



Urban growth management: Employment land analyses

**UGR Roundtable
June 21, 2024**

Technical work and analysis: Developing the urban growth report

- Buildable land inventory (BLI)
- Regional forecast
- Capacity analysis
- Employment trends and site characteristics
- Housing needs analysis
- Residential readiness analyses
- Draft urban growth report (UGR)

City expansion proposals

- Letters of interest
- Expansion proposals

2040 planning and development grants available

Metro Council decision

- Consider Metro staff and advisory group recommendations
- Public hearings
- Policy direction
- Final decision

Nov 2022 - July 2024

Dec 2023 - April 2024

Aug 2024 - Dec 2024

Residential readiness analyses

Capacity analysis - begin BLI and regional proforma model

Draft capacity analysis available for local review

Letters of interest due

Regional forecast updated

Housing needs analysis

Proposals due

Draft UGR public comment period

Advisory group input

Public hearing

Final UGB decision

Engagement

- MTAC
- MPAC
- CORE
- Land Use Technical Advisory Group
- Jurisdictional outreach
- Urban growth report roundtable
- Youth cohort
- Interest group presentations

Project timeline

July 9: Draft UGR is released for public comment period (ends August 4)

Discussion of draft UGR:

July 9: Council Work Session

July 17: MTAC

July 24: MPAC

July 26: UGR roundtable

August 14: COO recommendation released

Discussion of COO recommendation:

August 21: MTAC

September 3: Council Work Session

September 11: MPAC

Discussion of final overall recommendations:

September 18: MTAC (recommendations to MPAC)

September 19: CORE (recommendations to Council)

September 21: Council holds public hearing on COO recommendation

September 25: MPAC (recommendations to Council)

