinema
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- Coffee Shop
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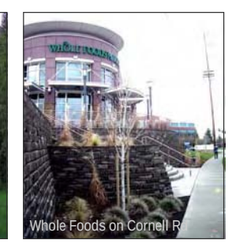
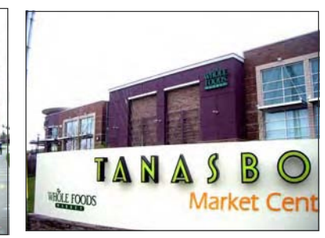
- Dry Cleaner
- Fast Food Restaurant
- Fitness Gym
- Full Service Restaurant
- Garden Store
- Grocery Store
- Ltd Service Restaurant
- Music Store
- Wine Bar/Sales

Quatama Station & Arbor Crossing Condos

REI at The Streets of Tanasbourne

Rock Creek Park


Whole Foods on Cornell R

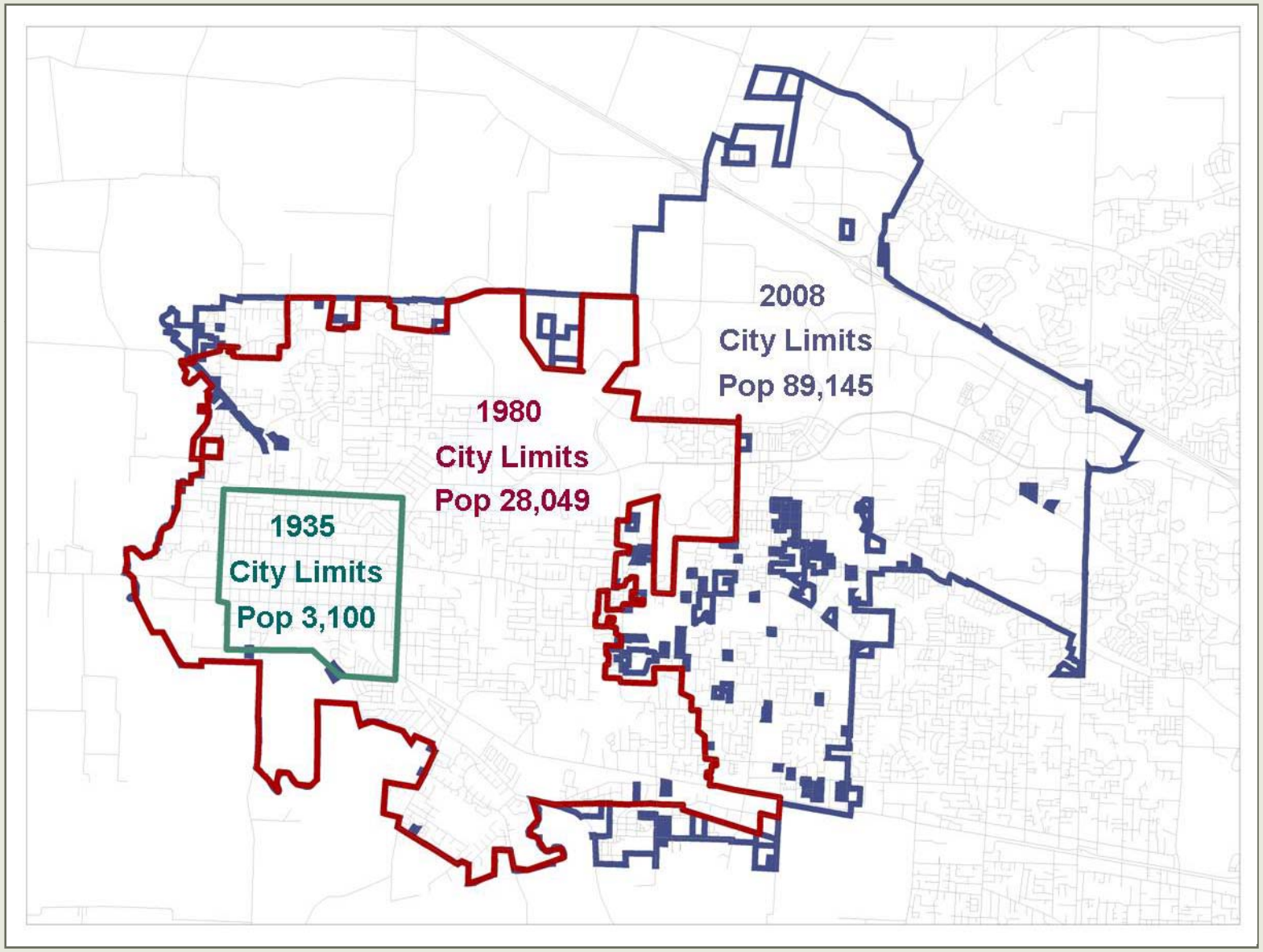


The City of Hillsboro

Growing Urban Communities

This cover slide has been modified due to concerns that corporate logos used in the presentation opening slide could be misconstrued as possible endorsement of any city policy decision by the companies. The City decided to modify the presentation to eliminate any confusion regarding this matter.

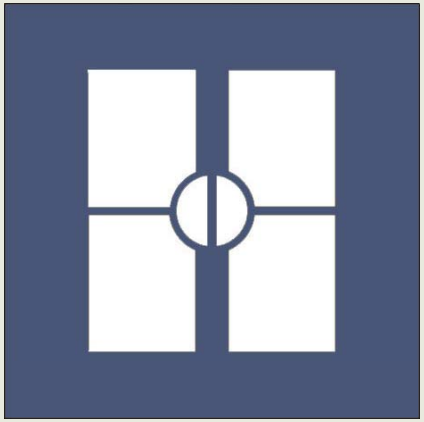
70 Years of Growth



The City's Next 50 Years

2008	2035	2060
JOBS		
72,905	172,270	347,700
POPULATION		
89,145	267,370	350,550
HOUSEHOLDS		
32,410	98,300	132,280

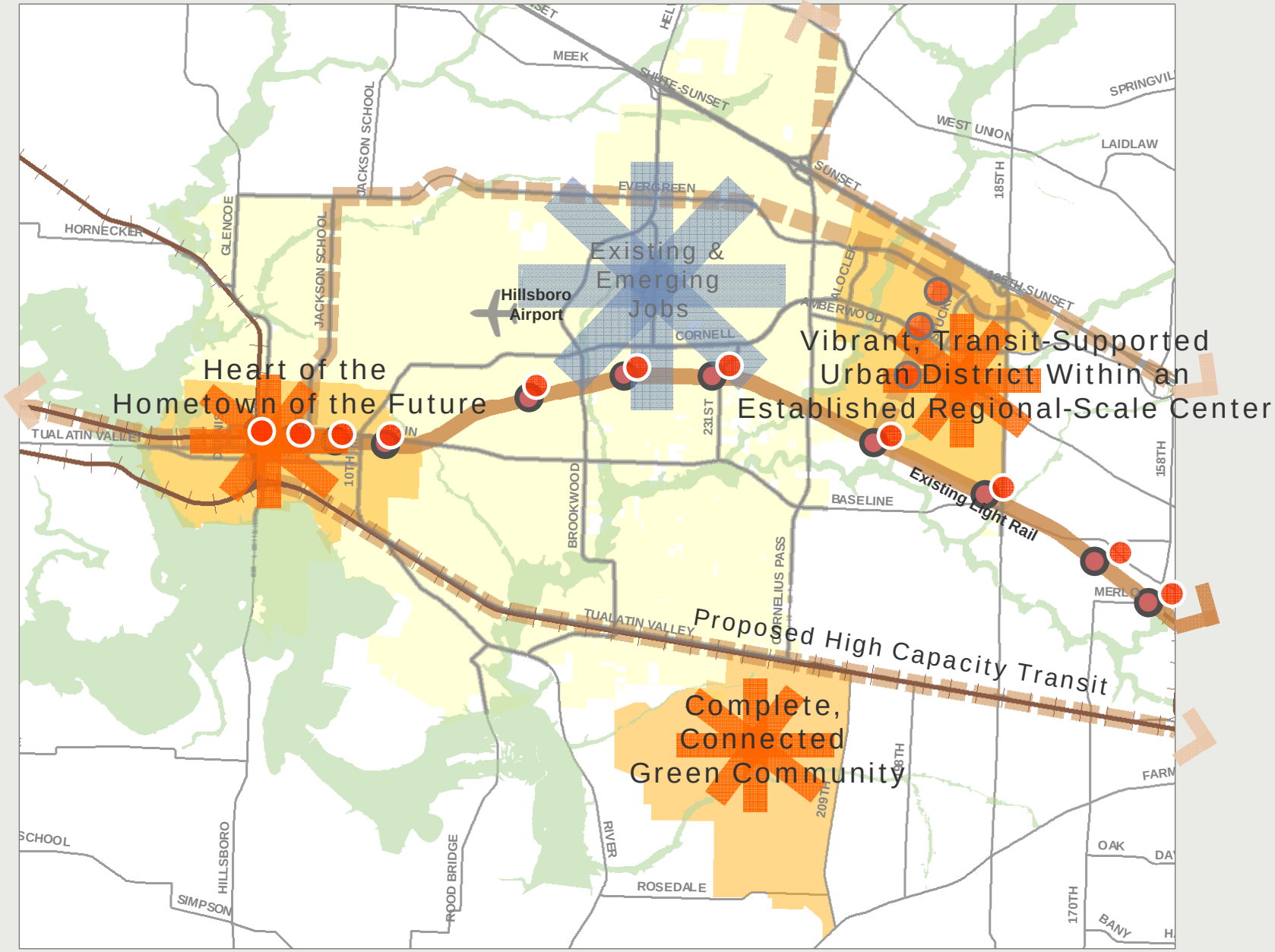
*Source: Draft City Economic Opportunities Analysis, March 2009 (**Mid-Range** estimates)*



