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Aaron Ray, AICP | Senior Planner

Dan Rutzick | Senior Planner

EOA Findings & Economic Development Goals/Policies



Building
Economy and
Infrastructure

Economic Opportunities Analysis

Summary and Buildable Land Inventory Findings

Aaron Ray

What is an Economic Opportunities Analysis?

Statewide Planning Goal 9: Economic Development

OAR 660-015-000(9):

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.



Hillsboro 2035 & Comprehensive Plan Context



Building
Economy and
Infrastructure

**Economic
Development**

Public Facilities

Water Supply &
Distribution

CORE AREA STATEMENT

Hillsboro's world class economy, advanced technical training and innovative, business-friendly culture attracts investments and supports businesses of all sizes. The City boasts a diverse and sustainable employment base, with jobs accessible to all community residents. State of the art infrastructure systems including communications, roads, transit and water supply are in place and continually updated to accommodate the city's growth and evolution. **Hillsboro is a vibrant, regional destination for arts, recreation, cuisine and entertainment.**

Hillsboro 2035 & Comprehensive Plan Context

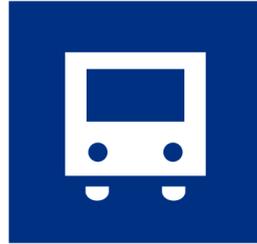


Building
Economy and
Infrastructure

**Economic
Development**

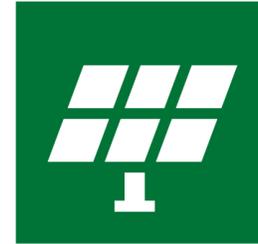
Public Facilities

Water Supply &
Distribution



Cultivating
Transportation
Choices

Transportation
System Plan



Advancing
Environmental
Sustainability

Wastewater
Collection

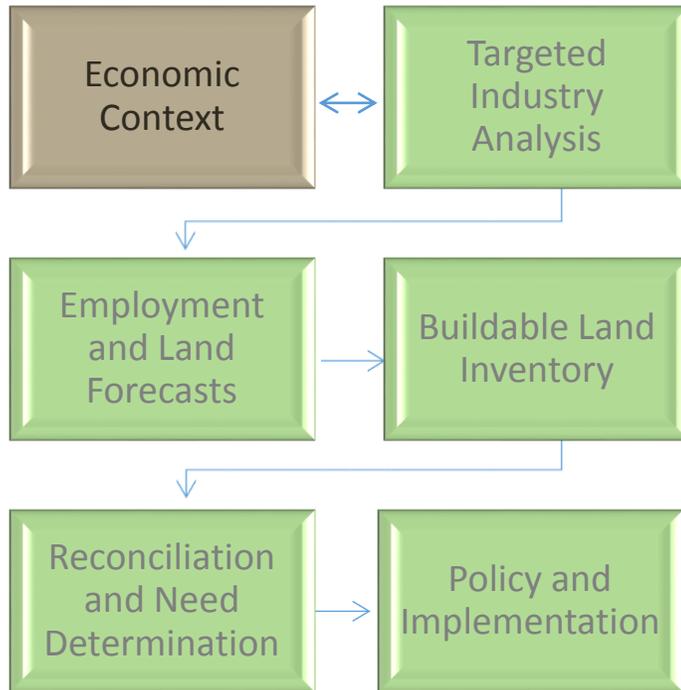


Fostering
Healthy
Ecosystems

Stormwater
Management

Project Approach

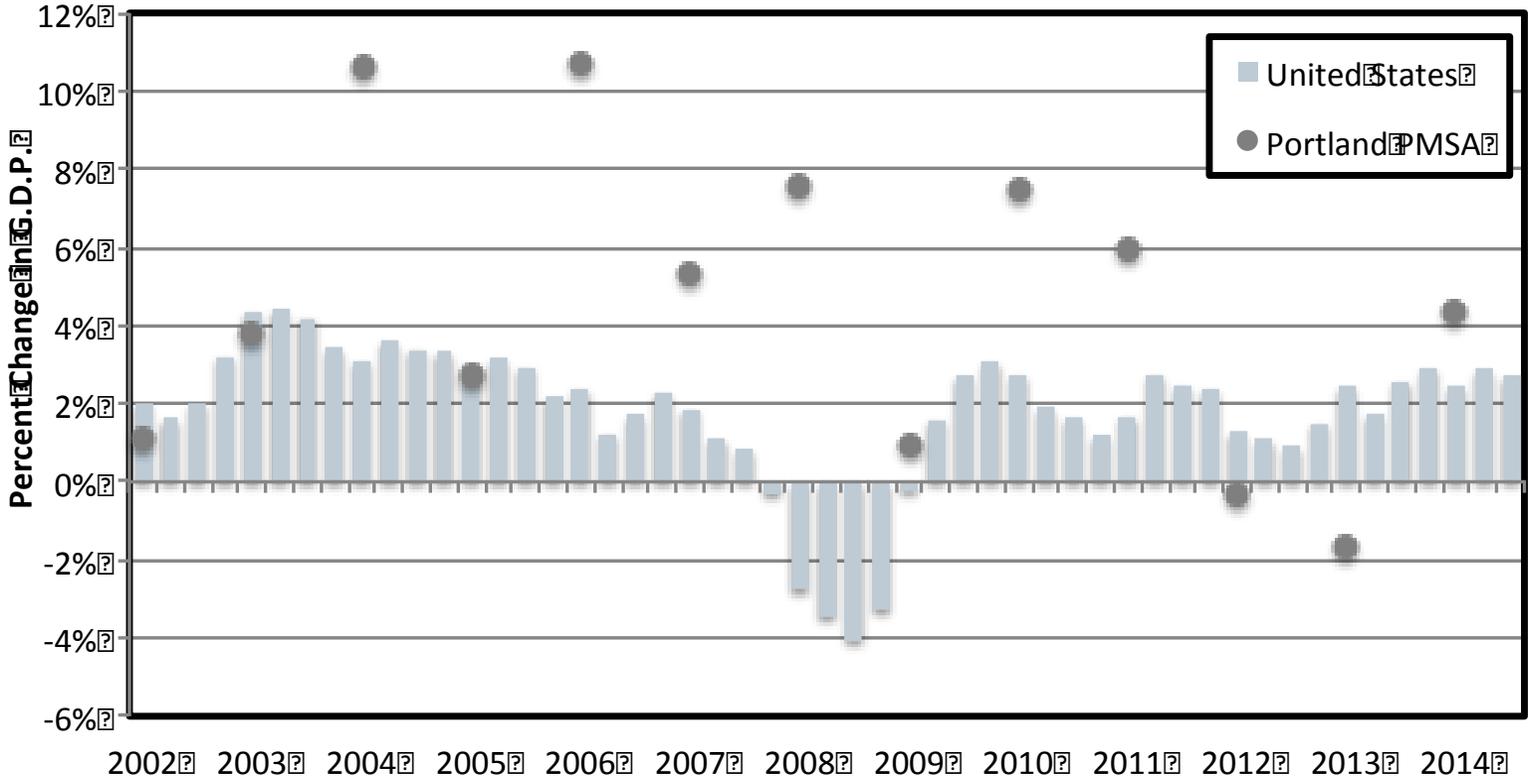
National, State, and Local Trends



- Demographic Factors
- Industry Trends
- Labor/Workforce Trends
- Cost Proposition
- Global Influence/Markets
- Monetary, Fiscal, and Trade Policy
- Tax Structure
- Real Estate Market Factors
- Emerging Products & Services

Trends Analysis

Business Cycle Fluctuations



Recessions are more moderate in Washington County and lag national trends. Fed policy will impact investment in the near-term but moderate growth is expected through 2020.