October 1: Final UGR prepared per Council direction

November 28: Council first reading of ordinance; public hearing

December 12: Council second reading of ordinance; final decision

**The draft
UGR and
beyond**

Roundtable feedback


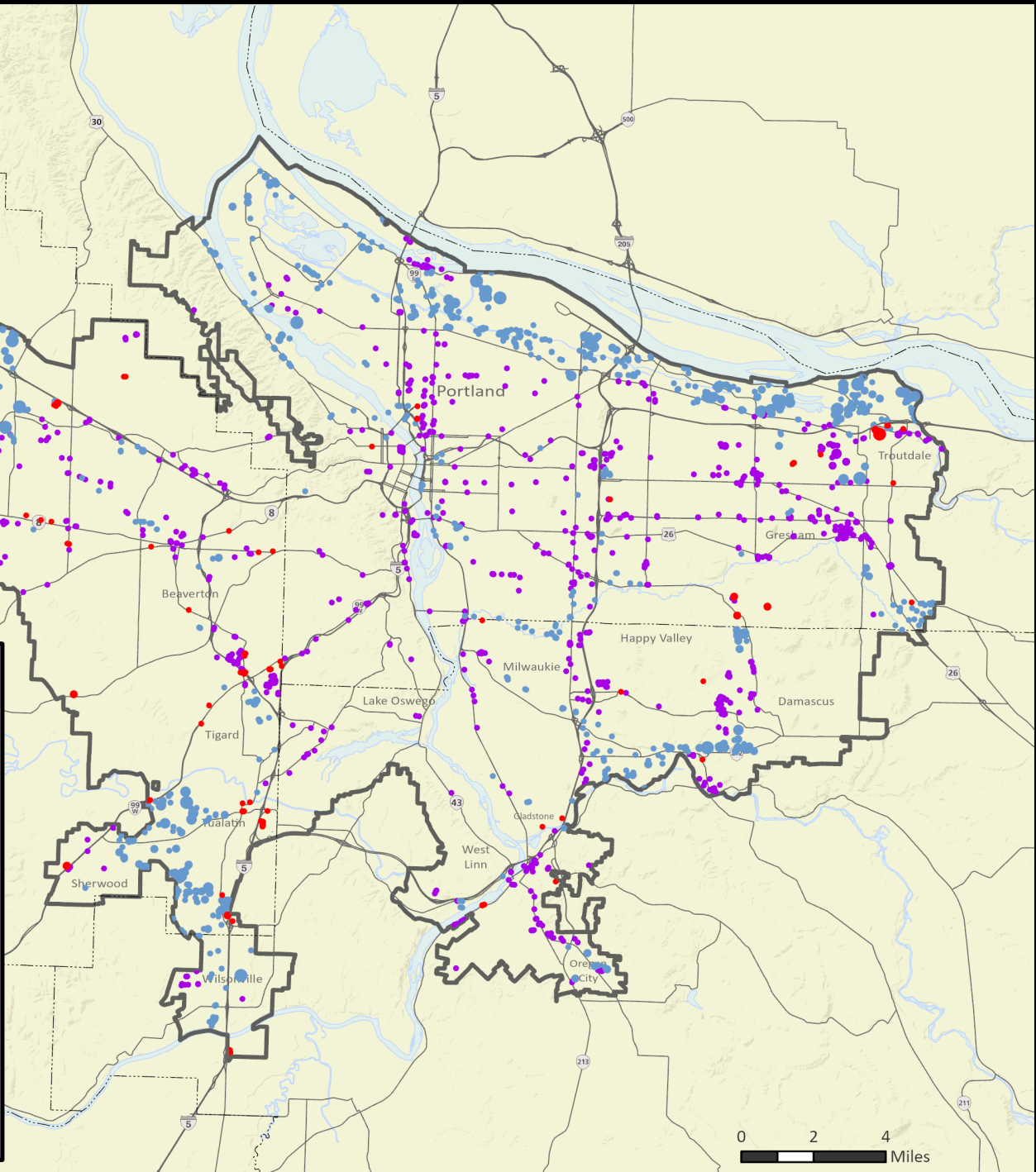
- Housing production and affordability
- Diversity, equity and inclusion
- Economic development
- Development barriers
- Competing demands on agricultural land
- Environmental protection and access to nature
- Role of Metro and local governments
- Regional vision for the future

Employment land: draft capacity results

2024 Vacant Buildable Land Employment Land June 2024 (DRAFT)

General Zoning Type	Employment Acres (per taxlot)
● Commercial	● Less than 3 Acres
● Industrial	● 3 - 10
● Mixed Use	● 10 - 25
	● 25 - 50
	● More than 50 Acres

⋯ County boundary
— Major arterials
⎓ Urban growth boundary
⊡ Rivers and lakes

2024 Infill Buildable Land

Employment Land
June 2024 (DRAFT)