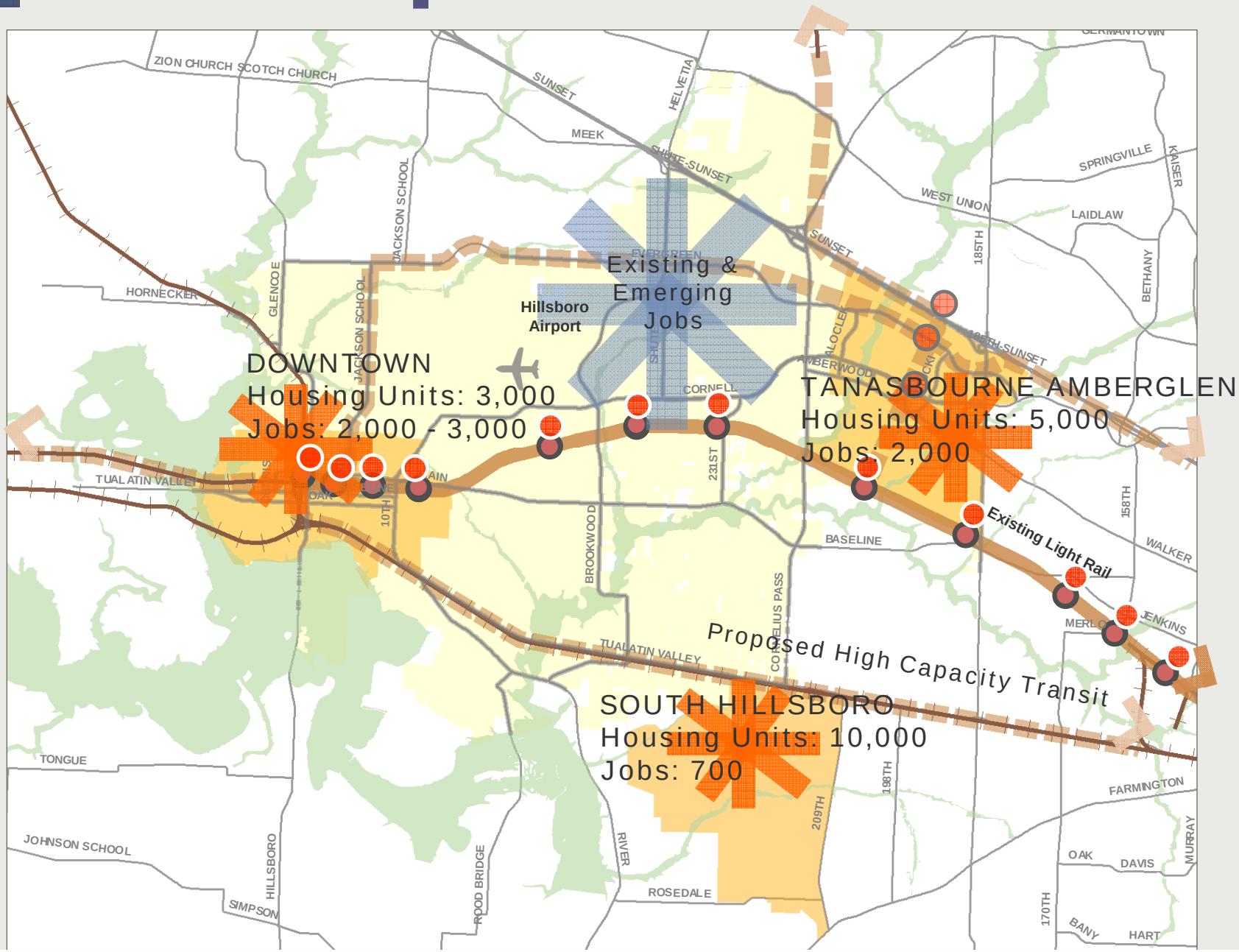
Urban Community Design Principles

1. Build on site-specific features
2. Foster relationships & support shared values
3. Establish sustainable systems & methods
4. Create a distinct identity

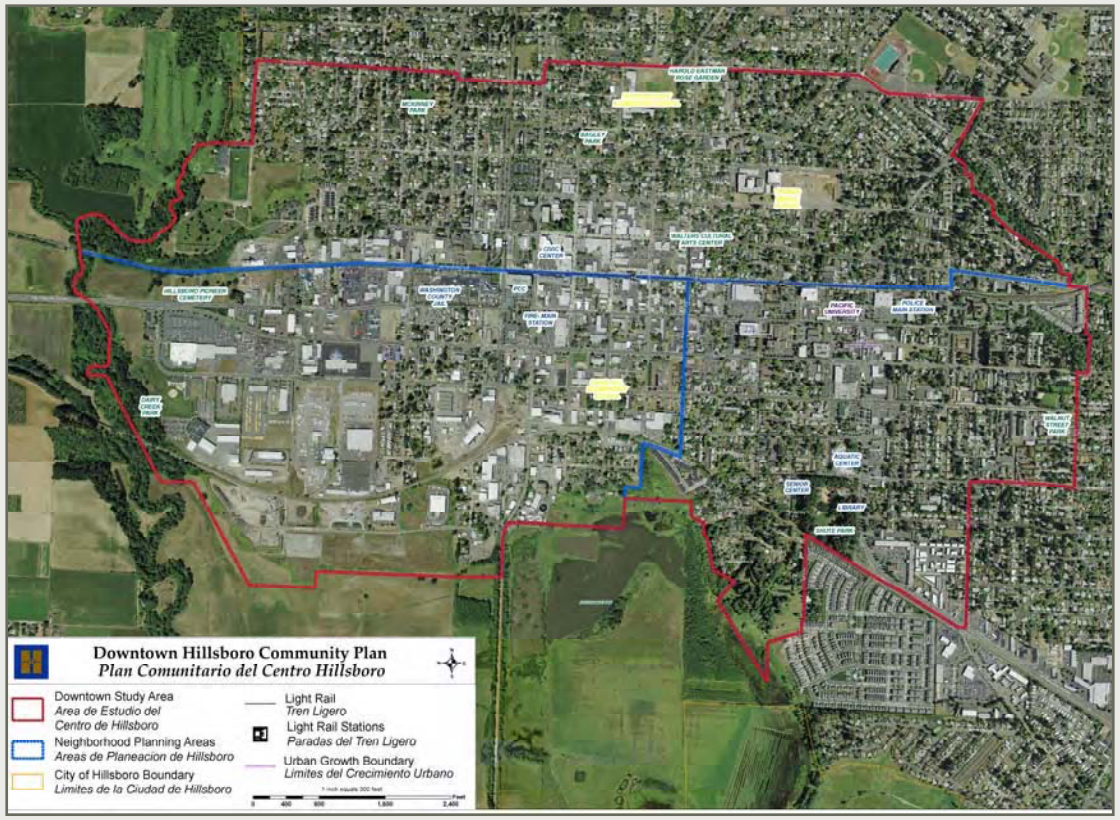
Three Distinct Communities



Growth Aspirations



Downtown Hillsboro



Current	
Employment	12,850
Dwelling Units	3,640
Acres	1,386

◆**Downtown Hillsboro Community Plan:**

- Planning efforts began April 2008
- Plan adoption -- Late 2009
- ASPIRE to 2,000-3,000 more jobs
- ASPIRE to 3,000 new DUs