Trends Analysis

Economic Outlook

- The economy is on strong footing.
- Risks remain but are generally muted.
- Hillsboro should have strategies to monitor indicators closely.

Demographic Factors

Aging of the Population:

- Lower Labor Force Participation
- Need for Replacement Workers
- Shift of spending towards services and health care.

Migration Patterns

- Migration to the region is expected to continue.

Millennials:

- Largest and best educated generation hitting productive years.
- Preferences will change with lifestage.
- Significant increases to productivity and innovation on horizon.

Trends Analysis

Exports

- Hillsboro is the **State's export engine**.
- Considerable opportunities to **grow exports** through small and medium sized firms.
- Need to **diversify the region's export products**.
- Need long-term solutions to **shipping stability**.



Trends Analysis

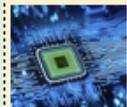
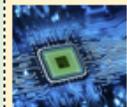
New Business Formation

- Gains in new business formation signal a **stronger appetite for risk and increased flow of capital.**
- Increases in **innovation and growth** typically follow.
- Washington County has highest rate of **new business formation** in the region.

California Disinvestment

- The Portland-Vancouver-Hillsboro MSA ranked 6th in the **top landing spots for California firms.**
- By municipality, Portland ranked 7th; **Hillsboro ranked 13th.**

Target Industry Analysis—Regional Perspective

REGIONAL TARGET INDUSTRIES	 Clean Tech	 Athletic & Outdoor	 Metals & Machinery	 Health Science & Tech	 Software & Media	 Computers & Electronics			
JIA INDUSTRIES			 Metals & Machinery			 Computers & Electronics	 Aerospace & Defense	 Advanced Materials & Manufacturing	
GPPEA LARGE-LOT			 Specialized Machinery & Equipment	 Biotechnology		 Advanced Electronics		 Value-Added Agriculture	 Warehousing & Distribution
HILLSBORO 2009	 Solar Manufacturing			 Health Services and Health Tech		 High-Tech Manufacturing			
HILLSBORO DATA	<i>Solar Manufacturing</i> <i>Engineering Services</i>	<i>Misc. Manufacturing</i>	<i>Semiconductor Machinery</i> <i>Fabricated Metals</i>	<i>Hospitals, Health Services</i> <i>Surgical & Dental Equipment</i> <i>Hospital Equip. Wholesale</i> <i>Drug & Druggists' Wholesale</i> <i>Education</i>	<i>Motion Picture Studios</i> <i>Software Publishing</i> <i>Computer Programming</i> <i>Data Processing and Hosting</i> <i>Computer Systems Design</i>	<i>Semiconductors</i> <i>Printed Circuit Assembly</i> <i>Components & Instruments</i> <i>Computer & Elect. Wholesale</i> <i>Machinery Repair</i>	<i>Non-metallic Minerals</i> <i>Chemicals</i>		

Employment Forecast

Safe Harbor Forecast

- Based on Oregon Employment Department 10-year forecasts for the Workforce Region (Multnomah & Washington).
- Has not been updated since 2012.
- **1.5% Growth Rate**

TAZ Based Forecast (2012)

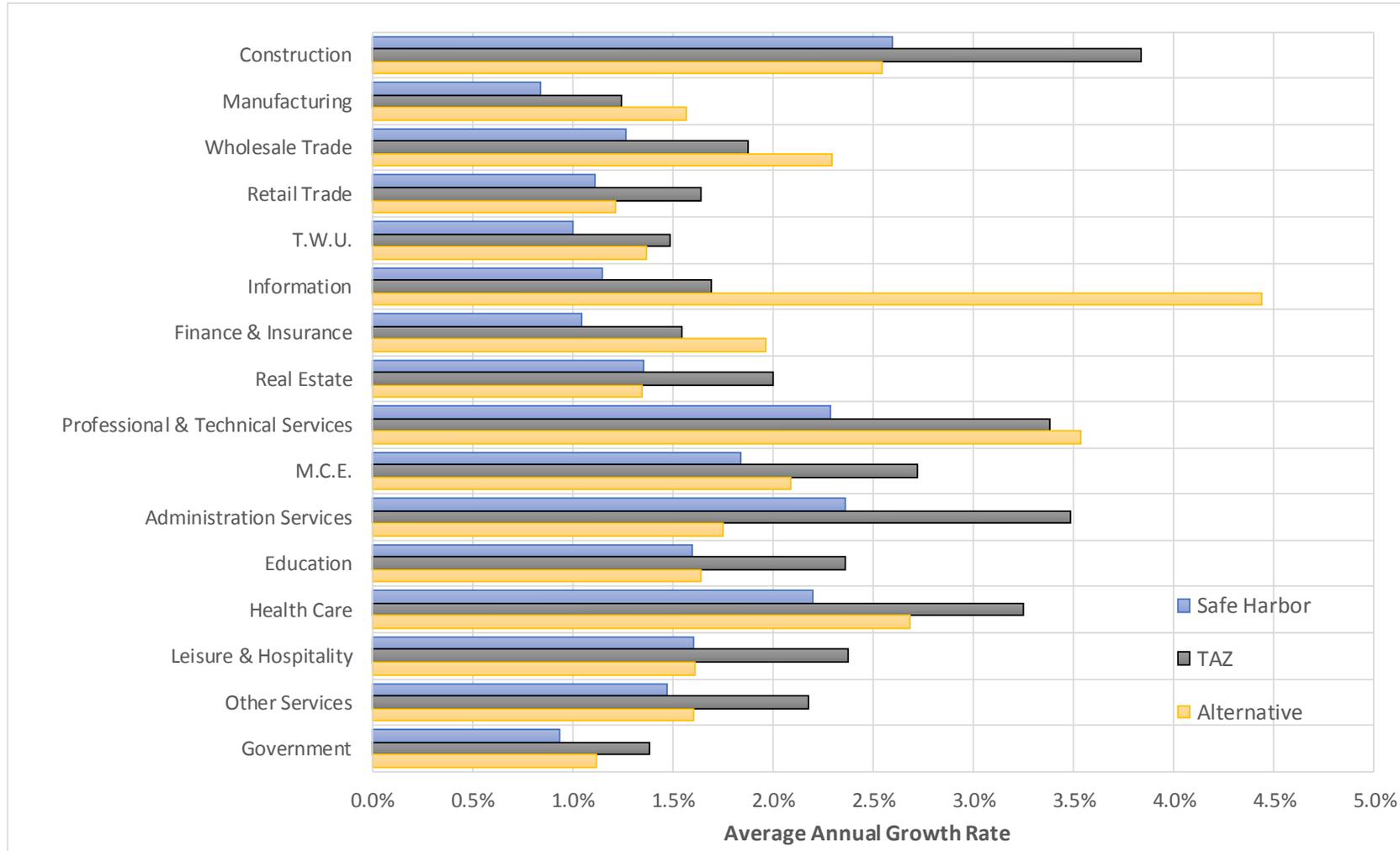
- Based on Hillsboro's TAZ growth rate (not yet updated)
- Allocation to industry using macro trends and GIS analysis
- **2.2% Growth Rate (fastest growing forecast scenario)**

