

**Portland Comprehensive Plan Update: Economic Development Policy Expert Group
Preliminary Draft Economic Development Goal and Policy Concepts
September 12, 2012**

Overview

This document is a preliminary draft version of the Economic Development Chapter for the update of the City of Portland's Comprehensive Plan. This draft was created for review by the Economic Development Policy Expert Group (PEG) at their meeting on September 19, 2012. Their comments will inform preparation of the Discussion Draft of the Comprehensive Plan. The Discussion Draft is intended to present concept-level goals and policies at an early stage of the Comprehensive Plan Update.

Oregon's Statewide Planning Goal 9 on economic development requires that comprehensive plans include policies in three general areas: overall community objectives for economic development, adequate 20-year development capacity, and desired land uses in business districts. The draft outline below of three goals and related policies is organized around these state requirements.

The content of these draft goals and policies is based on the current comprehensive plan, recent economic development policy direction (e.g., Portland Plan, Portland Economic Development Strategy, Central City Plan Update), background reports (e.g., Portland Economic Opportunities Analysis), and discussions to date with the Economic Development PEG and its subcommittees.

The format of the goal and policy text is intended to describe "what" outcomes the community wants (not "how" or "why"). The "whys" have already been described in the background reports. The "whys" will also be summarized in introductory paragraphs and "commentary" sections. The "hows" belong in the implementation measures. Based on current staff direction for writing the updated comprehensive plan, "goals" are outcomes that the city hopes to realize by 2035, and each chapter can have 1-4 goals. "Policies" are broad statements that set a preferred direction to carry out the goals.

Comprehensive Plan Chapter #3 Economic Development

Goal 3.A. Prosperity – Vigorous business and economic growth in Portland support the prosperity of a growing, socially and economically diverse population in the city, region and state.

Goal 3.B. Urban development – Room to grow, nimble development review, and high quality public facilities and services provide an attractive environment for industrial, commercial and institutional real estate development and support robust city employment growth.

Goal 3.C. Business district vitality – Land use planning, public investment, and business development efforts support the economic vitality of Portland’s diverse business districts by enhancing their comparative location advantages, business synergy, suitable infrastructure, and compatible development.

Policy 3.1. Traded sector competitiveness – Improve the city and regional business environment for traded sector and export growth.

- a. Clusters – Maintain strategic business development resources to enhance the competitiveness of businesses in cluster industries.
- b. Trade and freight hub – Maintain transportation systems and services to retain and expand competitive market access as a West Coast trade gateway and freight distribution hub.
- c. Urban innovation – Strive to produce a “next generation” urban setting that maintains a leadership position in sustainability through creativity and invention.
- d. Traded sector diversity – Encourage partnerships to foster overall traded sector growth and diversity.

Glossary term:

Traded sector – Companies that compete in markets extending beyond the metropolitan region. These companies include exporters to markets outside the region, suppliers to regional exporters, and businesses whose products substitute for regional imports.

Policy 3.2. Broad household prosperity – Improve household economic opportunities to enhance prosperity at all income levels and reduce poverty and economic disparities.

- a. Family-wage jobs – Improve family-wage job growth that expands access to self-sufficient wage levels and upward-mobility pathways.
- b. Workforce development – Strive for alignment of training and education to meet and expand access to industry’s skill needs at all levels, foster individual competitiveness and prioritize the job-readiness needs of Portland’s working poor, unemployed and chronically underemployed.
- c. Poverty reduction – Strive for more effective poverty reduction through aligning major public systems responsible for employment land use and development, housing, social services, community development and workforce development.

- d. Disparity reduction – Strive to reduce racial, ethnic and disability-related disparities in income and employment opportunity.

Policy 3.3. Diverse, expanding city economy – Prioritize Portland’s economic growth and diversity to thrive as Oregon’s largest job center and enhance the regional and state economies.

- a. Strive to attain 25% or more of the region’s employment growth.
- b. Economic center – Encourage Portland’s growth as a central place in the regional and state economies that has comparative advantages in plentiful access to workforce, business diversity, and multimodal hub infrastructure.
- c. Business innovation – Encourage innovation, research, development and commercialization of new technologies, products and services.
- d. Livability and ecosystem services – Strive to conserve and enhance Portland’s cultural, historic, recreational, educational, and ecosystem assets and services for their contribution to the local economy and their retention and attraction of skilled workers and businesses.

Policy 3.4. Land development – Maintain adequate market-effective supplies of buildable land to support the economic vitality and meet 20-year and short-term growth forecasts in Portland’s Central City, industrial, institutional, and neighborhood commercial business districts.

- a. Brownfield redevelopment – Establish resources and approaches to substantially overcome financial-feasibility gaps of brownfield redevelopment and strive for cleanup and redevelopment on 80% or more of brownfield acreage by 2035.
- b. Regulatory climate – Strive for a regulatory climate that encourages business retention and investment through development regulations that are appropriate to development impacts, timely permitting, regulatory predictability for typical development, discretionary opportunities for flexibility, and effective communication.
- c. Site preparation – Maintain a broad menu of tax incentives, urban renewal, public investments, land assembly, and other programs to keep vacant and underutilized land in Portland’s employment areas competitive in regional development markets.
- d. Short-term land supply – Evaluate the adequacy of short-term employment land supply every five to seven years. Consider targeting short-term land supply efforts to replace the most commonly developed site sizes and types.

Policy 3.5. Transportation, public facilities and services – Maintain high quality, reliable transportation, public facilities and services to support the economic vitality and meet growth forecasts in Portland’s Central City, industrial, institutional, and neighborhood commercial business districts.

