Summary Meeting Notes

Industrial Land Capacity Working Group

Meeting Date: August 16, 2012
Time: 11:30 am – 1:30 pm
Location: 1900 SW 4th Av., Ste. 7100

Attendees: Bernie Bottomly, Tom Bouillion, Corky Collier, Tom Dechenne, Larry Harvey, Bob Hillier, Mike Houck, Carly Riter, Steve Seiber, Jane Van Dyke, Steve Kountz, Tom Armstrong, Tyler Bump, Shannon Buono, Al Burns, Joe Zehnder.

View the original agenda for this meeting.

Discuss preliminary policy concepts on industrial land

Steve reviewed the draft concept map and the draft revisions to the preliminary policy concepts that were discussed at the July 5 ILCWG meeting. These revisions responded to the written comments submitted by working group members last month as summarized in a meeting handout. The group discussed the revised policy concepts.

- Further explanation of sub-policy “d” on industrial land intensification was requested. The proposal to add industrial land “capacity” by intensification seems vague and of questionable effectiveness compared to the district expansion options.
- The potential capacity gains of land intensification options should be based on a fiscally constrained and market-based analysis. Constrained transportation budgets and past performance on industrial brownfield redevelopment makes reliance on intensification options less reliable, especially as a “first option” as proposed.
- The proposed brownfield capacity gains seem high, particularly along Portland Harbor. Will the harbor Superfund cleanup even be done by 2035?
- What are the tools to encourage more intensification? What is beyond implementation of the Freight Master Plan? How do you create a “business friendly environment”?
- Unfunded strategies should be considered aspirational. Need more certainty in terms of implementation before additional capacity is counted.
- Intensification and brownfield redevelopment is going to get harder over time as the easy sites develop. Or, increasing scarcity of land drives market pressures to redevelop the more difficult sites.
- Steve pointed out that capacity estimates of “site intensification” option were revised downward to be more conservative in response to similar comments last month. And the Portland Brownfield Redevelopment Assessment study is being done for the Comprehensive Plan Update to inform realistic responses, and it includes financial feasibility and brownfield tools analysis specific to industrial districts and the harbor Superfund brownfields.
- Members of the Economic Development PEG meeting yesterday generally supported the focus on land intensification as a first option to expand industrial capacity.
- The language in “d” to gauge land efficiency by industrial “output” is probably good, considering land as an input to be used more efficiently. Using “capital investment” may be a better, more specific measure of intensification, such as Canpotex’s proposed major expansion project. The challenges of equating industrial acres to jobs were also discussed.
Emphasizing industrial sanctuary retention and on-site expansion doesn’t provide additional land to recruit new industrial businesses, which is also needed.

Discussion continued on the need for realistic assumptions on the capacity results of intensification. For example, when trees are added over time or a MAX line, less land is available for industrial use. Anticipate multiple competing demands for existing land from unexpected sources.

The elephant in the room is that we’re running out of options to expand Portland’s land area. Sauvie Island annexation is unlikely. We should be emphasizing regional collaboration, including Port of Vancouver.

When SB100 comes up for reexamination, looking beyond city boundaries may be an option. Similar issues apply to expanding environmental protection.

Capacity assumptions need to be balanced by market feasibility of development constraints. The 300-acre assumption for W. Hayden Island may really be 280 acres with added development requirements. Also, pending regulatory choices on local habitat mitigation costs could make the entire development financially unfeasible.

Discuss options to meet capacity shortfalls

Steve reviewed a revised matrix on preliminary alternatives to expand industrial development capacity. The group discussed specific options and how they were analyzed.

- On Alternative 7 regarding golf courses, there are additional open space sites in the industrial areas with industrial zoning that could also be considered.
- This table should have two columns for the acreage gains of these alternatives, one based on current trends and the second based on aspirations.
- On brownfield redevelopment, are there city policies being considered that make brownfields less competitive? Other members nodded that there are.
- Options 6, 7 and 10 should come to the Watershed Health PEG for review. Joe and Tom pointed out that the Watershed Health and Economic Development PEGs will have a joint meeting but it is not yet scheduled.
- Why were special habitat areas (SHAs) not addressed in Alternative 10 on additional “natural resource inventory” protection? Steve pointed out that Alternative 10 needs further refinement, considering the large acreage numbers for additional protection and the different categories of the NRI. Shannon briefly described the category rankings of the NRI.
- The capacity effects of additional environmental zoning (alternative #10) need to be looked at in combination with intensification (#3), since it will have the opposite effect of limiting and discouraging intensification of developed land. Large acreages of additional environmental zoning will also affect brownfield feasibility.

A follow-up meeting will be scheduled in the next two weeks to continue the discussion on industrial capacity alternatives.

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