Alternative Forecast: Factors Influencing Growth

- Medium growth forecast scenario
- Faster near-term growth will influence short-term demand
- **2.0% growth rate**

Employment Forecast

Scenario Comparison

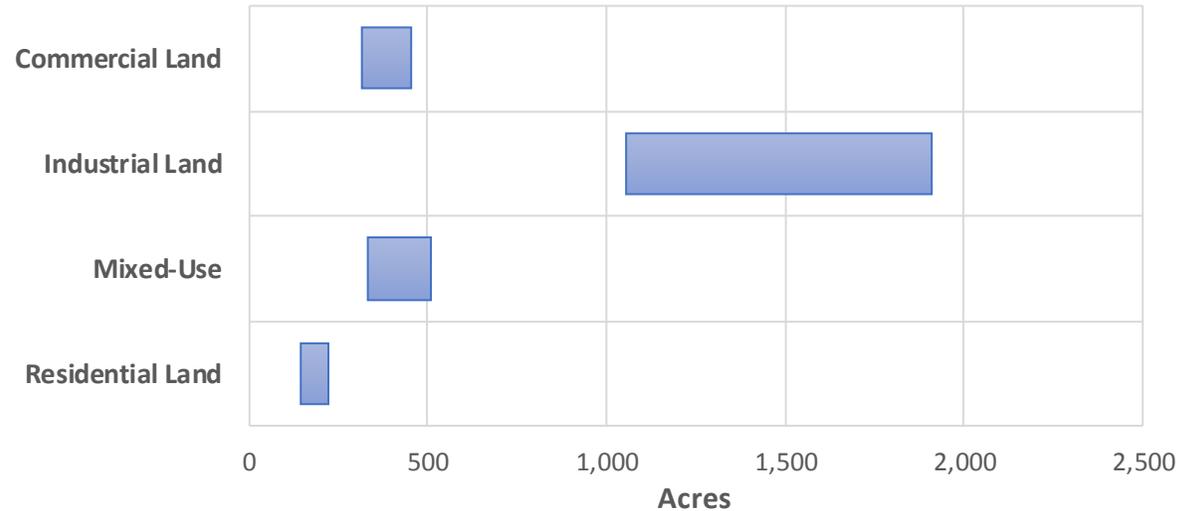


Land Need Forecast

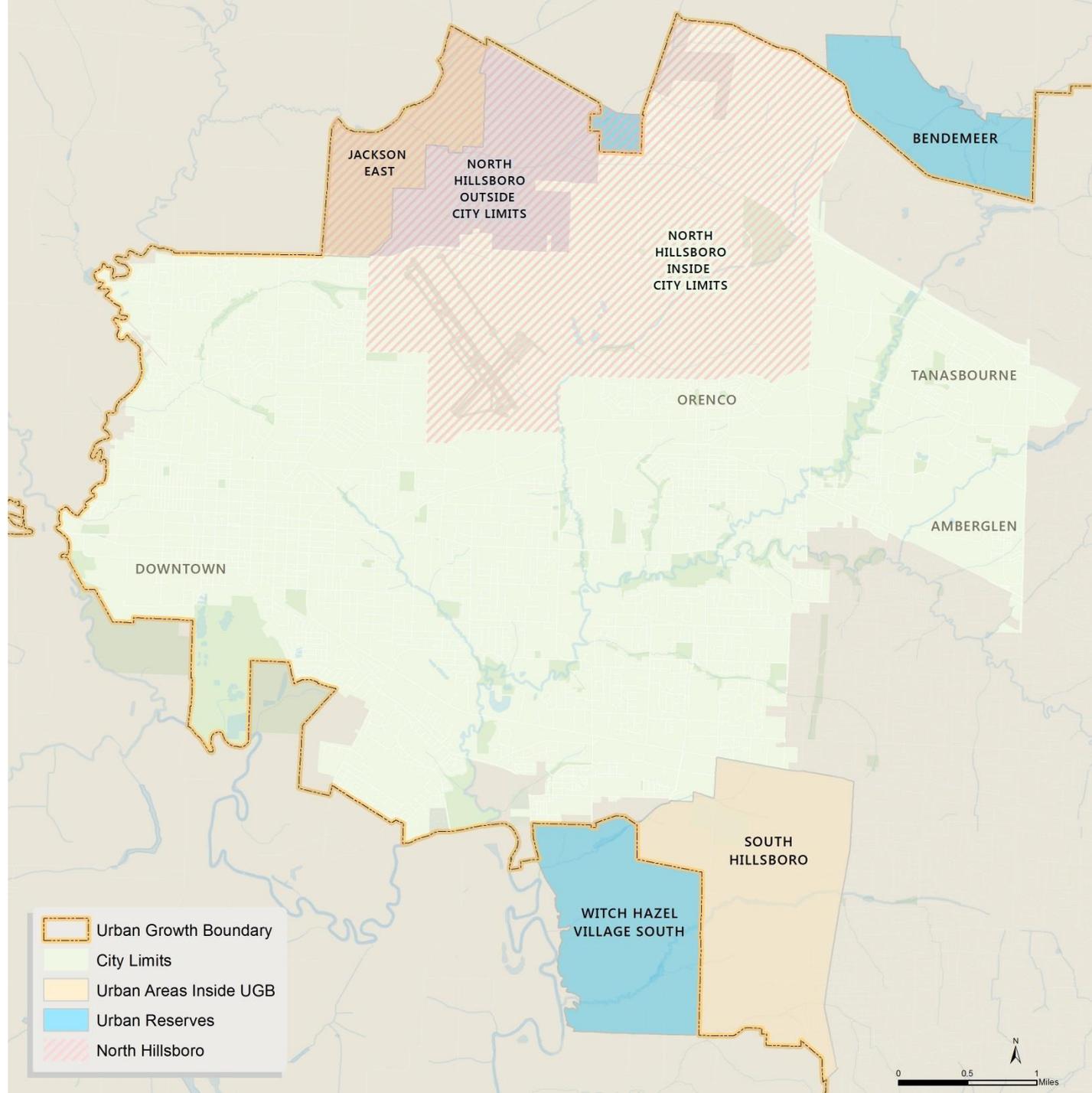
Forecast Scenario Comparison

	Safe Harbor Forecast		TAZ Based Forecast		Alternative Forecast	
	5-year	20-year	5-year	20-year	5-year	20-year
Commercial Land	69	317	93	456	87	400
Industrial Land	234	1,053	345	1,640	437	1,912
Mixed-Use	73	334	104	507	97	446
Residential Land	31	144	45	223	42	195
TOTAL ACRES	407	1,848	587	2,826	663	2,952

LOW-HIGH RANGE IN LAND NEED (20-year)