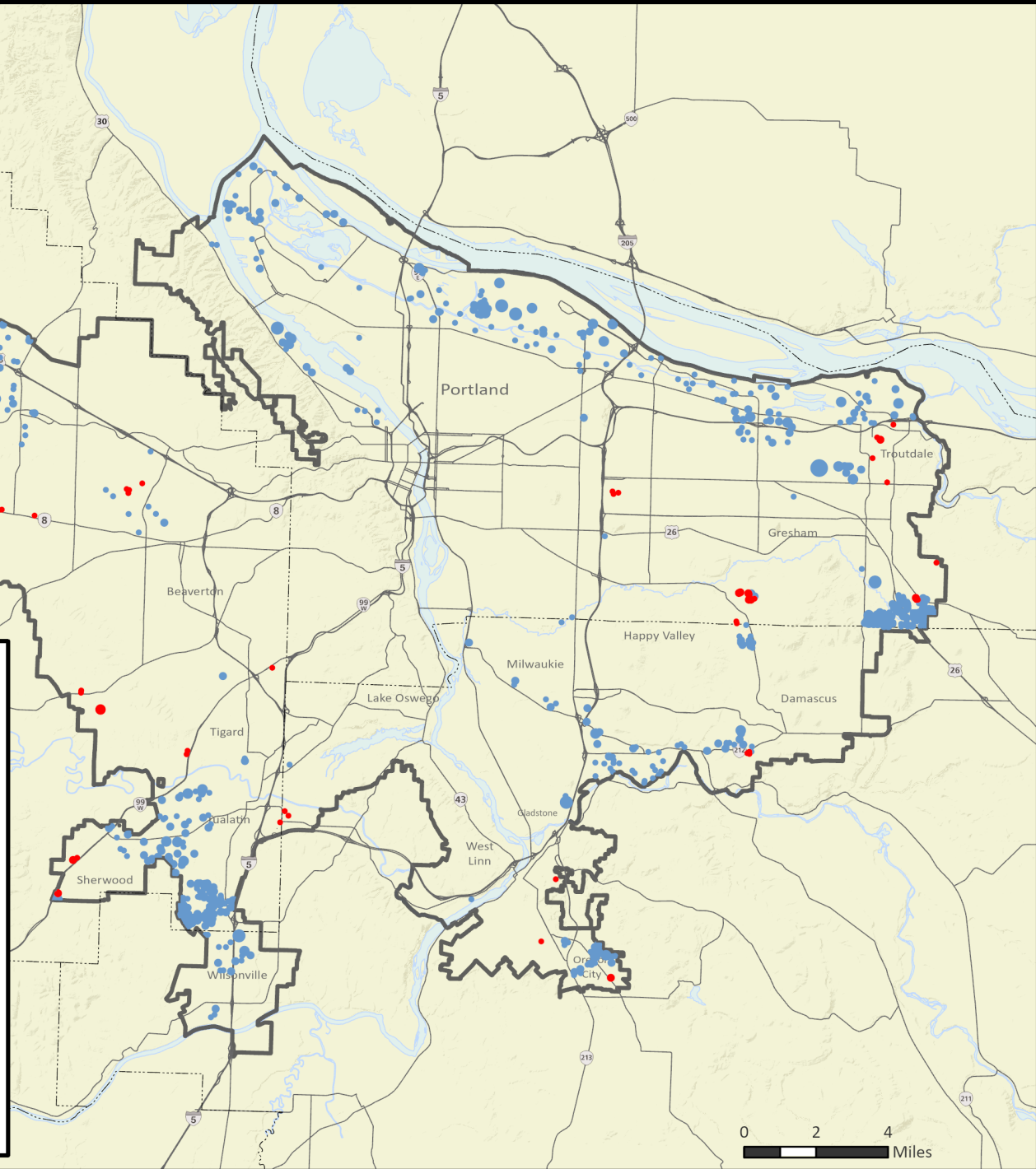
General Zoning Type

- Commercial
- Industrial
- Mixed Use

Employment Acres (per taxlot)

