



Regional Industrial Lands Inventory Findings

Clackamas County Business Alliance
February 8, 2012



Background

- Job creation and income growth key to education/public services
- Strategic focus on traded sector development
- Limited supply of large sites
- Lack of understanding and consensus on readiness of industrial land supply



Project Purpose

- Determine supply and readiness of large lot industrial sites **within the Metro UGB and select Urban Reserves**
- Inform the work of local jurisdictions, Community Investment Initiative Leadership Council, Greater Portland, Metro, the Port of Portland, and the State of Oregon
- Lay foundation for innovative financing tools and approaches to meet market demand



Project Overview

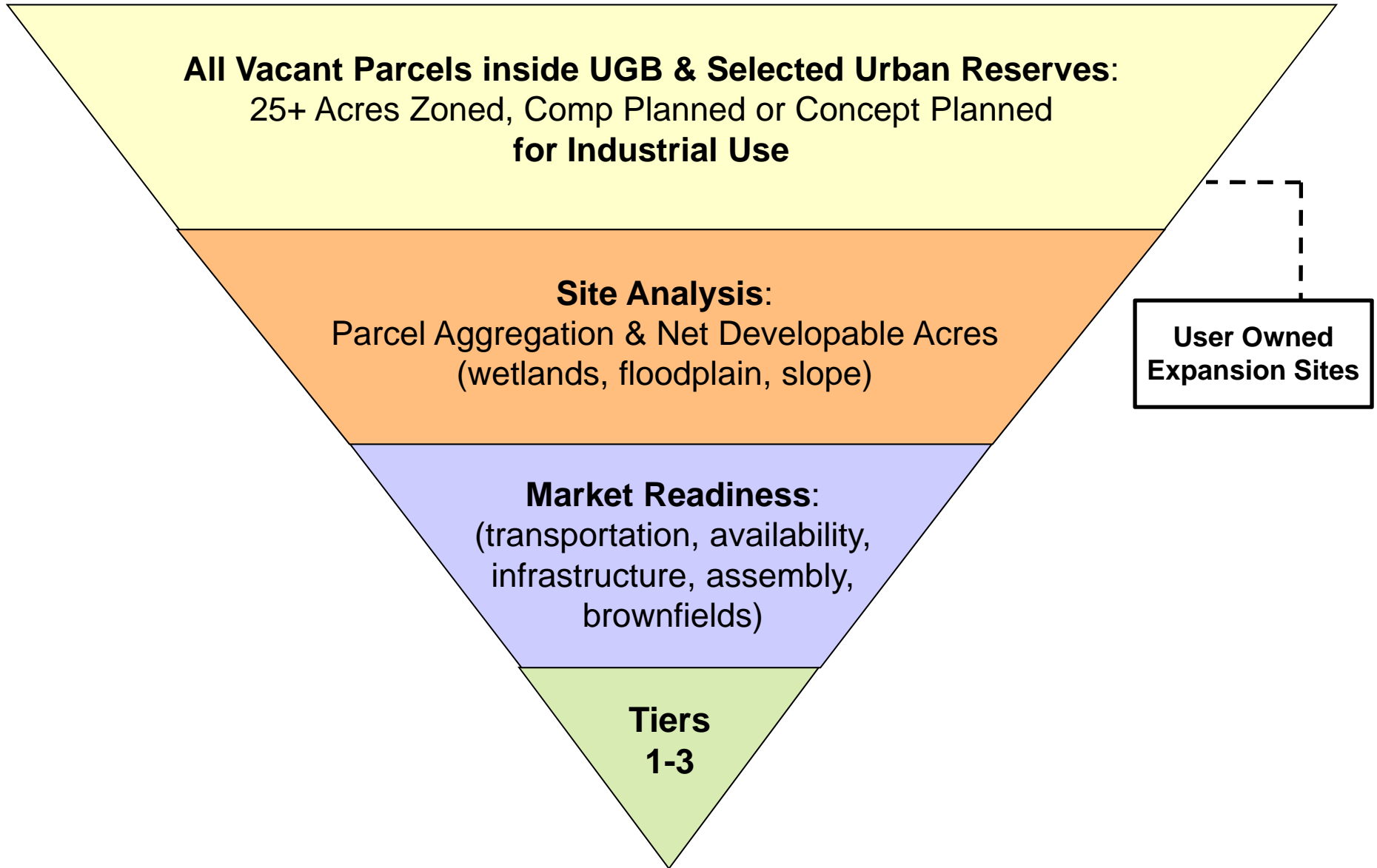
Phase 1

Inventory All Potential Sites
Categorize by Market Readiness (Tier 1-3)
Identify Development Constraints (high level)