◆City downtown investments to date = $40 million

- Possible Urban Renewal

◆**Other Key Components:**

- Civic Center
- Venetian Theatre
- Pacific University
- Cultural Arts Center

OHSU Amberglen/Tanasbourne

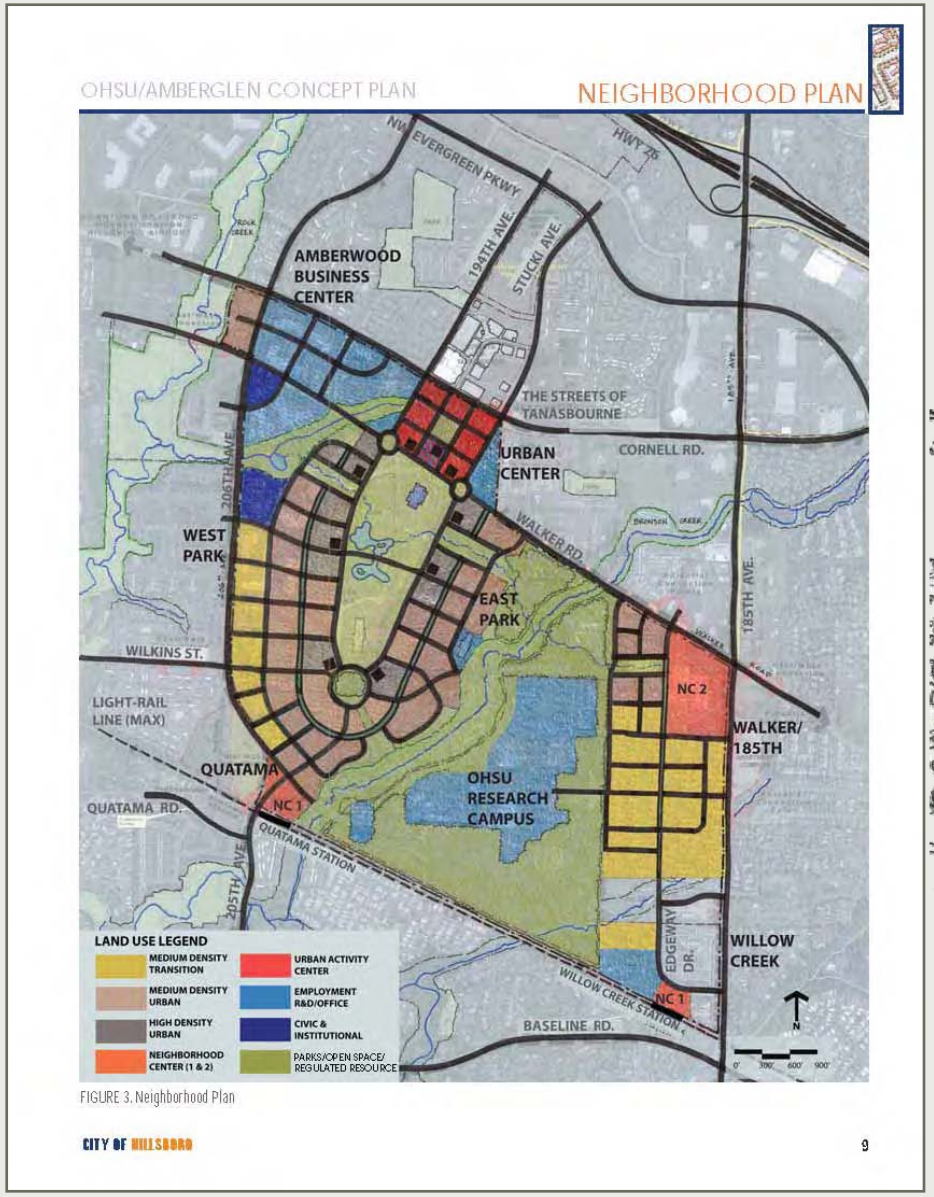
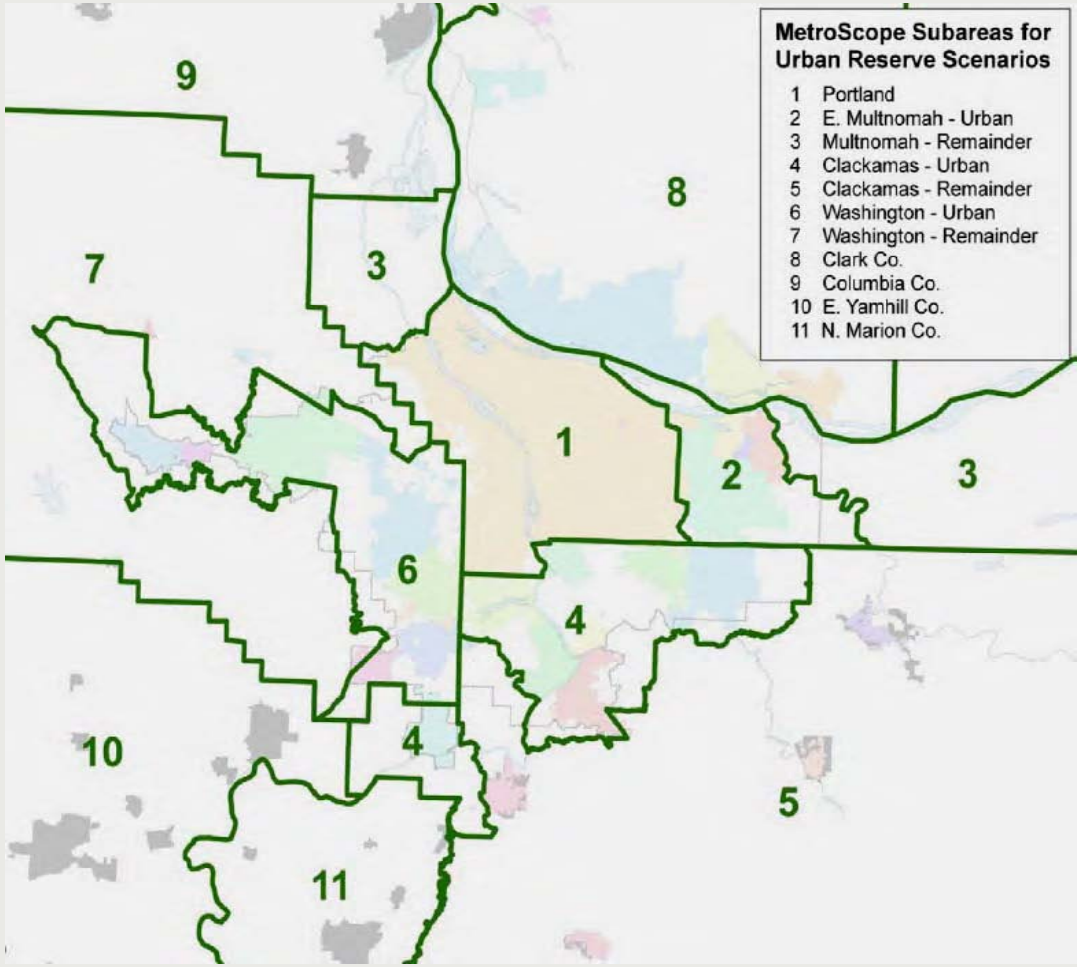


FIGURE 3. Neighborhood Plan

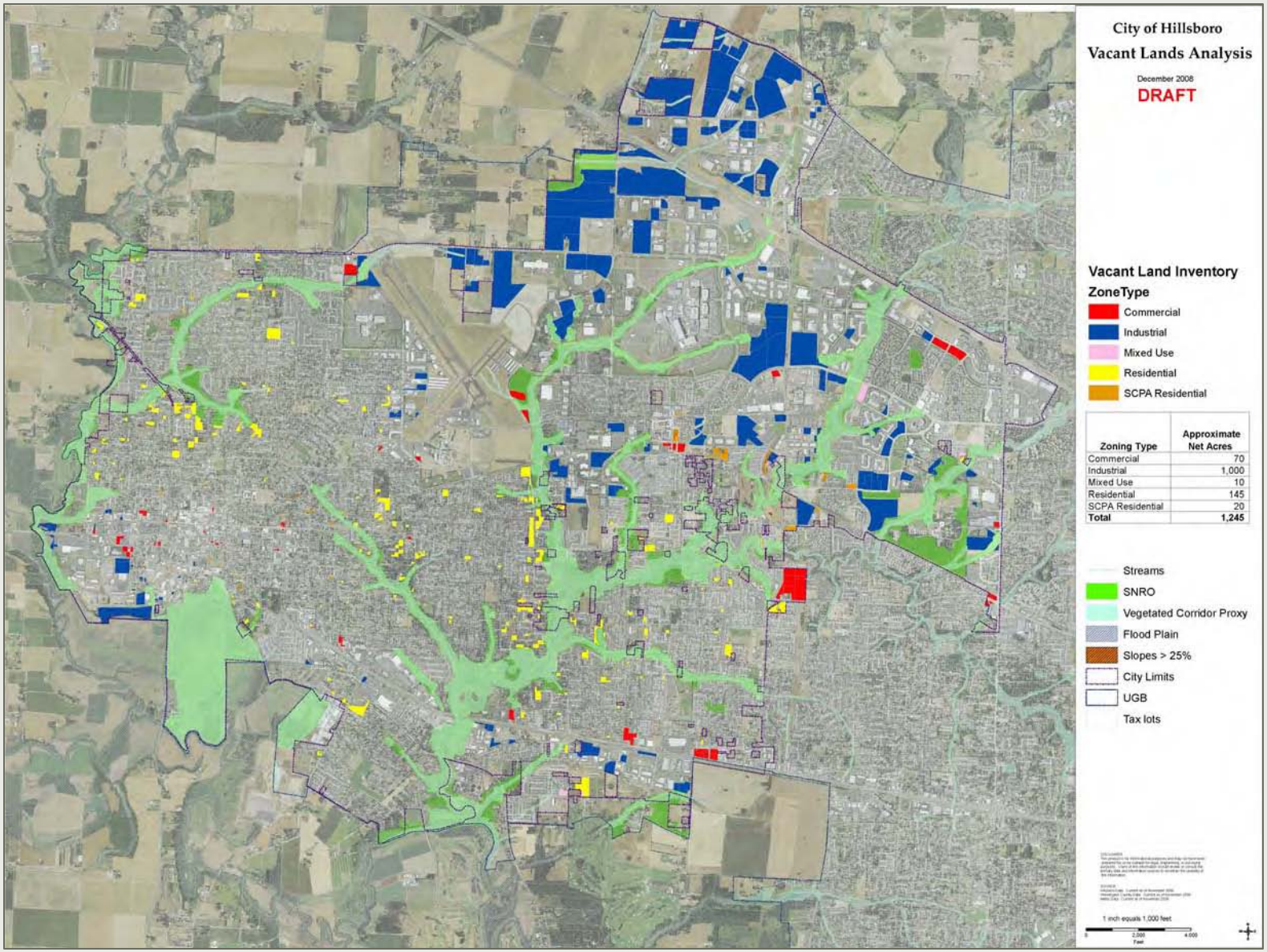
Aspiration	
Employment	2,000
Dwelling Units	5,000
Acres	252

MetroScope Forecast: 50 Year Reference Case Scenario

- 50-Year Housing Forecast/Urban Washington Co.
  - 324,740 HHs (mid-range)
  - *IF ALL UGB EXPANSION: 27,000 Res. Acres @ 12DU/Ac.*
- 50-Year Employment Forecast/Urban Wash. Co.
  - 491,000 Jobs (mid-range)
  - *IF ALL UGB EXPANSION: 20,040 Emp. Acres @ Average of 24.5 Jobs/Acre*



Hillsboro Vacant Land Supply



Zoning Type	Approximate Net Acres
Commercial	70
Industrial	1,000
Mixed Use	10
Residential	145
SCPA Residential	20
Total	**1,245**

Vacant* City Land Supply

Generalized Zoning	Approximate Net Acres
Commercial	182
Industrial	988
Institutional	69
Mixed Use	12
Residential	183
SCPA Residential	30
TOTAL	**1,464**

******INCLUDES UNBUILT ENTITLED ACREAGE WITH VACANT LANDS*

- Potential for 2,000 Dwellings @ 12 DU/Acre
- Potential for 19,000 jobs @ 24 Employees/Acre

Uncommitted City Land Supply

Generalized Zoning	Approximate Net Acres
Commercial	152
Industrial	724
Institutional	48
Mixed Use	6
Residential	101
SCPA Residential	10
TOTAL	**1,041**