Economic Opportunity Analysis: Buildable Lands Inventory

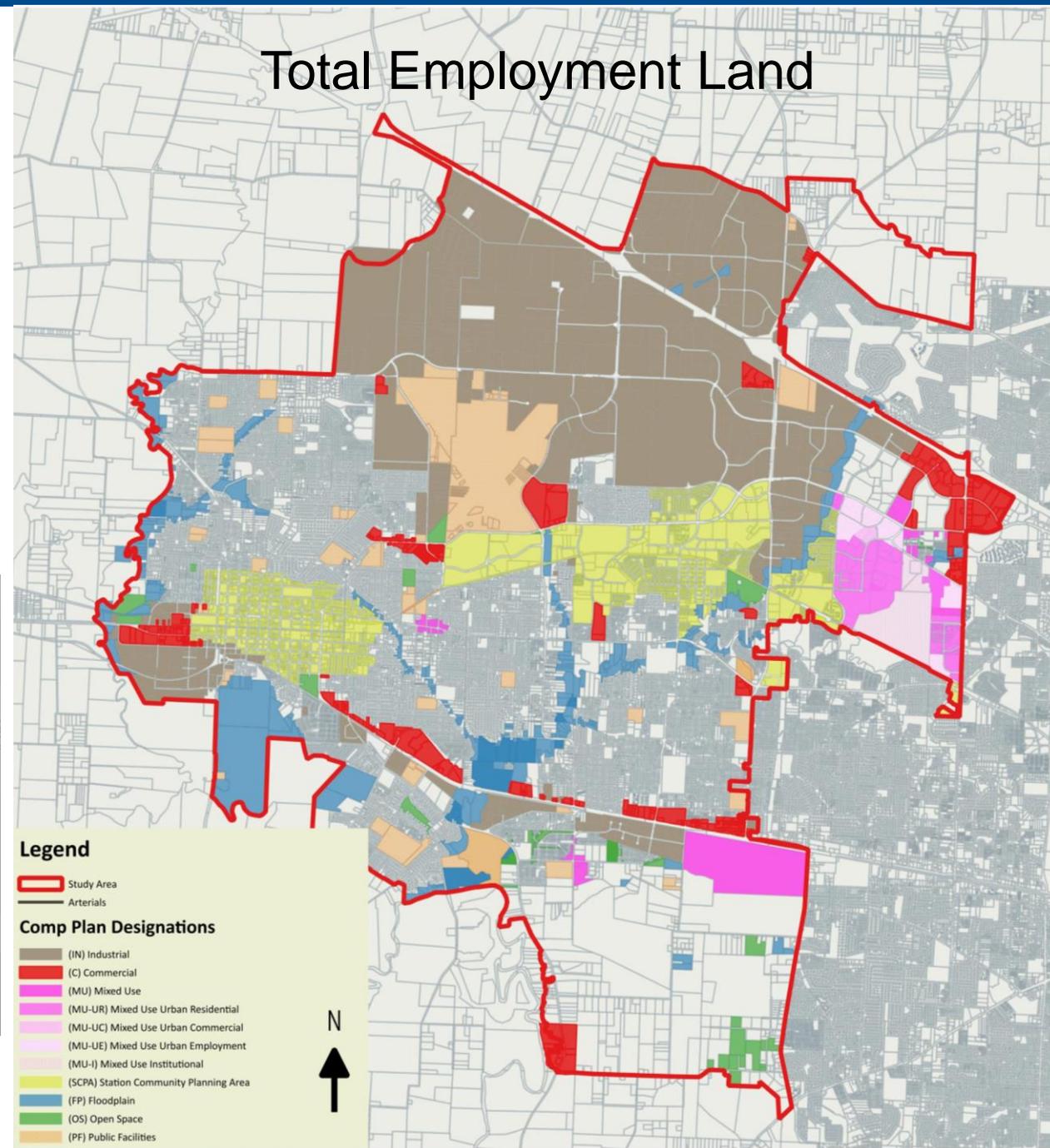


Capacity Analysis

- Land designated for employment (including developed, vacant, and partially vacant parcels): 6,302 acres
- Assumes 35% of land in Mixed Use designation for employment uses.

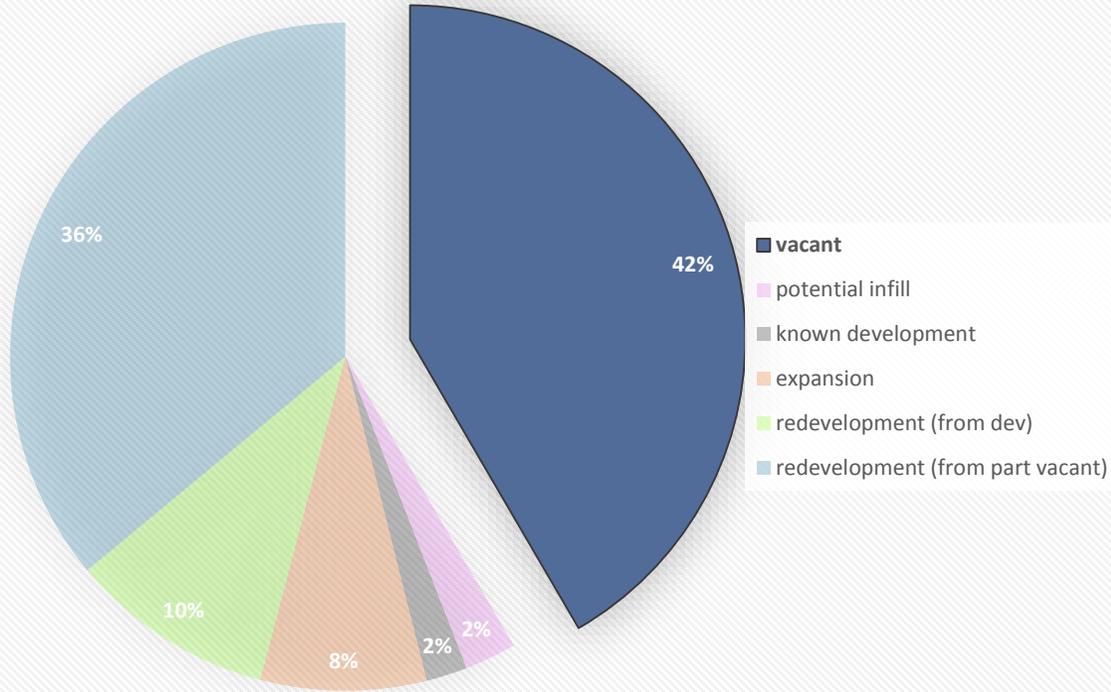
Comp Plan Designation	Total Acres	
(C) Commercial	650	
(IN) Industrial	4,876	
	Total	Employment
(MU) Mixed Use*	318	45
(MU-I) Mixed Use Institutional	189	66
(MU-UC) Mixed Use Urban Commercial	10	4
(MU-UE) Mixed Use Urban Employment	96	33
(MU-UR) Mixed Use Urban Residential	261	91
(SCPA) Station Community Planning Area	1,532	536
<i>Mixed Use Total</i>	<i>2,407</i>	<i>776</i>
TOTAL of ALL AREAS	7,933	6,302