Phase 2

Detailed Analysis of 10 Sites in Tier 2 or 3
Identify Investments and Actions Needed to Move
to Development Ready
Economic Impact of Investments

Phase 1 Process

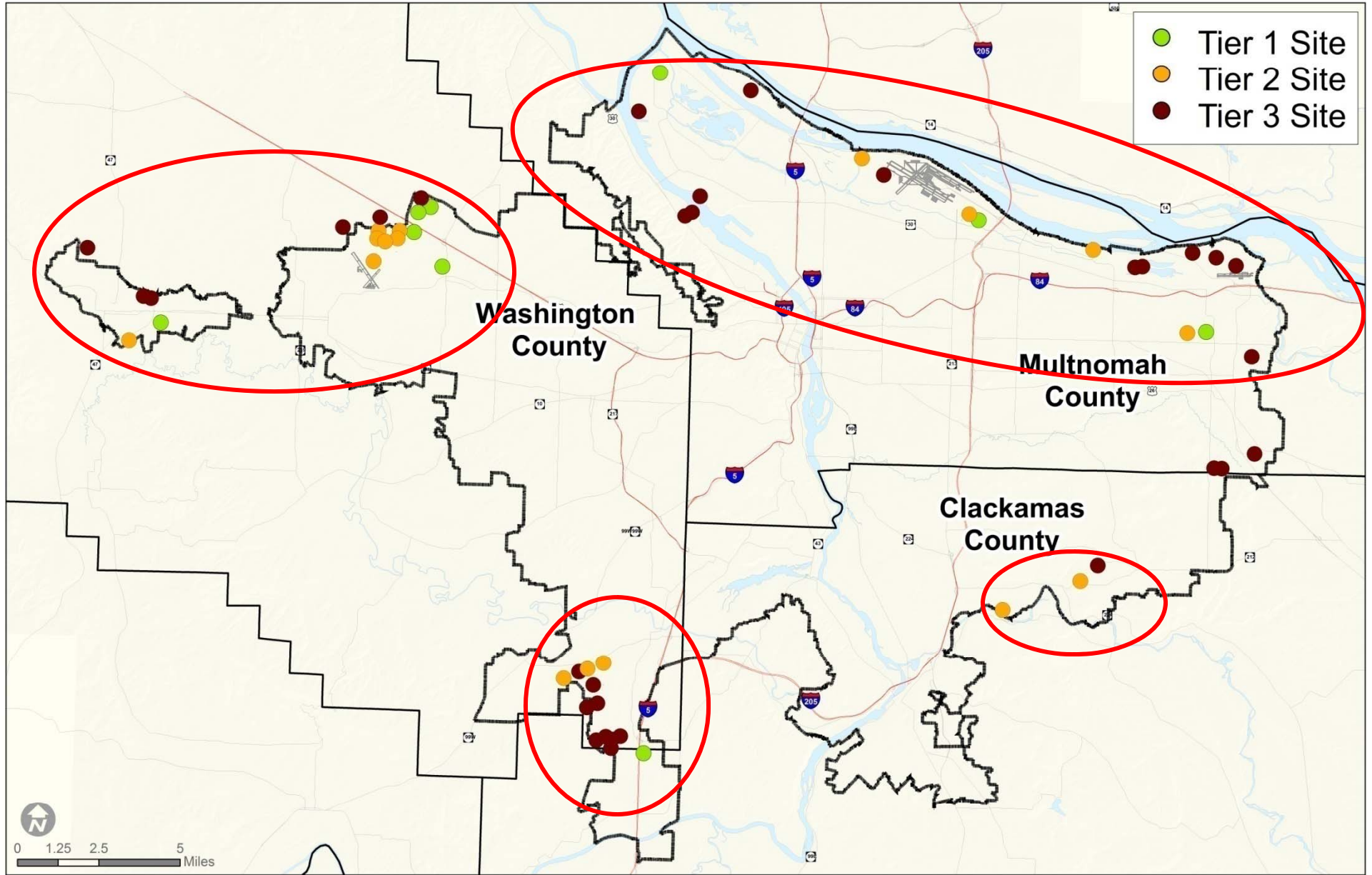


Key Findings

Inventory of market ready, large industrial sites is limited:

- 56 industrial sites identified with 25+ net developable acres
 - 9 Tier 1 sites (6 months to shovel ready)
 - 16 Tier 2 sites (7 months to 2 ½ years to shovel ready)
 - 31 Potential Tier 3 sites (> 2 ½ years to shovel ready)

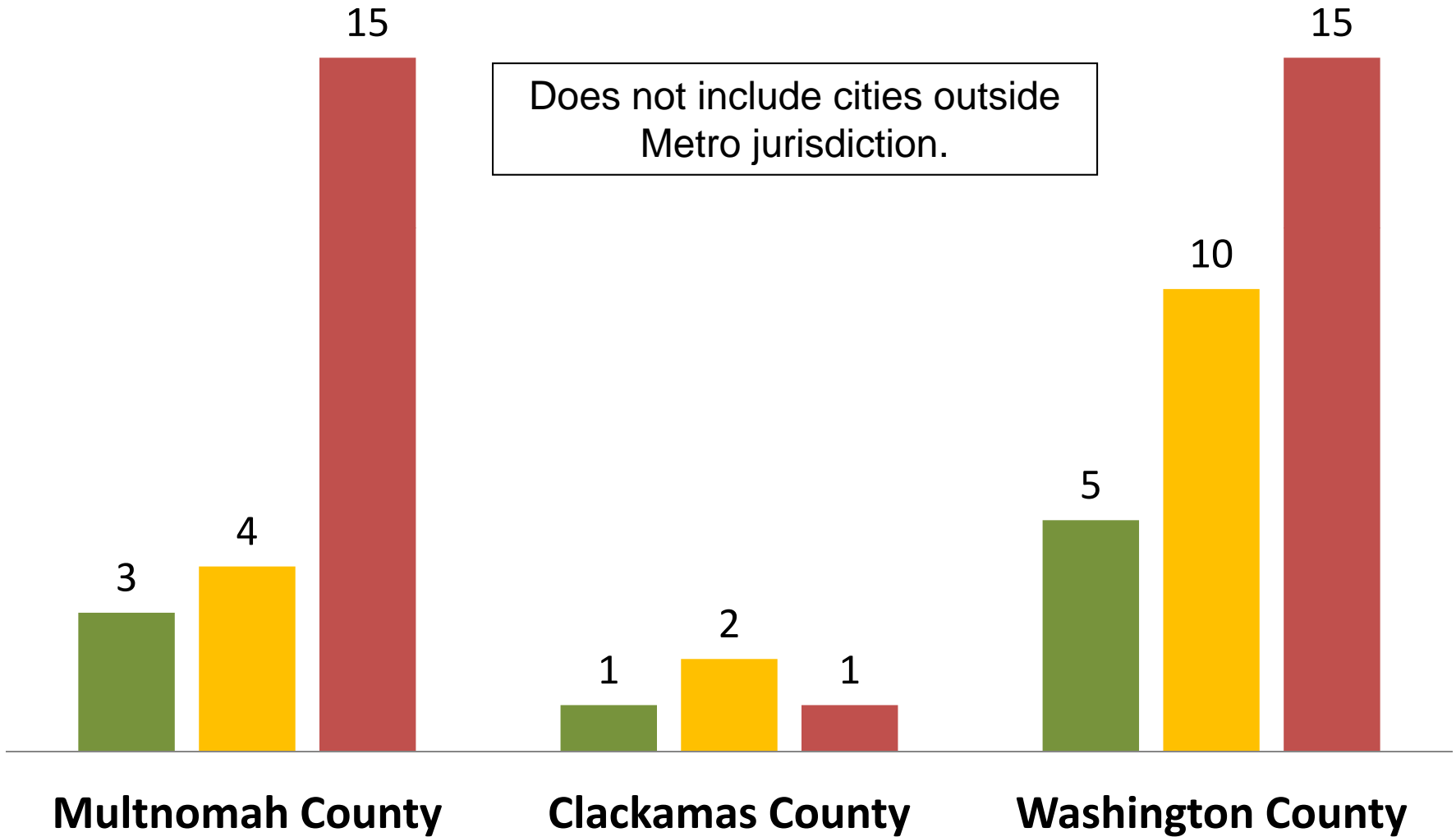




Regional Site Distribution

■ Tier 1 ■ Tier 2 ■ Tier 3

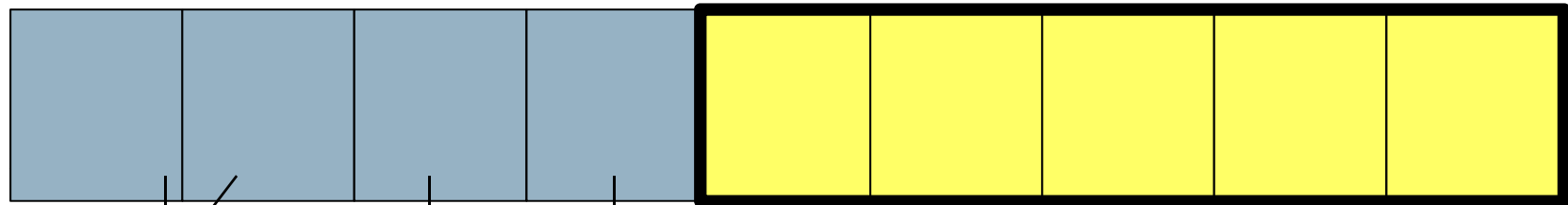