**INCLUDES VACANT ACREAGE WITH NO ENTITLEMENTS*

71 PERCENT OF TOTAL VACANT LAND

Hillsboro 20 Year Job Growth

- Approximately <u>53,200 New Jobs</u> by 2028*

- 20 Year Job Growth by Sector
  - Base Employment (Industrial) = *25,255 to 31,065 New Jobs*
  - 2.5 Base Employment Multiplier Effect = *63,138 to 69,863 Additional Jobs Regionally*
  - Other Hillsboro Employment (Retail & Office) = *22,135 to 27,945 New Jobs*

    (35% to 40% total spin-off job demand)

**Derived from 2035 Regional Employment Forecast*

20 Year Land Demand (EOA)

2028 Projections:
Employment = **53,200** Jobs

Use Type	*Gross Acres*	*Net Acres*
Office Commercial (Average. 37.9 jobs/ acre)	751	601
Industrial (Average. 14.9 jobs/ acre)	2,261	**1,809**
Retail Commercial (Average 16.8 jobs/ acre)	840	672
Overnight Lodging (Average 10.9 jobs/ acre)	12	10
Specialized Uses (Average 20.0 jobs/ acre)	309	247
Total:	**4,173**	**3,338**

Meeting the 20 Year Industrial Land Demand

about 1800 net industrial acres (*26,800 new jobs)**

- **Accommodate about HALF 20-Year industrial land need (900 net acres & 13,300 purely industrial new jobs)** within **existing** City industrial zones

- **Add 1200 acres** (**900 net, buildable**) along Hwy 26 to the UGB for Industrial uses (**est. 13,500 purely industrial new jobs** by/before 2028) for future growth of Westside high tech, solar energy and bio-medical industry clusters*

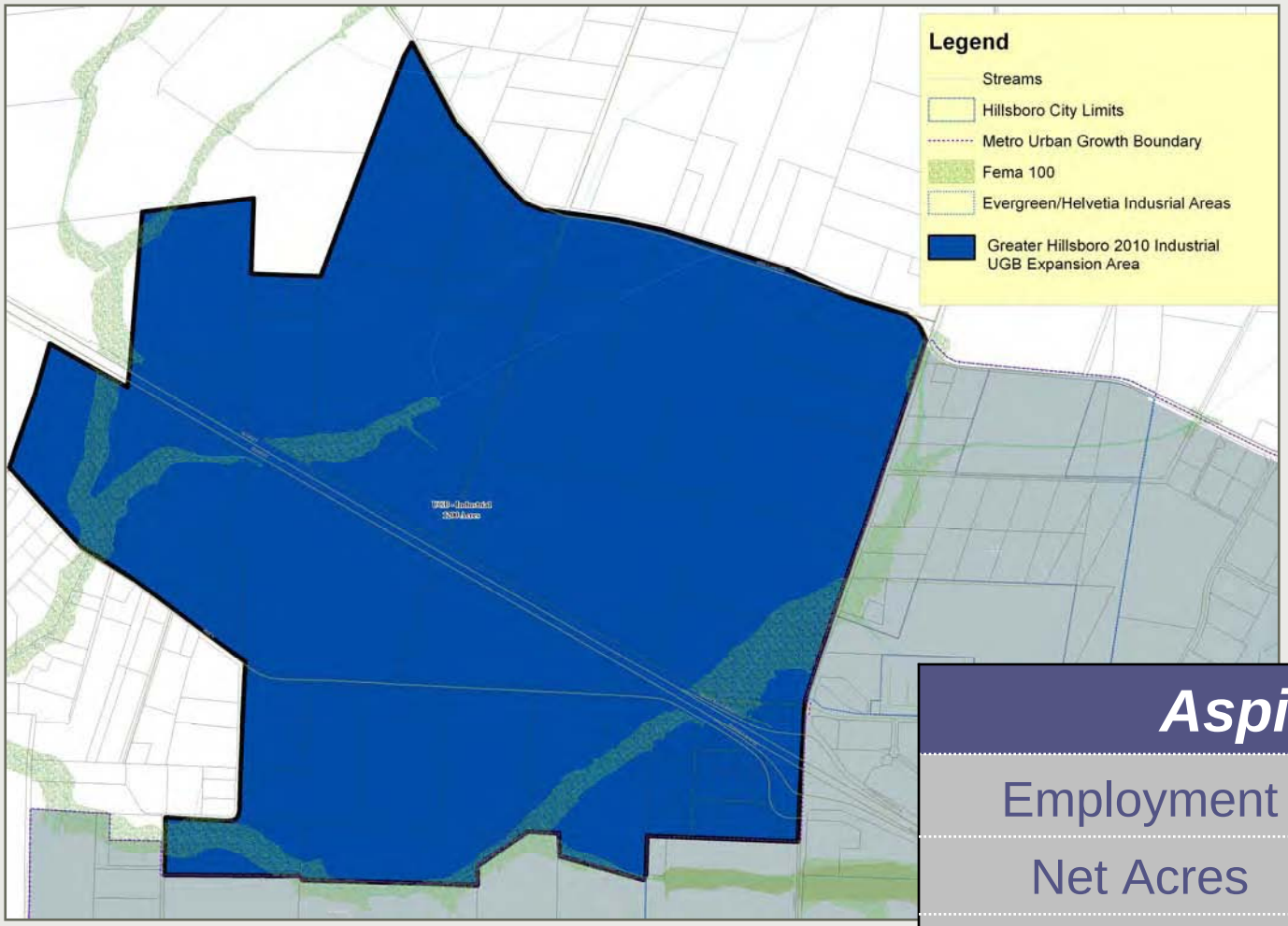
**Including related industry suppliers, spin-offs, incubators, etc.*

20 Year Industrial Site Needs

Site Size Range (Acres)/ % Distribution of Acres	Needed Sites & Acres to be Accommodated by existing UGB Land in/near Hillsboro	Needed Sites & Acres to be Accommodated by UGB Expansion
100+ Acres (8-9 Sites)	3 Sites (300 Acres)	6 Sites (600 Acres)
50-100 Acre Sites (3 Sites)	3 Sites (150 Acres)	--
25-50 Acre Sites (20 Sites)	8 Sites (200 Acres)	12 Sites (300 Acres)
10-25 Acre Sites (31 Sites)	10 Sites (100 Acres)	21 Sites (210 Acres)
5-10 Acre Sites (29 Sites)	25 Sites (25 Acres)	4 Sites (20 Acres)
1-5 Acre Sites (163 Sites)	63 Sites (63 Acres)	100 Sites (100 Acres)
Under 1 Acre (235 Sites)	42 Sites (42 Acres)	193 Sites (193 Acres)
Totals:	**790 Acres**	**1423 Acres**

DRAFT

Greater Hillsboro 2010 Industrial UGB Expansion Area



Aspiration	
Employment	13,410
Net Acres	900
Gross Acres	1200

20 Year Office & Retail Jobs
INFILL & REDEVELOPMENT

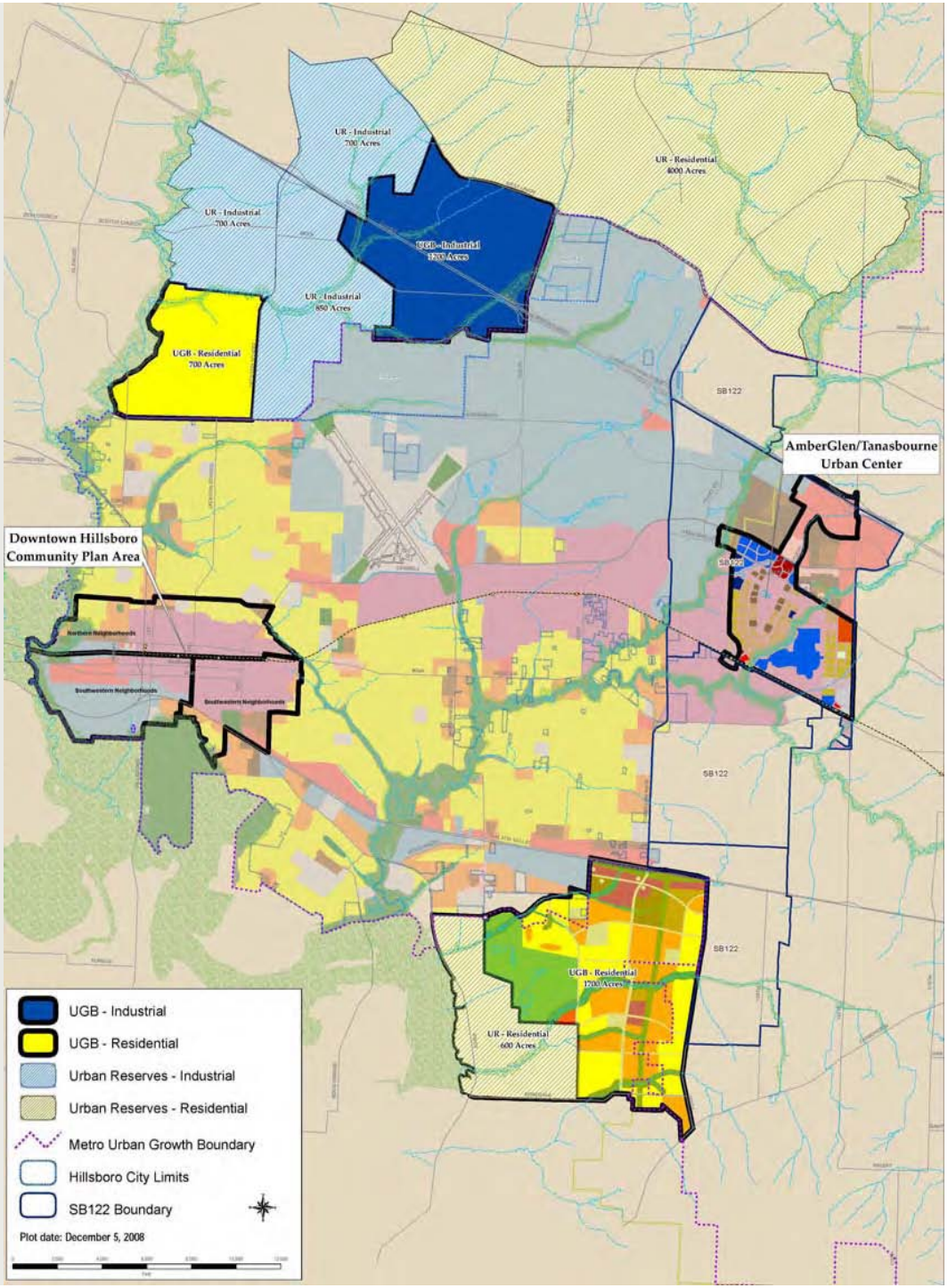
Aspire to provide **between 6000 – 9000 new retail and office jobs* mainly as infill and redevelopment** as follows:

- **Tanasbourne Town Center/OHSU-Amberglen Area** -- About **2000-3000 new jobs**
- **Downtown Hillsboro Community Plan** & Urban Renewal Project -- Accommodate **2000-3000 new jobs**
- **2040 Corridors (NW Cornell Road, Tualatin Valley Highway** and in **Light Rail Transit Station Communities)** -- About **2000-3000 new jobs**
- Anticipate absorption **of 17,400 – 20,400 retail and office jobs** projected for Hillsboro by **nearby cities** (Beaverton, Tigard, Cornelius, Forest Grove, Banks), **urbanizing unincorporated areas** (Aloha, North Bethany) and new complete communities (**South Hillsboro**)

***** of 26,400 projected office and retail jobs

Proposed Urban Reserves 2060

Urban Reserves Acreage	
Industrial	3,450
Residential	7,000



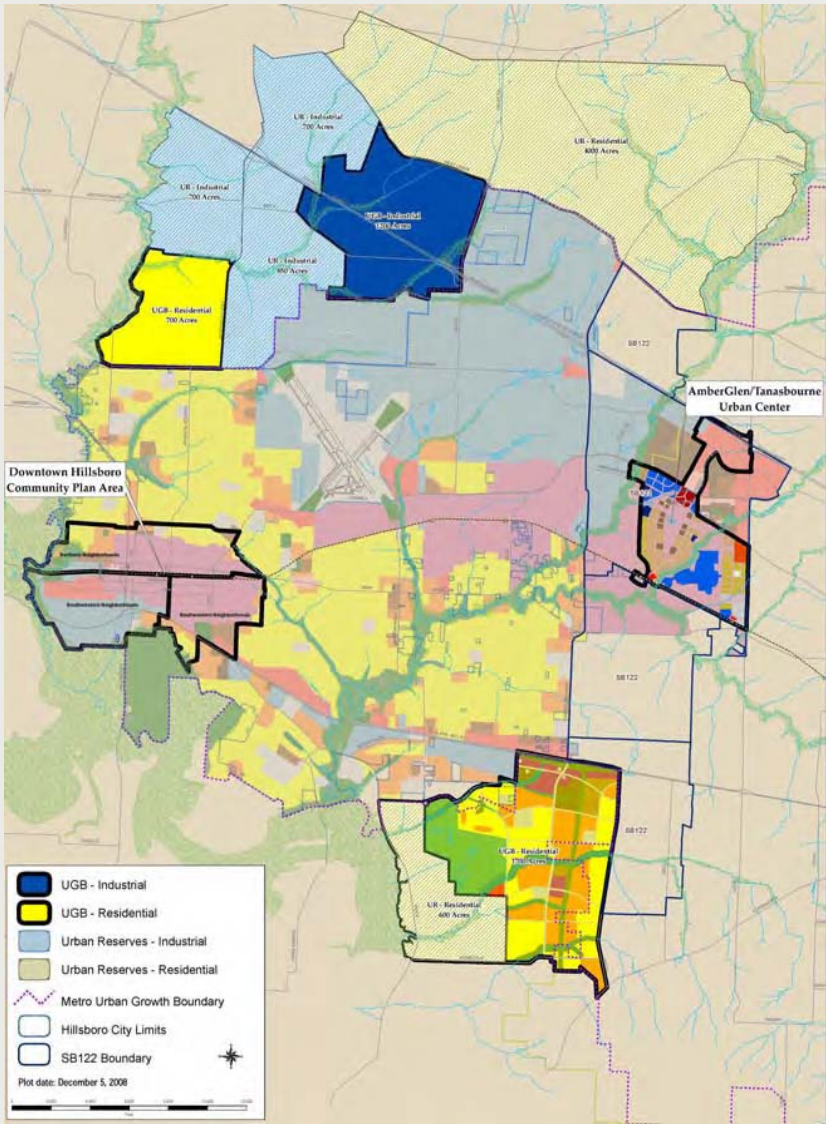
50 Year Urban & Rural Reserves

Proposed URBAN RESERVES

- ***"Hillsboro Industrial Sanctuary Expansion Area"*** north of the City -- Industrial Urban Reserves (approx. 3000 acres).
- "***South Hillsboro Complete Community"*** -- Residential Urban Reserves (approx. 2300 acres).
- *"**North Evergreen Area"*** bounded by Hwy 26, Dairy Creek, Evergreen Road and Jackson School Road) -- Residential Urban Reserves (approx. 700 acres).
- ***"Greater Bethany Area"*** north of West Union Road -- Residential Urban Reserves (approx. 4000 acres).
- **Total 50-Year Hillsboro Urban Reserves -- Approximately 10,000 acres**
  (about 2.5% of the 400,000+ acre Regional Urban & Rural Reserve Study Area -- a 47% increase in City size by 2060 from its current 14,925 total acres today)

Proposed RURAL RESERVES

- Consider Jackson Bottom Wildlife Preserve for "UGB trade-off".



50 Year Employment Land Demand

Use Type	Need For Land (Acres) By Scenario: Baseline Growth	High Growth	Medium Growth
OFFICE COMMERCIAL	**1,498.0**	**3,983.3**	**2,801.7**
INDUSTRIAL	**3,865.9**	**12,043.9**	**7,341.7**
RETAIL COMMERCIAL	**2,376.3**	**4,980.4**	**3,758.5**
CITY RESIDENTS	2,106.3	4,414.4	3,331.4
REGION/ TOURISTS 1/	270.0	565.9	427.1
OVERNIGHT LODGING	***41.8***	***94.2***	***77.4***
SPECIALIZED USES 2/	***1,465.0***	***2,042.1***	***1,775.7***
TOTAL	***9,247.0***	***23,143.9***	***15,755.1***

1/ Based on current ratios between locally supported and total sales, CE Survey from the BLS and C
Retail Trade.
2/ Hospitals, Clinics, etc. for employment not otherwise categorized.
SOURCE: Johnson Reid LLC

50 Year Residential Land Demand

Comp Plan Designation		Total Future Unit Need - Vacant Lands	Units Per Net Acre	Net Acreage Needed	Gross Acreage Needed	Distrib-ution
RL	Residential - Low Density	66,492	9.2	7,264	9,079	70.5%
RM	Residential - Medium D.	22,961	13.5	1,701	2,126	16.5%
RH	Residential - High D.	9,526	19.1	498	623	4.8%
SCPA	Station Community Plan Area[1]	12,531	18.3	684	854	6.6%
MU	Mixed Use	2,461	15.0	164	205	1.6%
	Totals/Averages:	***113,971***	***11.9***	***10,310***	***12,888***	***100%***

[1] Figures presented for SCPA Designation includes "SC Residential", and excludes "SC Commercial"

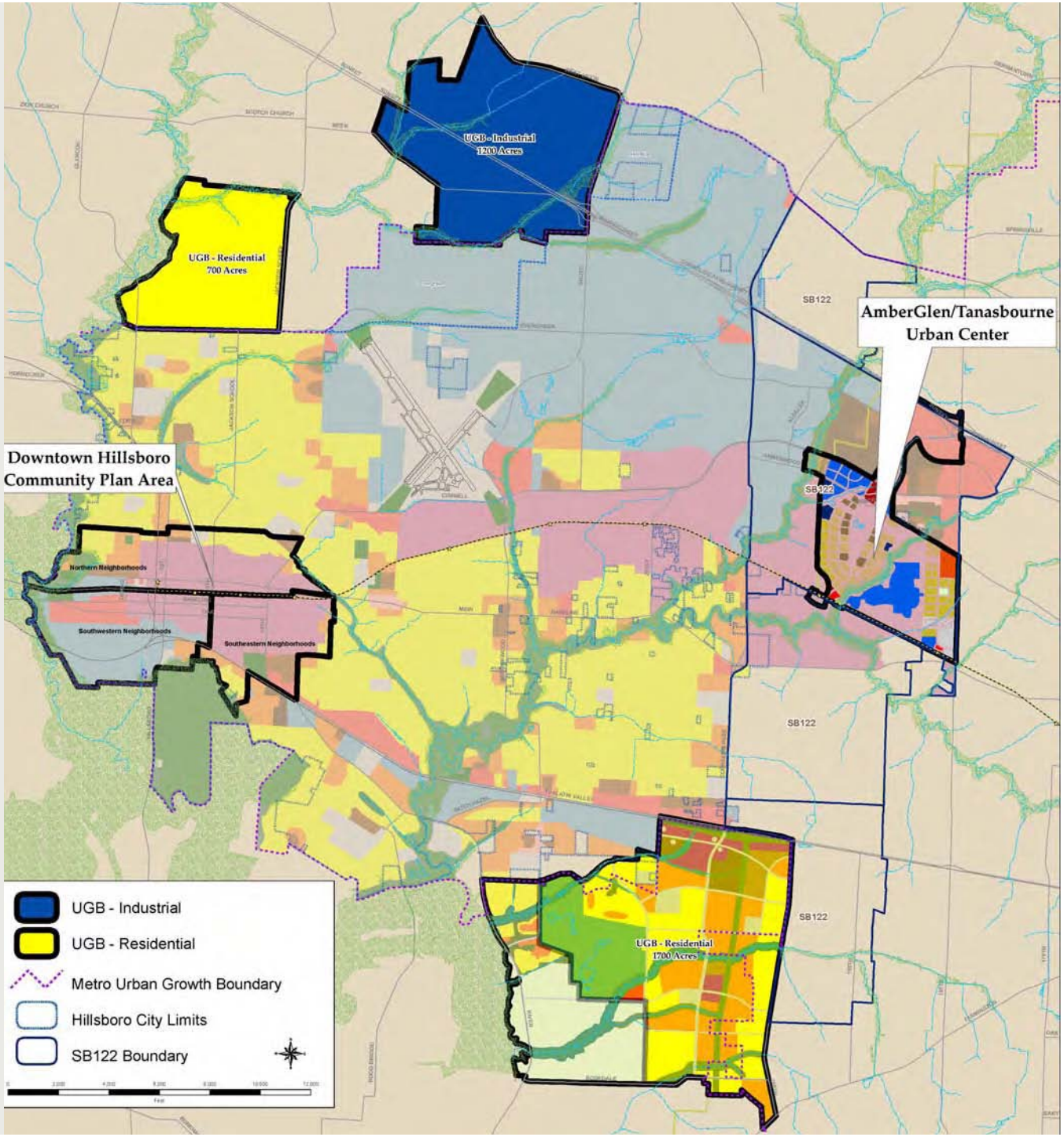
Sources: City of Hillsboro, Metro RLIS, Johnson Reid LLC