* "Employment" includes only 19.1 acres of employment uses in South Hillsboro



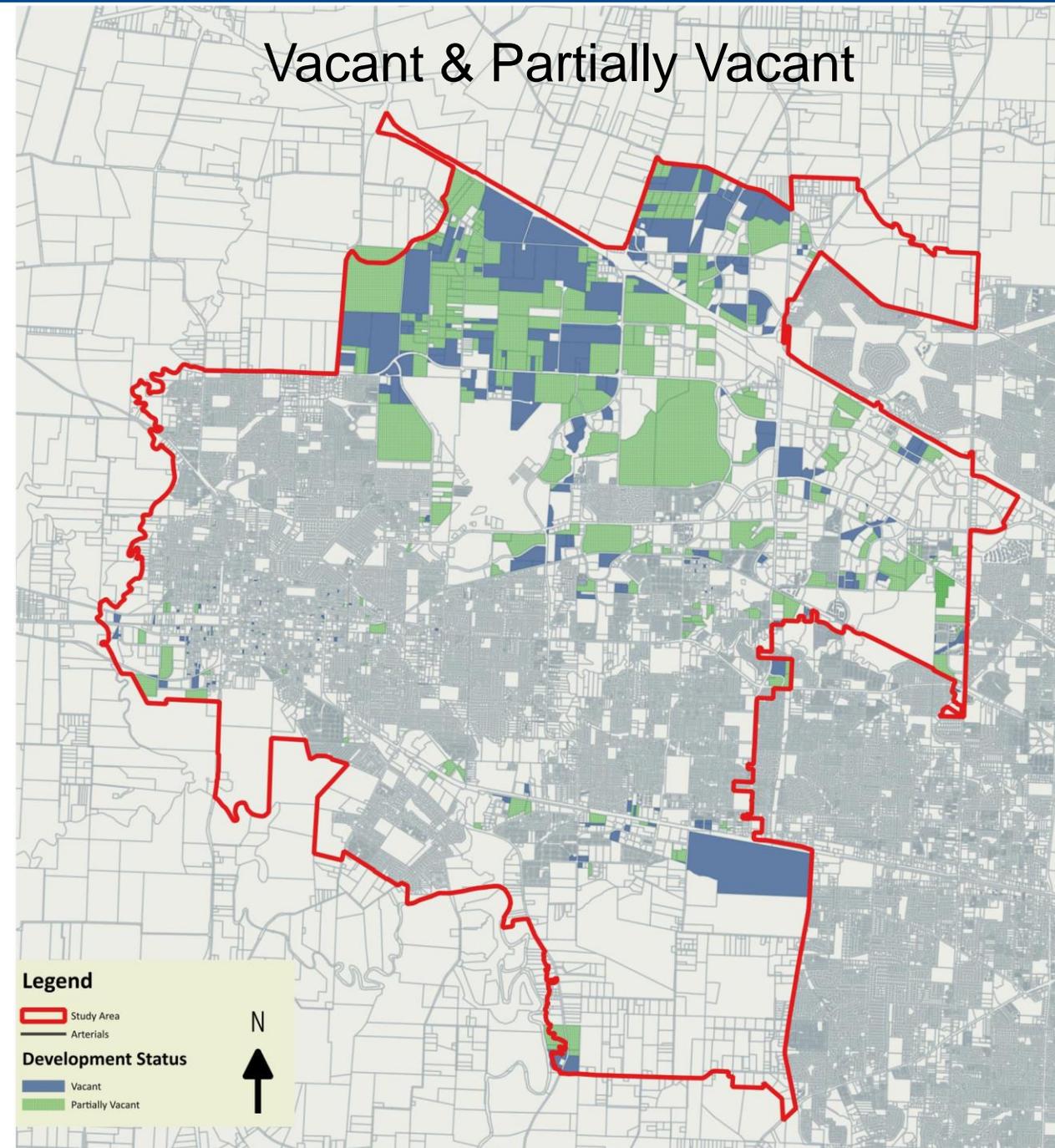
Capacity Analysis

Buildable Employment Land- Vacant



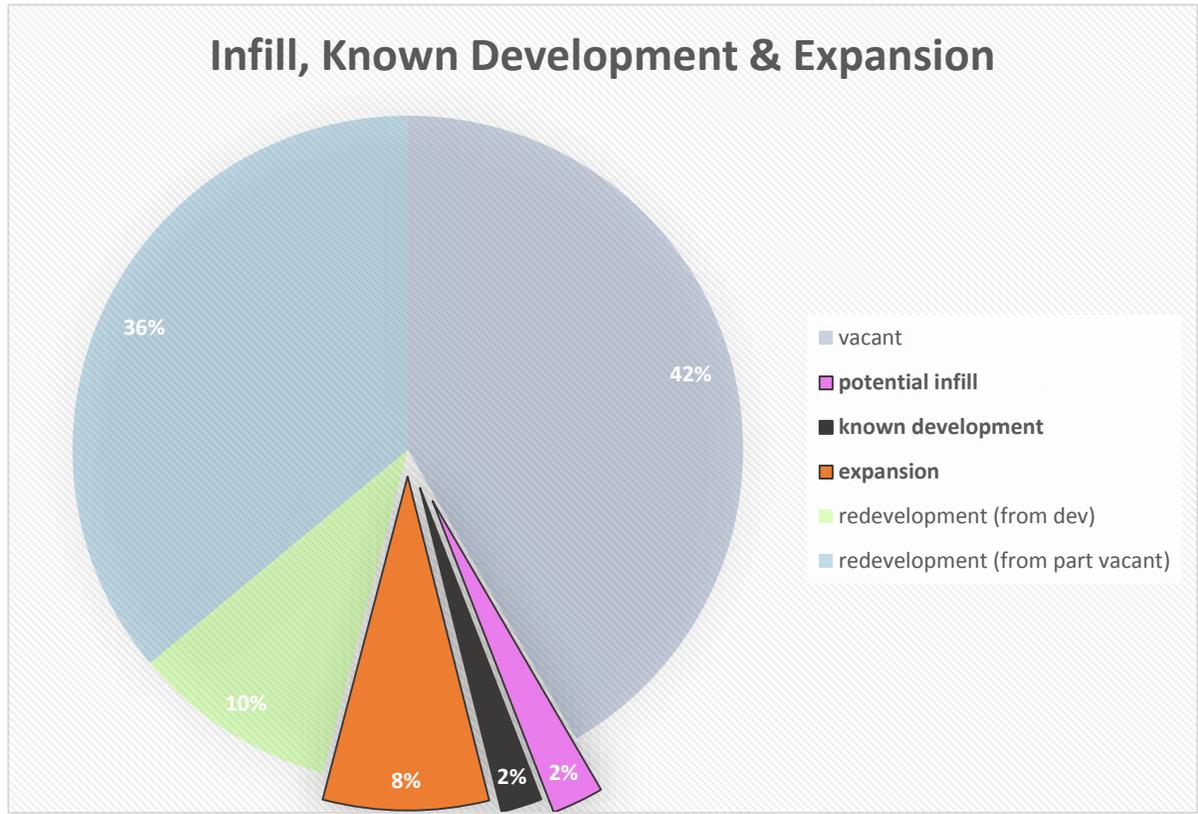
- 968 net buildable acres are vacant
- Remaining 1,358 acres are partially vacant