Does not include cities outside Metro jurisdiction.



5 Tier 1 Sites Broad Market Appeal

9 Tier 1 Sites

Full universe of Tier 1 sites



2 Lease Only Sites

Properties for lease generally considered harder to transact

1 Above Market Site

Property owners seeking above market, non-industrial pricing

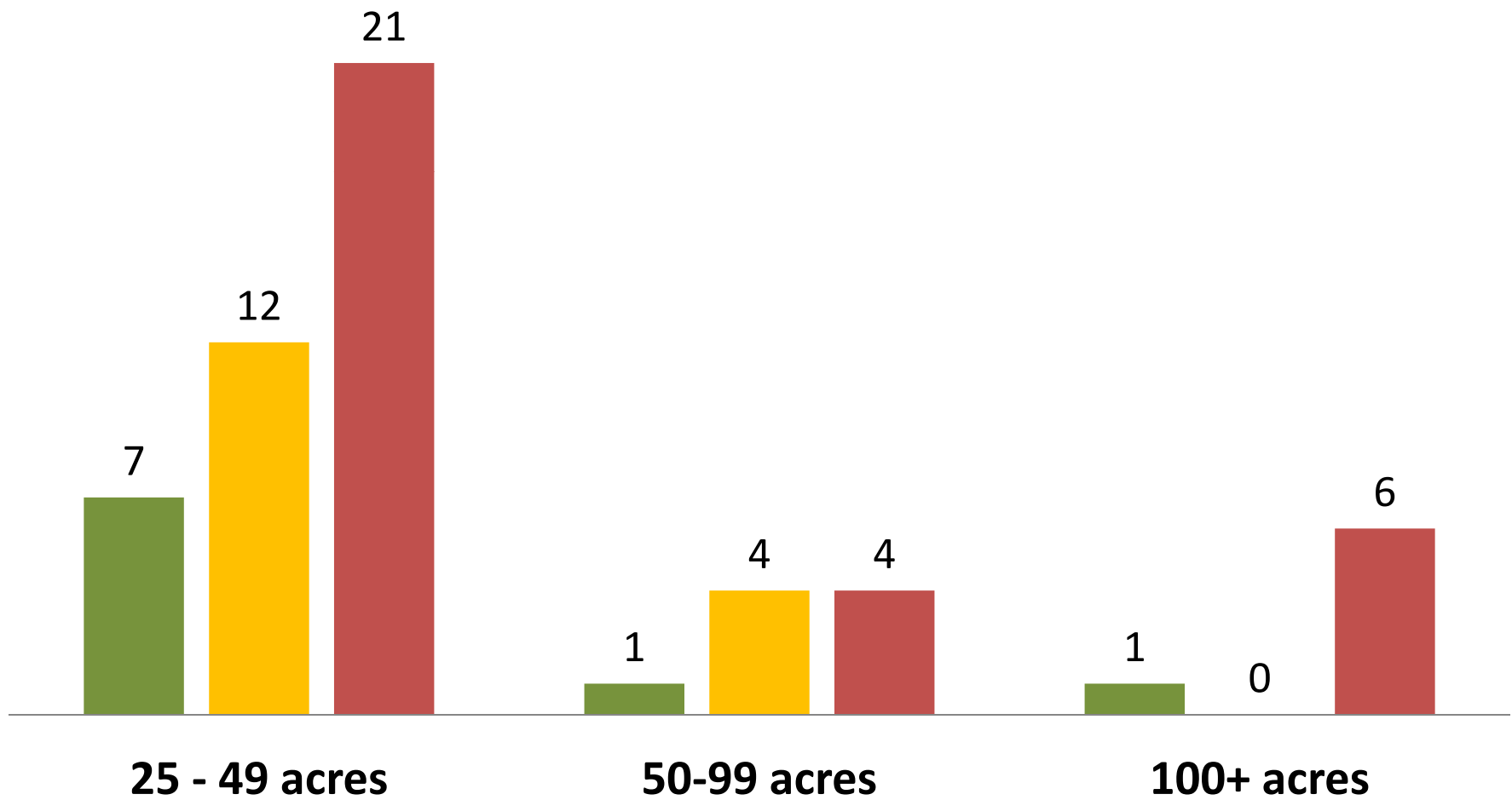
5 Market Ready Sites with Broad Market Appeal