City Housing Aspirations

By 2028 - 25,380 New Dwelling Units

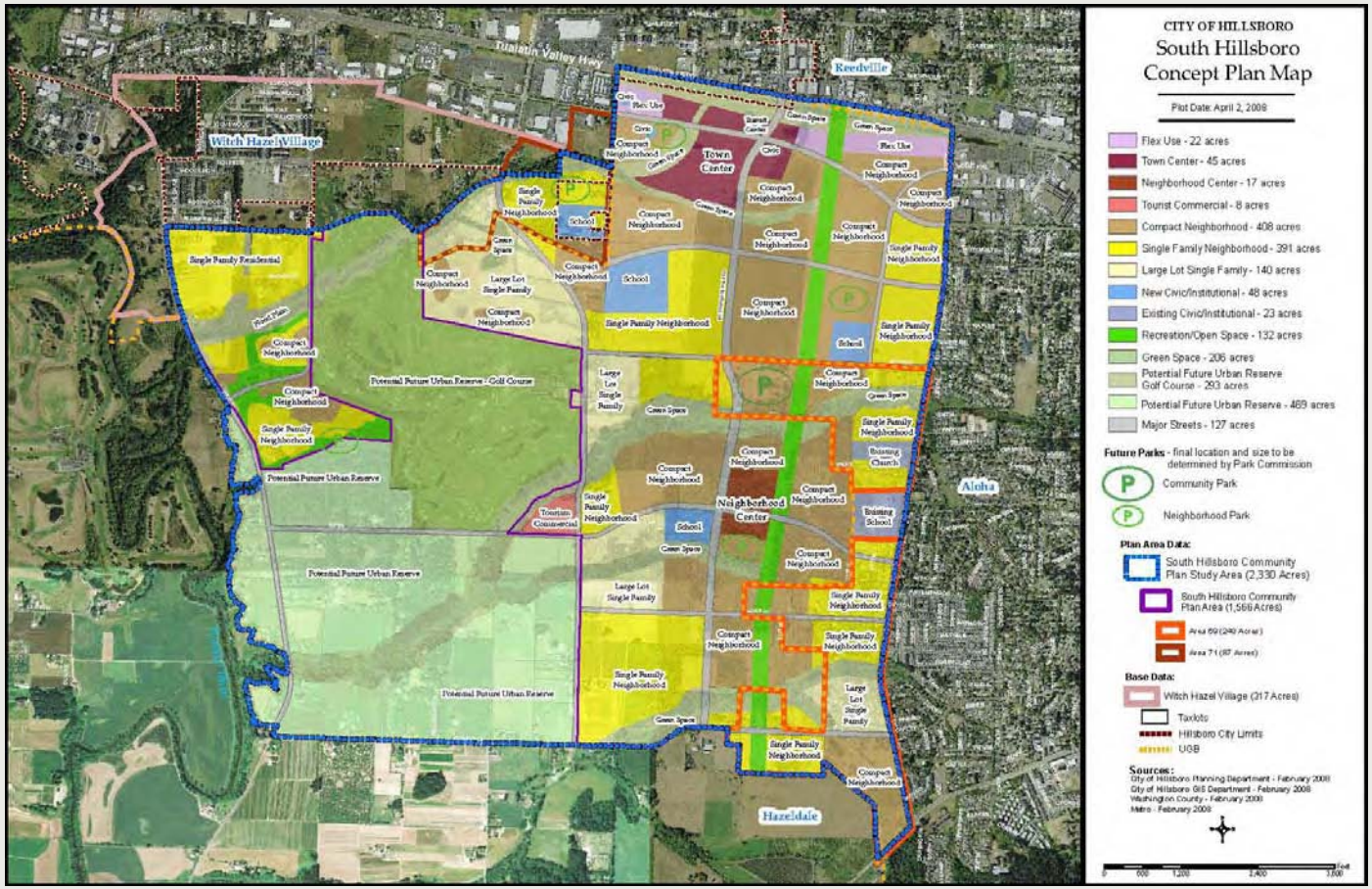
- **1,700** gross acre South Hillsboro UGB expansion
  Concept Planned New Community

- **700** gross acre residential UGB expansion:
  North Evergreen Residential Area



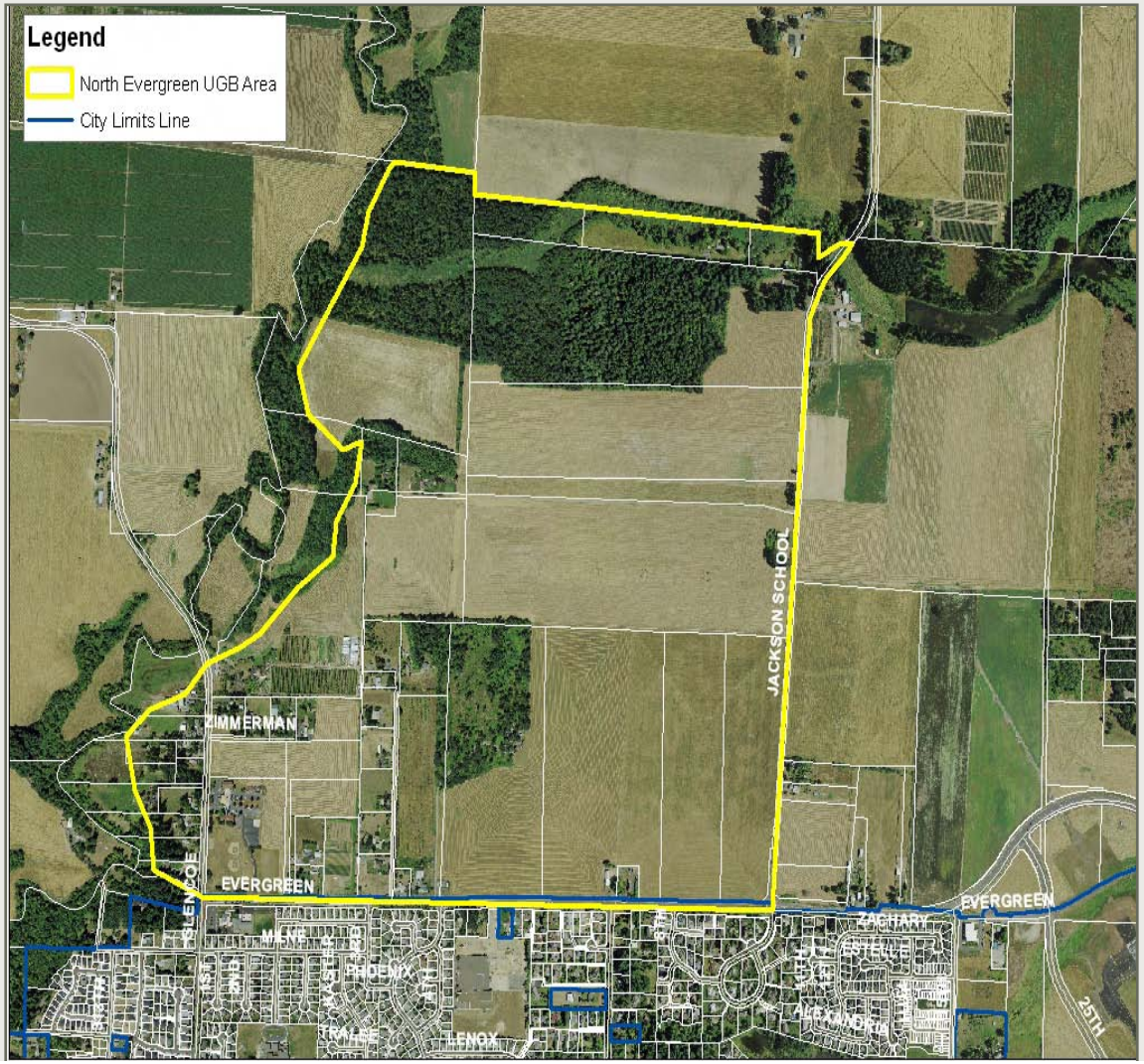
South Hillsboro 2010 UGB Expansion Area

Aspiration	
Employment	773
Dwelling Units	10,400
Gross Acres	1,700



- ◆Areas 69 & 71 added to the UGB in 2002 *(335 acres)*
- ◆Areas 69 & 71 cannot be effectively serviced without intervening lands
- ◆City to adopt & implement South Hillsboro Community Plan once full area is added to the UGB *(1,365 acres)*

North Evergreen 2010 UGB Residential Expansion Area



Aspiration	
Dwelling Units	6,300
Gross Acres	700

- City to prepare North Evergreen Preliminary Concept Plan in 2009
- Part of Urban Reserve Planning
- City will adopt North Evergreen Community Plan after area is added to the UGB