- a. Business district infrastructure capacity – Maintain adequate service levels and growth capacity of public services and infrastructure suitable for each type of business district. Use public investment as a catalyst to foster private development.
- b. Capital project selection – Consider economic prosperity objectives and development opportunities to expand city tax base in capital budgeting and project selection.

- c. Freight mobility - Prioritize freight movement over single-occupancy vehicle travel on truck routes. Increase the freight movement share of our limited transportation system capacity.
- d. Transit access - Improve transit access in underserved employment areas.
- e. Transit-oriented employment development – Encourage employment growth in transit-rich employment areas, and maintain employment-focused land uses in industrial station areas.

Policy 3.6. Central City – Provide for the Central City’s growth as the unique center of both the city and the region for commerce and employment, arts and culture, entertainment, tourism, education and government.

- a. Center of innovation – Improve the Central City’s strength as a place for innovation in business, higher education, and urban development.
- b. Central City competitiveness – Improve the economic competitiveness of the Central City, especially relative to the West Coast and regional markets, through expanded business and development activities.
- c. Urban character – Encourage efforts to enhance and maintain the urban character, livability and experience of the Central City to ensure it remains the preeminent location in the region for business and commercial activities and an attractive location for new development.
- d. Central City industrial sanctuaries – Protect and strive for the long-term success of Central City industrial districts, while supporting their evolution into places with a broader mix of businesses with higher employment densities.
- e. Regional transportation hub - Strengthen the Central City as the hub for moving people and goods, reinforcing its regional center role and enabling successful high density employment and housing development.
- f. Tourism, retail, and entertainment – Encourage the success of tourism and related activities in the Central City that are complementary to its economic success, vibrancy and livability as a place, including retail, cultural events and institutions, arts and entertainment venues.

Policy 3.7. Industrial sanctuaries – Provide for the retention, growth and traded sector competitiveness of Portland’s industrial sanctuaries as a West Coast trade and freight hub, a regional center of diverse manufacturing, and a widely accessible base of family-wage jobs. Maintain industrial sanctuaries primarily for manufacturing and distribution use.

- a. Prime industrial land and freight hub – Protect the multi-modal freight-hub industrial districts at Portland Harbor, Columbia Corridor, and Brooklyn Yard as prime industrial land. Prevent net loss of prime industrial land and prioritize use of multimodal freight infrastructure in these areas.
- b. Dispersed industrial areas – Provide convenient access to family-wage jobs and industrial services by designating small, dispersed areas of industrial and mixed-employment land.
- c. Brownfield redevelopment – Establish brownfield redevelopment resources and approaches to retain industrial sanctuaries in industrial use and accommodate industrial growth.

- d. Industrial land intensification – Strive for public investments and business climate enhancements that encourage industrial reinvestment and increase land efficiency for industrial output as a strategic long-term growth opportunity.
- e. District expansion – Provide opportunities for expansion of industrial areas to meet forecast growth.
- g. Neighborhood buffers – Maintain major natural or constructed features as boundaries and buffers for the Portland Harbor and Columbia Corridor industrial areas.

Discussion draft question: What approaches make sense to resolve Portland’s industrial land supply shortfalls to 2035? Should public investments in brownfield incentives and infrastructure improvements be substantially expanded to support more intensive use of existing industrial land?

Policy 3.8. Campus institutions – Provide for and acknowledge the growth of Portland’s major campus institutions as essential service providers, centers of innovation and major employers.

- a. Campus land use – Recognize major campus institutions as a type of employment land allowing uses typically associated with health care and higher education institutions.
- b. Development impacts – Protect the livability of surrounding neighborhoods by campus development standards that foster suitable urban density, attractive campus design, and adequate infrastructure.
- c. Campus edges – Provide for context-sensitive, transitional development at the edges of campus institutions to enhance their integration into surrounding neighborhoods, including mixed-use and neighborhood-serving commercial uses where appropriate.
- d. Satellite facilities – Encourage opportunities for expansion of uses not integral to campus functions to locate in urban centers and corridors to support their economic vitality.
- e. Communication – Strive for ongoing communications between institutions and surrounding communities.

Discussion draft question: Should major institutions be designated as allowed employment uses with development standards (e.g., Marquam Hill hospitals), instead of master planned conditional uses?

Policy 3.9. Neighborhood centers and commercial corridors – Provide for the development and citywide vitality of Portland’s neighborhood centers, commercial corridors and station areas to support complete neighborhoods with safe and convenient access to a range of goods and services needed for daily life.

- a. Gateway regional center – Develop Gateway as a regional center of commerce and institutional services serving central Multnomah County.
- b. Town centers – Provide town centers that accommodate localized commerce, institutional services, civic uses and employment opportunities consistent with regional plans.
- c. Local centers and commercial corridors – Provide transit-oriented and auto-oriented corridors that provide commercial, mixed-employment, and mixed-use development along key transportation routes for goods and people.

- d. Small business development – Support business growth and small business vitality in neighborhood centers.
- e. Neighborhood economic revitalization – Use a community-driven neighborhood economic development approach to build local capacity to achieve economic development outcomes, minimize involuntary displacement and spur commercial activity in underserved neighborhoods.

Chapter #1 Urban Design Framework

1.x Growth management strategies

- a. Land efficiency – Improve approaches to encourage infill, redevelopment, and intensification of scarce urban land.
- b. Comparative advantages – Consider Portland’s comparative advantages within the region in allocation of scarce urban land and regional growth coordination.

Chapter #7 Public Facilities and Services

7.x Public safety

- a. Energy and infrastructure resilience – Maintain energy, infrastructure, and emergency-response and recovery systems to reduce long-term vulnerabilities and liability costs to Portland households and businesses.
- b. Business district safety and security – Maintain adequate public safety and security services while reducing the sources of conflict and nuisance crime in business districts through design, regulation and management.