



Bureau of Planning and Sustainability
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February 12, 2013

Representative Clem, Chair
House Committee on Land Use
900 Court Street NE
Room 347
Salem, OR 97301

RE: HB 2284 - Industrial Site Readiness Program

Dear Chair Clem and Members of the Committee:

The City of Portland recognizes the importance of traded sector industries to the overall health of the region's and state's economy and the need to increase the supply of industrial lands and their development readiness. We support the objectives of HB 2284 to establish the Oregon Industrial Site Readiness Program to enable the State of Oregon to assist local communities in preparing sites for industrial development and employment growth.

This legislation recognizes the benefits that the State of Oregon receives from industrial employment growth and creates an innovative mechanism for the State to assist in the creation of those jobs (and income tax revenue) through a forgivable loan program to help underwrite the cost of infrastructure, brownfield remediation or other investments needed to ready industrial sites for development.

The City of Portland is supportive of this proposal. One important improvement we would suggest would be to change the 25-acre minimum site size threshold in Section 3.2(b)(A). We think a 10-acre size threshold is more appropriate for the demand for industrial sites in the Portland market. An estimated 91% of the new development in Portland's industrial districts between 1999 and 2011 was on sites less than 20 acres in size. Development trends and employment forecasts also demonstrate a demand for industrial sites in the 10+ acre range that would benefit from expanded financial tools to overcome development-related constraints.

While the current 25-acre site size threshold in HB2284 is understandable as a strategy for attracting very large employers, it does not address the shortfall of development-ready sites for most traded sector industrial demand. A 10-acre minimum sit size threshold is more appropriate to support the development of shovel ready sites in the Portland market. Bringing these sites towards a market-ready state enhances the economic competitiveness of the city, the region and the state.

Thank you for your consideration.

Sincerely,

Susan Anderson
Director
City of Portland Bureau of Planning and Sustainability