City of Hillsboro

FIGURE 1: HILLSBORO UNCONSTRAINED 50-YEAR GROSS EMPLOYMENT LAND DEMAND ESTIMATES

Use Type	Need For Land (Acres) By Scenario: Baseline Growth	High Growth	Medium Growth
OFFICE COMMERCIAL	**1,498.0**	**3,983.3**	**2,801.7**
INDUSTRIAL	**3,865.9**	**12,043.9**	**7,341.7**
RETAIL COMMERCIAL	**2,376.3**	**4,980.4**	**3,758.5**
CITY RESIDENTS	2,106.3	4,414.4	3,331.4
REGION/TOURISTS 1/	270.0	565.9	427.1
OVERNIGHT LODGING	***41.8***	***94.2***	***77.4***
SPECIALIZED USES 2/	***1,465.0***	***2,042.1***	***1,775.7***
TOTAL	***9,247.0***	***23,143.9***	***15,755.1***

1/ Based on current ratios between locally supported and total sales, CE Survey from the BLS and C
Retail Trade.
2/ Hospitals, Clinics, etc. for employment not otherwise categorized.
SOURCE: Johnson Reid LLC

Hypothetically, the City of Hillsboro could foster and see employment land demand anywhere from:

- *9.250 acres over a fifty-year period (Baseline/Metro 2060 forecast methodology)*; to
- *23,144 acres (High-Growth/Hillsboro makes maximum effort and maximum success marketing its high-tech competitive advantages).*

FIGURE 2: PROJECTED NEW RESIDENTIAL LAND DEMAND, HILLSBORO (2060)

Comp Plan Designation		Total Future Unit Need - Vacant Lands	Units Per Net Acre	Net Acreage Needed	Gross Acreage Needed	Distrib-ution
RL	Residential - Low Density	66,492	9.2	7,264	9,079	70.5%
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	Totals/Averages:	***113,971***	***11.9***	***10,310***	***12,888***	***100%***

[1] Figures presented for SCPA Designation includes "SC Residential", and excludes "SC Commercial"
Sources: City of Hillsboro, Metro RLIS, Johnson Reid LLC

Accordingly, for the conservative "Baseline" scenario, Hillsboro could see gross residential land demand of nearly 13,000 acres over the period if candidate urban expansion areas are physically unconstrained.

CUMULATIVE URBAN LAND DEMAND & IMPLICATIONS

Based upon our findings, the City of Hillsboro could hypothetically see total, unconstrained 50-year growth in the following range:

- *Baseline: 22,135 gross acres;*
- *Medium Growth: 28,643+ gross acres;* and
- *High Growth: 36,037+ gross acres.*

We would note that all of the above estimates are certainly sensitive to specification, particularly densities. We would concede that subject to City policy preferences, residential densities can and may be elevated over the 50-year period to demonstrate less residential land demand and we certainly invite input to that effect. We would also note that these estimates do not yet reflect latter-year higher employment densities as a result of Metro comments – though early year low-density replacement by latter-year higher density should be a "wash" - and we invite input to that effect as well.

However, it is abundantly clear that the physical realities of land in the vicinity of Hillsboro will significantly constrain realization of the above acreage estimates, or lesser estimates, over the 50-year period. JOHNSON REID, therefore, seeks input from the City regarding the following items so that we may finalize Hillsboro 50-year estimates, as well as finalize 50-year estimates for other jurisdictions:

- How much growth does Hillsboro have capacity or policy desire to accommodate?
- Based on results to date, does this translate into any significant milepost year? Year 20?
- How much growth and when should JOHNSON REID more formally assign to neighboring partner cities given answers to the previous two questions?
- How would the City of Hillsboro care to characterize its relationship with neighboring, partner jurisdictions on economic development and industrial recruitment <u>and</u> residential demand?

DRAFT

MEMORANDUM

DATE: March 5, 2009

TO: Pat Ribellia, Hillsboro Director of Planning
Jon Hollan, Forest Grove Community Development Director
Richard Meyer, Cornelius Development & Operations Director
Don Otterman, North Plains City Manager
Jim Hough, Banks City Manager

FROM: Bill Reid, Principal
JOHNSON REID, LLC

SUBJECT: DRAFT Long-Term Economic Development & Land Need Coordination Opportunity

This memorandum is intended as a guiding document for the five Cities of Hillsboro, Forest Grove, Cornelius, North Plains, and Banks in considering economic development and employment land provision opportunities as a distinct subregion of the Portland metro area economy.

City of Hillsboro Land Demand & Broad Strategy Response

Long-term employment land need has been estimated for each of the above cities individually, i.e. assuming each city operates in isolation of one another. Resulting forecasts have been labeled "Organic" growth scenarios implying how each jurisdiction may grow on its own given existing and future industries and individual competitive advantages of each city. However, during the course of work for City of Hillsboro Economic Opportunities Analysis, it has been found that Hillsboro's long-term growth potential significantly exceeds its ability to provide sufficient land of the sizes and types that targeted high-tech clusters will require over a twenty-year and fifty-year period.

The primary implication is that Hillsboro has decided that it will focus its economic development efforts, and resulting industrial land provision, targeting "cluster anchor" industrial users, or those that generally require large industrial parcels, i.e. 90-100 or more acres each. Hillsboro's infrastructure, physical qualities of industrial lands, technical expertise and existing cluster of high-tech firms have provided it with a competitive advantage in recruiting such users vis-à-vis elsewhere across North America.

In doing so, however, the City of Hillsboro will require greater economic development and employment land coordination with its neighbor cities in Western Washington County. Although large users may choose to site in Hillsboro, a wide array of industrial site types less than 100 acres in size will be demanded across the planning horizon by the various types of "ripple effect" job growth resulting from the attraction of a cluster anchor. These include vendors, service providers, competitors, and customers who may require anywhere from an individual five-acre facility to a 60-acre flex space business park of various engineering, light manufacturing and research uses.

Without the provision of industrial acreage in more moderate parcel and site sizes by the partner cities in Western Washington County, larger high-tech cluster industrial recruitment in general may likely be compromised. The well-documented multiplier effects and dependent cluster of firms and sectors supporting and supported by new high-tech anchors will not be able to grow within a land-constrained Hillsboro over the long-term and must seek proximate industrial sites in nearby cities.

HILLSBORO DEMAND POTENTIAL & CLUSTER ANCHOR STRATEGY

HIGH-TECH INDUSTRY GROWTH THROUGH 2035

Figure 1 below provides a comparison of the three primary economic growth scenarios estimated for the City of Hillsboro through 2035. In total, targeted industries and resulting achievable growth trajectories indicate Hillsboro could see demand for industrial land ranging from 1,600 acres to as high as 3,560 acres through 2035. Estimates reflect total demand potential, regardless of ability to site growth or existing capacity within the existing Hillsboro UGB.

FIGURE 1: HILLSBORO URBAN AREA EMPLOYMENT LAND DEMAND (GROSS BUILDABLE ACRES 2008-2035)

Use Type	Demand For Land (Acres) By Scenario: Baseline Growth	High Growth	Medium Growth	UGB Request (Approx.)
OFFICE COMMERCIAL	**421.9**	**1,383.6**	**1,093.4**	
INDUSTRIAL	**1,601.4**	**3,558.6**	**2,583.9**	**1,200.0**
RETAIL COMMERCIAL	**1,169.9**	**2,296.5**	**1,965.0**	
CITY RESIDENTS	1,037.0	2,035.5	1,741.7	
REGION/TOURISTS 1/	132.9	261.0	223.3	
OVERNIGHT LODGING	**22.6**	**35.8**	**29.6**	
SPECIALIZED USES 2/	**537.4**	**749.1**	**651.4**	
TOTAL	***3,753.2***	***8,023.6***	***6,323.3***	***1,200.0***

1/ Based on current ratios between locally supported and total sales, CE Survey from the BLS and Census of Retail Trade.

2/ Hospitals, Clinics, etc. for employment not otherwise categorized.

Figure 1 also demonstrates that the City of Hillsboro has identified the additional quantity of industrial acreage it will pursue for its cluster anchor strategy of economic development, specifically 1,200 acres for growth through 2035.

In total, anywhere from 400 to 2,360 acres of industrial demand in support of high tech cluster anchor growth will be required through 2035 with a strong preference for proximity to the City of Hillsboro. Accordingly, findings suggest that a coordinated "Five Cities" will be crucial for attracting and retaining not only the anticipated 1,200 acres of industry cluster anchor growth, but up to nearly 2,400 acres of additional ancillary industrial growth associated with high-tech industry expansion in Western Washington County.

HIGH-TECH INDUSTRY GROWTH THROUGH 2060

Over the urban reserves planning horizon through 2060, land demand analysis suggests that inter-jurisdictional coordination will be even more crucial to overall high-tech industry retention and expansion in Western Washington County. Figure 2 on the following page provides a similar comparison of employment land demand potential in the City of Hillsboro along with the quantity of industrial land the City of Hillsboro seeks for urban reserves over the 2060 planning horizon for high-tech cluster anchors.

The City of Hillsboro presently plans to seek up to 3,500 gross acres in urban reserves, inclusive of the 1,200 UGB request displayed in Figure 1, to strategically target high-tech industrial cluster anchors typically requiring sites 100 acres or greater in size. In contrast, industry growth demand could reach as high as 15,000 gross acres of industrial land by 2060 assuming maximum potential success in growing targeted industries.