Vacant & Partially Vacant



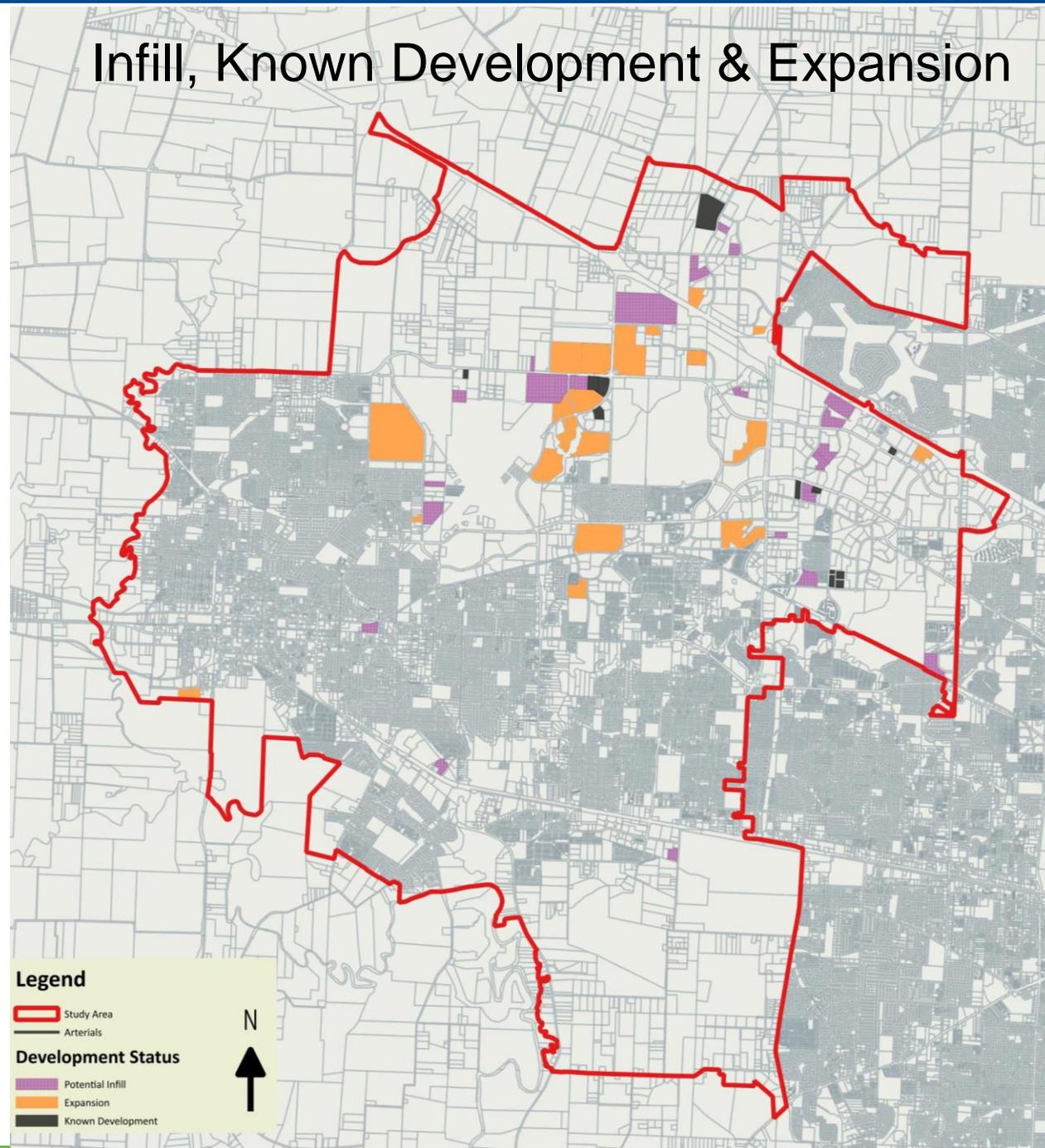
Capacity Analysis

Infill, Known Development & Expansion

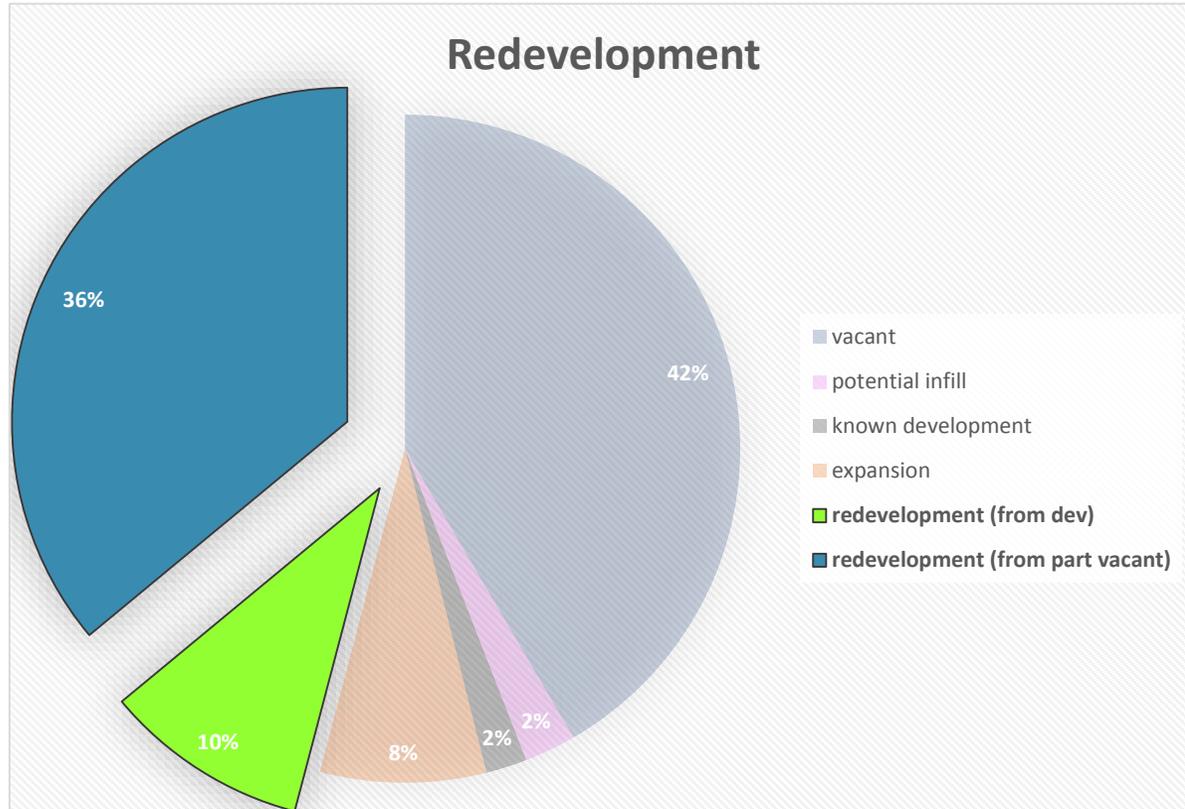


- 58 net buildable acres are potential infill
- 46 acres are known development
- 186 acres are expansion