1 Irregular Shaped Site

Industrial buildings tend to be rectangular; irregular configurations are harder to design efficiently

Distribution of Sites by Acreage

■ Tier 1 ■ Tier 2 ■ Tier 3



Tier 2 and 3 Potential Development Constraints

	TOTAL
BROWNFIELD / CLEANUP	8
NATURAL RESOURCES	13
INFRASTRUCTURE	19
TRANSPORTATION	18
LAND ASSEMBLY	14
STATE/LOCAL ACTIONS	20
NOT WILLING TO TRANSACT	18

Demand for Large Sites

- Consistent interest in 50+ and 100+ acres based on public and private data, even during current economic downturn
- **Public:** 25% of Business Oregon leads seeking more than 25+ acres
 - Every major recruitment category had at least one opportunity needing more than 25 acres
- **Private:** Survey of 6 Metro brokers shows 11 leads a year for sites greater than 50 acres

Traded Sector Industry

Acreage Requirements for Majority of Leads

	Regional/ National Scaled Clean Tech	Globally Scaled Clean Tech	Heavy Ind./ Mfrg	General Mfrg	High Tech Mfrg/ Campus Industrial	Warehouse/ Distribution	Regional Dist. Centers
Competitive Acreage Required	50 acres	100 acres	25 acres	10 acres	25 acres	25 acres	80 acres



Study Conclusions

- Industrial land in the Metro area is significantly constrained
- Few large sites available in Tier 1 and 2 raise the potential of lost opportunity
- Most Tier 2 and 3 sites will require new investment and policy initiatives to become development ready
- Larger sites are more complex and take more patience to acquire and develop

Next Steps

- Phase 1 Outreach – underway
- Phase 2 Site Assessments – underway
 - Conduct more detailed assessment of 10 diverse sites (size, location, barriers) for large lot users
 - Includes development scenarios, investments required, and economic benefit of development
 - Independent, market-oriented analytic approach
- Final report – Feb./March 2012

Phase 2 Site Assessments

1. ICDC - Portland/Multnomah County
2. **Clackamas County Development – Clackamas/Clackamas County**
3. Spokane Humane Society/East Evergreen
4. **Rock Creek – Happy Valley/Clackamas County**
5. Troutdale Reynolds Phase 2 – Troutdale/Multnomah County
6. Time Oil Co. – Portland/Multnomah County
7. BT/Michael Cereghino – Gresham/Multnomah County
8. Jean Johnson – Gresham/Multnomah County
9. Coffee Creek site 1 – Wilsonville/Washington County
10. Orr Family Farm – Sherwood/Washington County
11. Hillsboro Urban Reserves – Hillsboro/Washington County

Project Contact Information

Project Management Team:

Portland Business Alliance, Bernie Bottomly

Metro, John Williams and Ted Reid

Port of Portland, Keith Leavitt, Lise Glancy, Susie Lahsene

NAIOP, Kirk Olsen and Mike Wells

Business Oregon, Mike Williams

Comments/Questions