FIGURE 2: HILLSBORO URBAN AREA EMPLOYMENT LAND DEMAND (GROSS BUILDABLE ACRES 2008-2060)

Use Type	Need For Land (Acres) By Scenario: Baseline Growth	High Growth	Medium Growth	Urb. Reserve Request (Approx.)
OFFICE COMMERCIAL	**1,728.5**	**4,979.1**	**3,077.9**	
INDUSTRIAL	**4,476.3**	**15,054.9**	**8,704.5**	**3,500.0**
RETAIL COMMERCIAL	**2,970.4**	**6,225.4**	**4,698.2**	
CITY RESIDENTS	2,632.9	5,518.0	4,164.3	
REGION/TOURISTS 1/	337.5	707.4	533.9	
OVERNIGHT LODGING	**48.3**	**117.8**	**82.9**	
SPECIALIZED USES 2/	**1,657.1**	**2,309.8**	**2,008.6**	
TOTAL	***10,880.6***	***28,687.1***	***18,572.0***	***3,500.0***

1/ Based on current ratios between locally supported and total sales, CE Survey from the BLS and Census of Retail Trade.
2/ Hospitals, Clinics, etc. for employment not otherwise categorized.

Because Hillsboro strategy is to target larger users based on its identified competitive advantage, overall success in fostering economic growth will greatly depend upon the availability of additional industrial land, in a wide array of site sizes, suitable for the various types of "ripple effect" economic growth associated with the presence of larger users and their industrial synergy. We find the need for such a strategy even more crucial over the 2060 planning period as the discrepancy between planned new supply and potential demand is very significant.

NEXT STEPS

It is the understanding of JOHNSON REID that the Five Cities have expressed interest in a coordinated approach to employment land provision and economic development initiatives in Western Washington County based on individual and joint Economic Opportunities Analysis findings. We would recommend the following in response:

- A multi-city work session(s) to identify which city, where and when will best provide different types of industrial land in a coordinated economic development approach *above and beyond* the individual "organic" growth potential of each city; and
- City endorsement of a coordinated employment land provision plan for the 2035 and 2060 planning horizons for UGB and urban reserve planning purposes.

PROJECTED NUMBER OF SITES DEMANDED

The final step in establishing the City's land demand projections is to arrive at the number of sites expected to be demanded according to the above described development pattern types during the planning horizon. Because there are subjective components to this analysis, it is important to understand basic assumptions utilized in the analysis. The principal assumptions relate to methodology for identifying and categorizing medium and large sites and these include the following:

- The vast proportion of the employment land base, from the standpoint of total acreage, is consumed by sites larger than half an acre. Some of these are held for speculation and will be divided further, but the vast majority of these parcels are developed and used by going concerns.
- It is much easier to divide employment land into small parcels to meet the needs of smaller users than it is to aggregate small parcels in fractured ownerships to meet the needs of a larger user.

In estimating employment site demand, no single, simple methodology was utilized for estimating Hillsboro need for industrial land by parcel size and quality. Industry-specific and even firm-specific needs indicate an even more diverse range of requirements for known and likely future industries. Accordingly, JOHNSON REID utilized all of the following to identify likely site requirements for parcel size distribution in the context of physical site requirements by general use type summarized in the Development Type Pattern Matrices:

- *Economic Stakeholder Outreach:* Emphasis was put on flexible land supply to accommodate long-term investment decisions by "anchor" cluster firms (SolarWorld, Genentech, Intel). These larger, key industry firms' commitment to an economic area then attract various ripple effects via spin-offs, joint ventures, competitors, suppliers, and customers typically utilizing more moderate parcel sizes highly proximate to the "anchor" firm. Intel's Jones Farm and Ronler Acres are examples of employment ripple effect and spin-off well documented by Joe Cortright/Impresa Consulting and the Portland State University Institute of Metropolitan Studies. Input also emphasized flexibility regarding development orientation. Large firms land bank and build larger, more flexible structures to allow for modification of research and manufacturing process, as well as changes in product lines.
- *Industry-Specific Literature Review*: Industry studies and documents were utilized to understand likely parcel sizes required of emerging high technology-dependent firms and clusters based on operations standards and site investments elsewhere.
- *OECDD Industrial Site/Shovel Ready Guidelines*: Parcel quality and infrastructure need as documented by OECDD for statewide industry recruitment with sector specifics also utilized for pertinent industries.
- *City of Hillsboro Planning Documents*: Plans and analysis in support of the Shute Road Industrial Site comprehensive plan amendment, as well findings from the Evergreen Concept Plan and Helvetia Concept Plan were utilized.
- *Industrial Development Standards*: NAIOP, among others, indicate design and size standards for industrial development utilized by multiple users instead of "anchor" single users, i.e. business, industrial, and flex park development.
- *U.S. Census of Business*: Washington County zip codes 97123 and 97124 data for distribution of firms by industry and employment were utilized to assist in distribution of need by industry type.
- *Professional Experience*: As a due diligence and feasibility service provider to industrial development throughout the Pacific Northwest, JOHNSON REID experience for private and public interests (Portland Development Commission, et al.) was also utilized.

Figure 27 provides a detailed assessment of Hillsboro employment land demand through 2035 in terms number of sites demanded by site size, with a comparison to developable employment land supply by site quality within the existing Hillsboro urban growth boundary. Results are expressed for all three employment growth scenarios.

FIGURE 27: RECONCILIATION OF HILLSBORO EMPLOYMENT LAND SITE DEMAND & SUPPLY (2035)

2035 Land Demand Reconcilation - Site Need Count									
Number of Sites by Development Pattern						Planning Horizon			
		Demand Projections - Sites				Vacant Supply (Sites)	Balance -Sites Needed		
		Typical Acreage	Baseline	High	Medium		Baseline	High	Medium
Office	Business Park	50.0	4	12	9	-	4	12	9
	Medium	25.0	5	16	12	1.0	4	15	11
	Small	5.0	25	80	64	30.0	(5)	50	34
	SubTotal		***33***	***108***	***86***	***31.0***	***7***	***77***	***55***
Industrial	Cluster Anchor	100.0+	4	10	7	3.0	1	7	4
	Anchor or Large Park	50.0 - 100.0	3	6	4	3.0	(0)	3	1
	Large User or Mid Park	25.0 - 50.0	7	15	11	7.0	(0)	8	4
	Medium User or Smaller Park	10.0 - 25.0	13	29	21	13.0	0	16	8
	Expanding User	5.0 - 10.0	14	31	22	25.0	(11)	6	(3)
	Small Businesses	5.0 or fewer	91	202	146	118.0	(27)	84	28
	SubTotal		***132***	***293***	***212***	***169.0***	***2***	***124***	***46***
Commercial Retail	Large	25.0	10	20	17	-	10	20	17
	Medium	10.0	55	108	93	1.0	54	107	92
	Small	1.5	243	476	408	73.0	170	403	335
	SubTotal		***308***	***605***	***517***	***74.0***	***234***	***531***	***443***

Note: Figures may not sum due to rounding.
SOURCE: City of Hillsboro Planning Department and Johnson Reid, LLC

2035 Office Employment Site Demand Findings

- *Sites Demanded:* Hillsboro economic growth is estimated to drive demand for as few as 33 office commercial sites to as many as 108. The majority of sites for office commercial can be expected in the "Small" category, with typical parcel size at 5 acres.
- *Site Supply:* The City of Hillsboro currently has a total of 31 sites suitable for office commercial development, overwhelmingly concentrated in the "Small" category. It should be underscored that Hillsboro presently has no site availability suitable for larger, predominantly office business park development.
- *Sites Needed Reconciliation:* Given documented site demand and existing inventory, Hillsboro will require anywhere from seven new office commercial sites (Baseline Scenario) to 77 new sites (High Growth Scenario) to meet economic opportunities identified in this analysis.
- *Sites Needed Concentration:* Site need is greatly concentrated in the "Small" parcel category, generally 10 acres or less. Under the Baseline Growth Scenario, Hillsboro currently has five more "Small" sites available (30) than demanded (25). Hillsboro absolutely requires sites in larger size categories given nearly no availability within the current City UGB.

2035 Industrial Employment Site Demand Findings

- *Sites Demanded:* Hillsboro economic growth is expected to generate demand for a minimum of 132 industrial sites to as many as 293 over the planning period. The great majority of sites demanded will be five acres or fewer in size ("Small Businesses"), however sizeable shares are attributable to "Expanding Users" (5-10 acres) and "Medium User/Smaller Park" (10-25 acres).
- *Site Supply:* The City of Hillsboro currently has 169 sites suitable for industrial development within its UGB, greatly concentrated in parcels sized five acres or less. Hillsboro currently has some uncommitted, developable industrial sites within its UGB for all categories of site size demand.

- *Sites Needed Reconciliation:* Given documented site demand and existing inventory, Hillsboro will require anywhere from two additional industrial sites (Baseline Scenario) to 124 additional sites (High Growth Scenario) to meet economic opportunities identified in this analysis.
- *Sites Needed Concentration:* Under the conservative Baseline Scenario, Hillsboro will require the addition of land for one site in the "Cluster Anchor" size category, though the sum of site need due to rounding indicates a need for land sufficient for two industrial sites through 2035. Under the two higher growth scenarios, Hillsboro requires the addition of industrial land suitable for nearly all site size categories. It should be underscored that under all growth scenarios, Hillsboro currently has insufficient land for "Cluster Anchor" industrial site demand during the planning period.

2035 Retail Commercial Employment Site Demand Findings

- *Sites Demanded:* Hillsboro population growth, resulting from economic growth opportunity, is expected to create demand for a minimum of 308 commercial sites to as many as 605 over the planning period. The great majority of sites demanded will be three acres or fewer in size ("Small"), though "Medium" site need accounts for up to 20% of future commercial retail site demand through 2035.
- *Site Supply:* The City of Hillsboro currently has 74 sites suitable for retail development within its UGB, overwhelmingly concentrated in parcels sized three acres or less. It should be underscored that Hillsboro presently has nearly no developable sites suitable for commercial center development over the planning period, namely sites greater than three acres in size.
- *Sites Needed Reconciliation:* Given documented site demand and existing inventory, Hillsboro will require anywhere from 234 to 531 retail commercial sites of all suitable retail sizes over the planning period. Hillsboro has absolutely no retail commercial sites suitable for larger centers ("Large" – 20+ acres) and presently has only one, eight-acre site to serve medium-sized need through 2035. Hillsboro has significant undersupply in all retail commercial categories, and is arguably more undersupplied in retail commercial need than the other primary employment land categories.