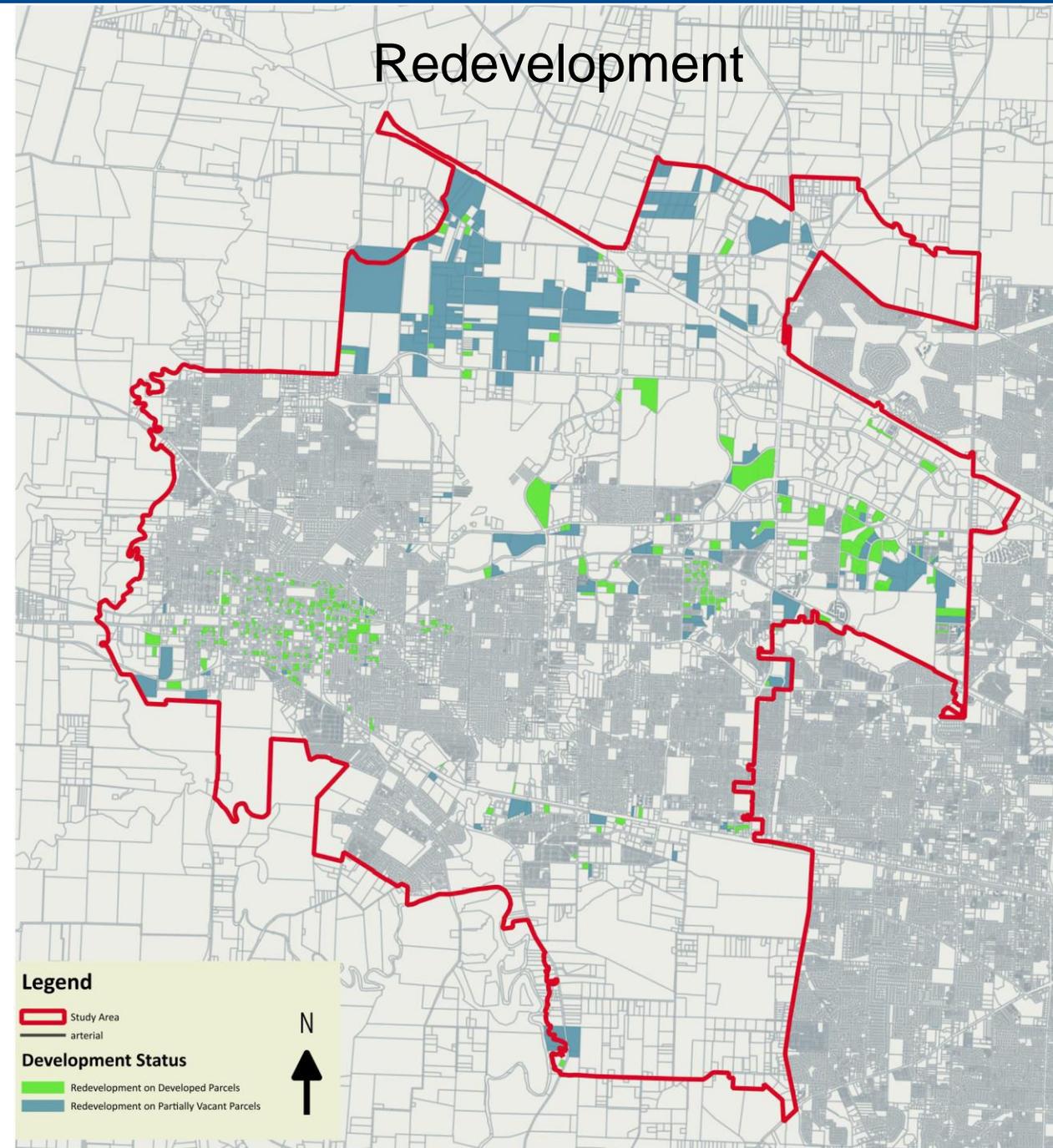
Infill, Known Development & Expansion



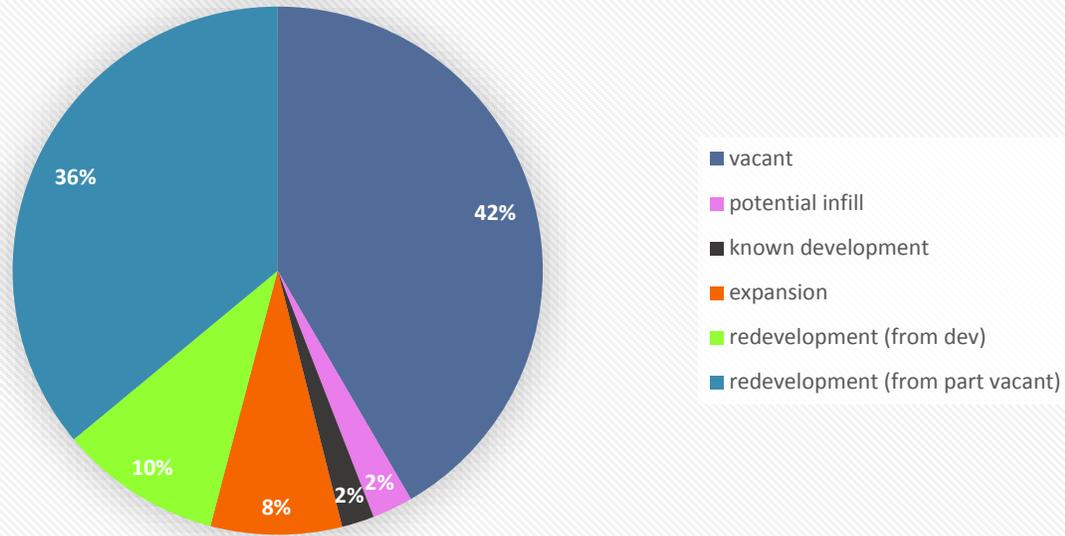
Capacity Analysis



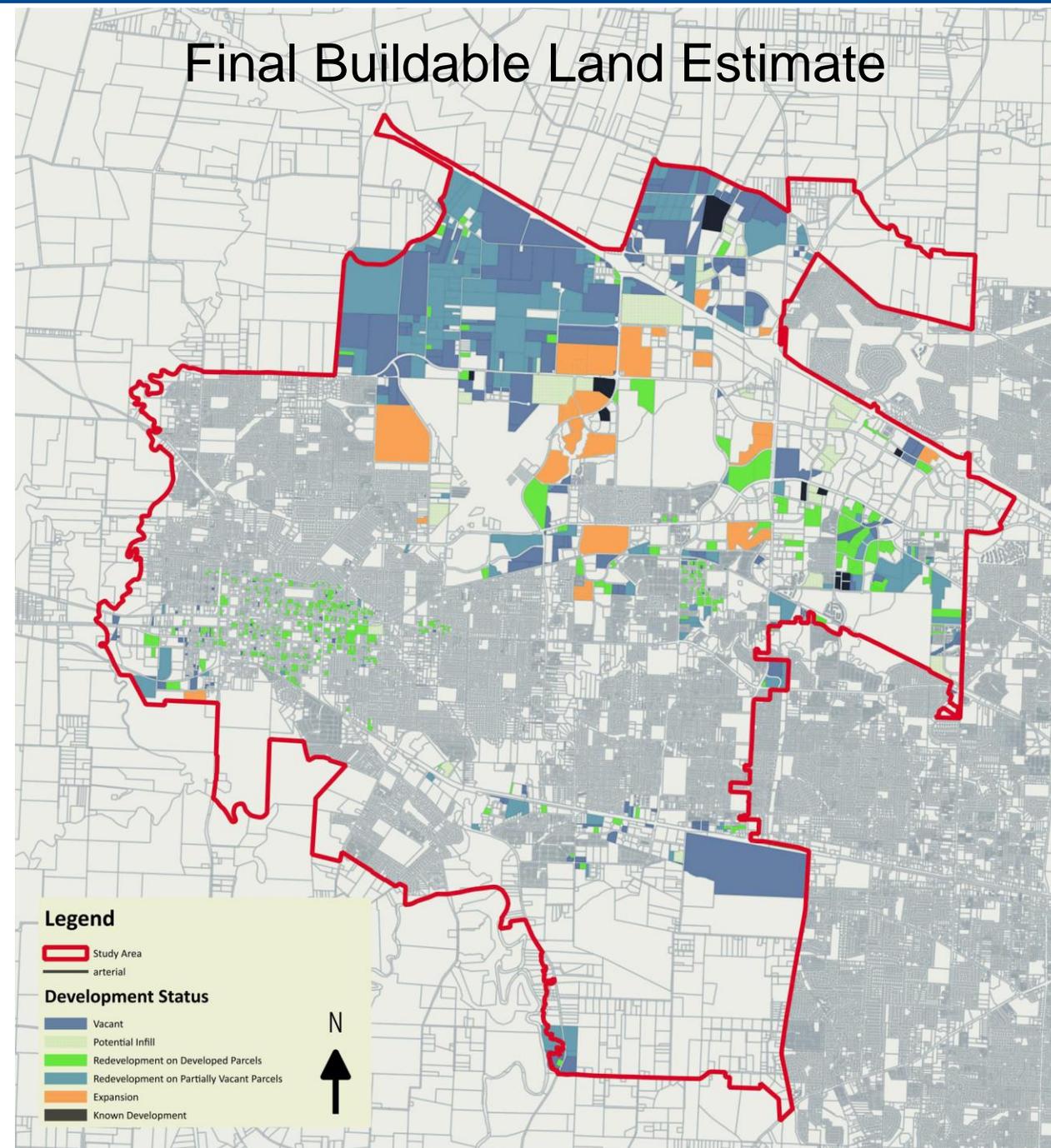
- 230 net buildable acres are redevelopment from developed
- 838 acres are redevelopment from part vacant



