

Summary Meeting Notes

Industrial Land Capacity Working Group

Meeting Date: August 27, 2012

Time: 3:00 am – 5:00 pm

Location: 1900 SW 4th Av., Ste. 2500B

Attendees: Tom Dechenne, Peter Fry, Bob Sallinger, Pia Welch, Marie Walkiewicz, Steve Kountz, Tom Armstrong, Tyler Bump.

View the original [agenda](#) for this meeting.

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.

- There is a lot of evidence on industrial land intensification. For example, firms have intensified use of industrial sites by moving inventory faster. Industry commonly has to increase their productivity over time, doing more with less, to survive in the market.
- We oversimplify industrial land by putting it into one category. Distribution, manufacturing and service businesses all use industrial land differently.
- The group disagreed on zoning preferences for private golf courses that convert (alternative 7 in the matrix), ranging from 100% industrial to 100% open space. Addressing neighborhood park deficiencies in a heavy industrial district raises safety and compatibility issues, such as children crossing major truck routes. Delta Park is an example of a ballfields-type park in an industrial setting. Reducing the capacity of open space zoning also poses negative impacts from the reduction of green space in a highly valued riparian area.
- Expansion of dispersed industrial areas should be further explored (alternative 9). The 60-acre option could be increased. The freight limitations and neighborhood compatibility issues of dispersed industrial areas were also cited. The Freeway Lands site and surrounding area is an example of an opportunity for focused redevelopment planning to expand industrial use. Relocation assistance could be provided to effectively implement the plan, rather than creating non-conforming uses by rezoning. Property owners by themselves have limited options to address industrial land needs, but the City can expand these options with a proactive planning process.
- The Watershed Health and Environment PEG should also be weighing in on these alternatives. The discussions in the two PEGs are heading different directions, and they should be brought into the same room together.
- It is not clear how this process relates to the local planning effort underway on West Hayden Island (alternative 6). Issues to consider include development of a high-ranked natural resource and neighborhood impacts from traffic and air quality.
- Approaches were discussed to protect additional industrial land in the Natural Resources Inventory (alternative 10). Option 10.a is a step back from what we have historically done. Rather than focusing strictly on NRI ranking categories, creative approaches to protect these areas may be more effective. Also consider approaches that maximize benefits on a site-by-site basis. Resources are lost over time in the environmental conservation zone.

- A brief explanation of the related industrial and environmental systems affecting this landscape is needed. Otherwise business and environmental audiences will talk past each other. Some basic introduction on industry's role in regional economic structure and natural systems in an urban context would help. The availability of quality jobs in relation to the rising costs of living in Portland is also a basic equity issue.
- Expanding industrial-office development incentives (alternative 5) is consistent with the priorities set in the Portland Plan. The EOS overlay zone that allows industrial office use is akin to a light industrial zone. It wouldn't work on the Working Waterfront, but it has been successful in the Central Eastside.
- Some flexibility is important in the industrial sanctuary retention alternatives (1 and 2). To implement a no-net-loss option (1.a), saying "don't ask" seems unfair. The housing no-net-loss requirement is hard to meet but allows some flexibility. A process should also exist to fix mistakes.

Short-term employment land supply

- Yes, evaluating employment land capacity every 5-7 years, instead of every 20 years, makes more sense to be responsive to market changes. This capacity analysis will also help to focus informed attention on the economy.
- Metro has done well looking at shovel-ready industrial sites that are 25 acres and larger. However, most of the market in Portland is for 2-10 acre sites, which is where we ought to focus attention here. Portland has a lot of base hits and doubles; fewer home runs.
- Industrial zoning code updates may also be overdue to encourage reinvestment and highest and best use in industrial zones.
- Short-term capacity for the working waterfront is more of a quality than quantity issue. How the city processes development affects whether short-term opportunities are pursued.

For more information, please contact Steve Kountz (503-823-4551 or Steve.Kountz@portlandoregon.gov).