Share of Net Buildable Employment Land



Final Buildable Land Estimate



Legend

- Study Area (Red outline)
- arterial (Black line)

Development Status

- Vacant (Dark Blue)
- Potential Infill (Pink)
- Redevelopment on Developed Parcels (Light Green)
- Redevelopment on Partially Vacant Parcels (Medium Blue)
- Expansion (Orange)
- Known Development (Black)

Development Status	Net Buildable Acres	Number of Parcels
Vacant	968	292
Potential infill	58	24
Known Development	46	13
Expansion	186	33
Redevelopment (from Dev)	230	386
Redevelopment (from Part Vac)	838	172
Total	2326	920

Statutory Requirement and Purpose

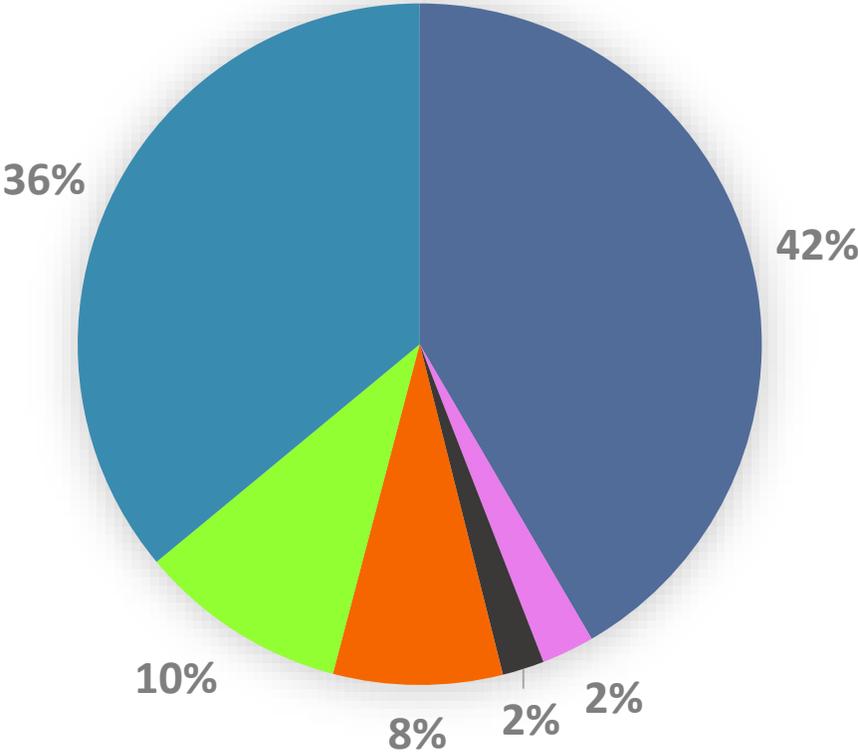
OAR 660-009-0015

The economic opportunities analysis must **identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area** based on information about national, state, regional, county or local trends. This review of trends is the principal basis for estimating future industrial and other employment uses.

Evaluate both Short-Term and Long-Term Trends and Conditions

Share of Net Buildable Employment Land

- vacant
- known development
- redevelopment (from dev)
- potential infill
- expansion
- redevelopment (from part vacant)



Site Requirements Analysis

PROFILE CRITERIA		A	B	C	D	E	F	G	H	I	J
		Computer & Electronic	Software & Media	Speculative Office	Food Processing	Other Manufacturing	Life/Bioscience	Wholesaling	Retail	Data Center	Incubator
GENERAL REQUIREMENTS		Use is permitted outright, located in UGB or equivalent and outside flood plain; and site (NCDA) does not contain contaminants, wetlands, protected species, or cultural resources or has mitigation plan(s) that can be implemented in 180 days or less.									
PHYSICAL SITE											
1	TOTAL SITE SIZE* Competitive Acreage**	5 - 100+	5 - 15	5 - 20	5 - 25+	5 - 15+	20 - 100+	10 - 25	5 - 20	10 - 25+	5 - 25+
2	COMPETITIVE SLOPE: Maximum Slope	0 - 5%	0 - 7%	0 - 7%	0 - 5%	0 - 5%	0 - 7%	0 - 3%	0 - 7%	0 - 7%	0 - 5%
TRANSPORTATION											
3	TRIP GENERATION: Average Daily Trips per Acre	40 - 60	80 - 200 ₁	120 - 240 ₂	50 - 60	40 - 50	60 - 150	50 - 60 ₃	400 - 500 ₄	20 - 30	40 - 50
4	MILES TO INTERSTATE OR FREIGHT ROUTE: Miles	w/in 10	w/in 5	w/in 5	w/in 30	w/in 20	w/in 5	w/in 5	w/in 5	w/in 30	N/A
5	RAILROAD ACCESS: Dependency	Preferred	Not Required	Not Required	Preferred	Preferred	Preferred	Preferred	Avoid	Avoid	N/A
6	PROXIMITY TO MARINE PORT: Dependency	Preferred	Not Required	Not Required	Preferred	Preferred	Preferred	Preferred	Not Required	Not Required	N/A
7	PROXIMITY TO INTERNATIONAL/ REGIONAL AIRPORT: Dependency	Competitive	Required	Preferred	Preferred	Preferred	Required	Not Required	Not Required	Competitive	N/A
	Distance (Miles)	The City of Hillsboro enjoys a competitive advantage that all industries within Hillsboro are located within 5 miles of an international airport (Hillsboro International Airport)									

Buildable Land Need vs. Supply

Site Type	Employment Forecast Ranges		Current Supply	Notes
	5-Year Need	20-Year Need		
Commercial Land	69-93 acres	317-456 acres	87 acres	Medium & long term deficit
Industrial Land	234-437 acres	1,053-1,912 acres	2,047 acres	
Mixed Use	73-104 acres	334-507 acres	192 acres	Long term deficit



Building
Economy and
Infrastructure

Economic Development

Draft Goals and Policies

Dan Rutzick