- Less than 3 Acres
- 3 - 10
- 10 - 25
- 25 - 50
- More than 50 Acres

- County boundary
- Major arterials
- Urban growth boundary
- Rivers and lakes



2024 Redevelopable Land Employment Land June 2024 (DRAFT)

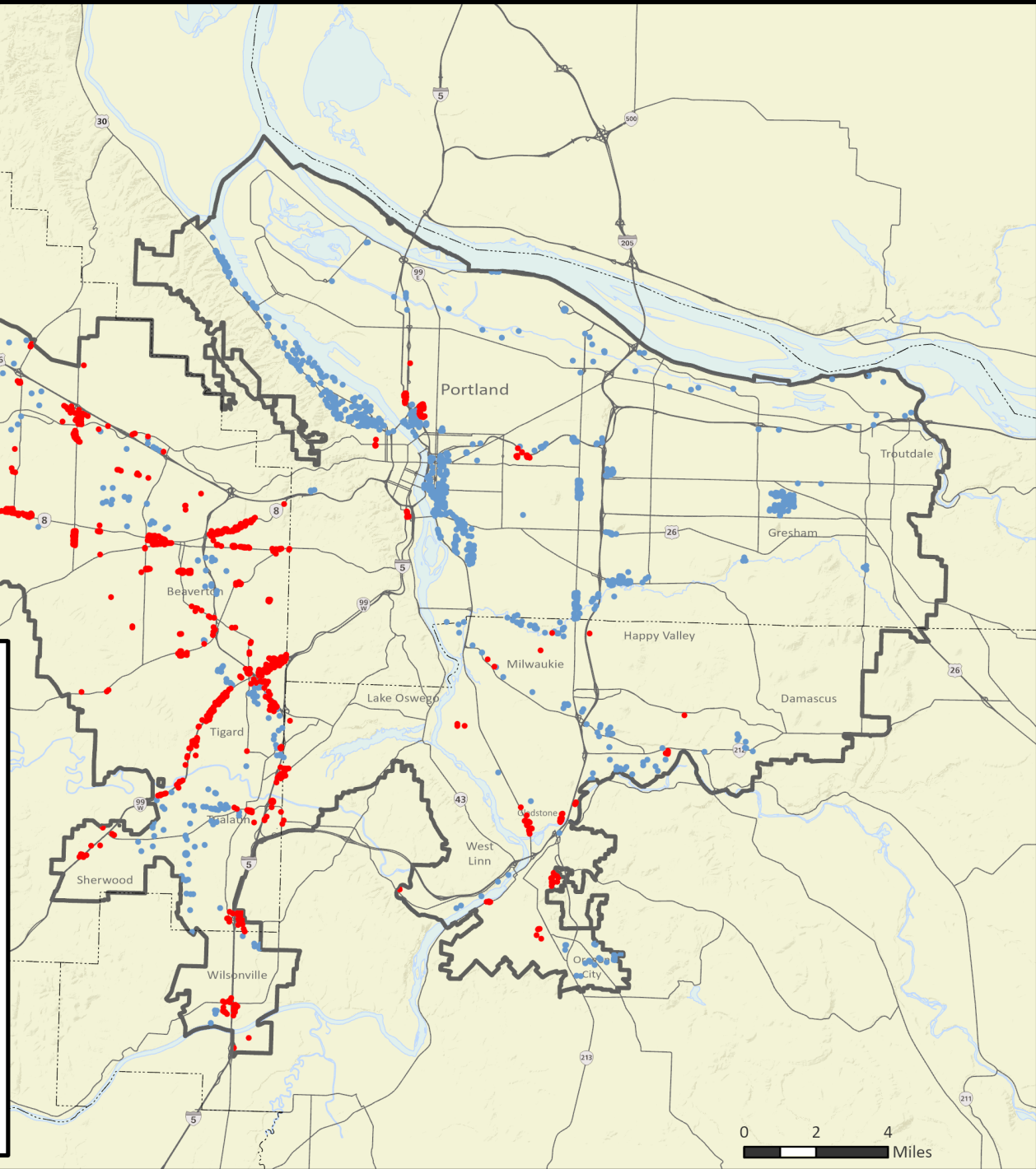
General Zoning Type

- Commercial
- Industrial
- Mixed Use

Employment Acres (per taxlot)

- Less than 3 Acres
- 3 - 10
- 10 - 25
- 25 - 50
- More than 50 Acres

- County boundary
- Major arterials
- Urban growth boundary
- Rivers and lakes



Employment capacity inside UGB

Buildable acres – reviewed by local jurisdictions

Capacity type	Industrial	Commercial
Vacant	2,574	288
Infill	3,252	147
Redevelopment	124	46
Total	5,950	481

**Employment land:
demand analysis
methodology**

Converting jobs to acres

Regional (7-county MSA) employment forecast by sector

Apply historic UGB capture rate by sector

Deduct shares of work from home/hybrid by sector

Assign shares of each sector to 6 building types

Account for current excess office vacancies

Apply square feet per employee by building type

Apply floor-area ratios by building type

Acres demanded



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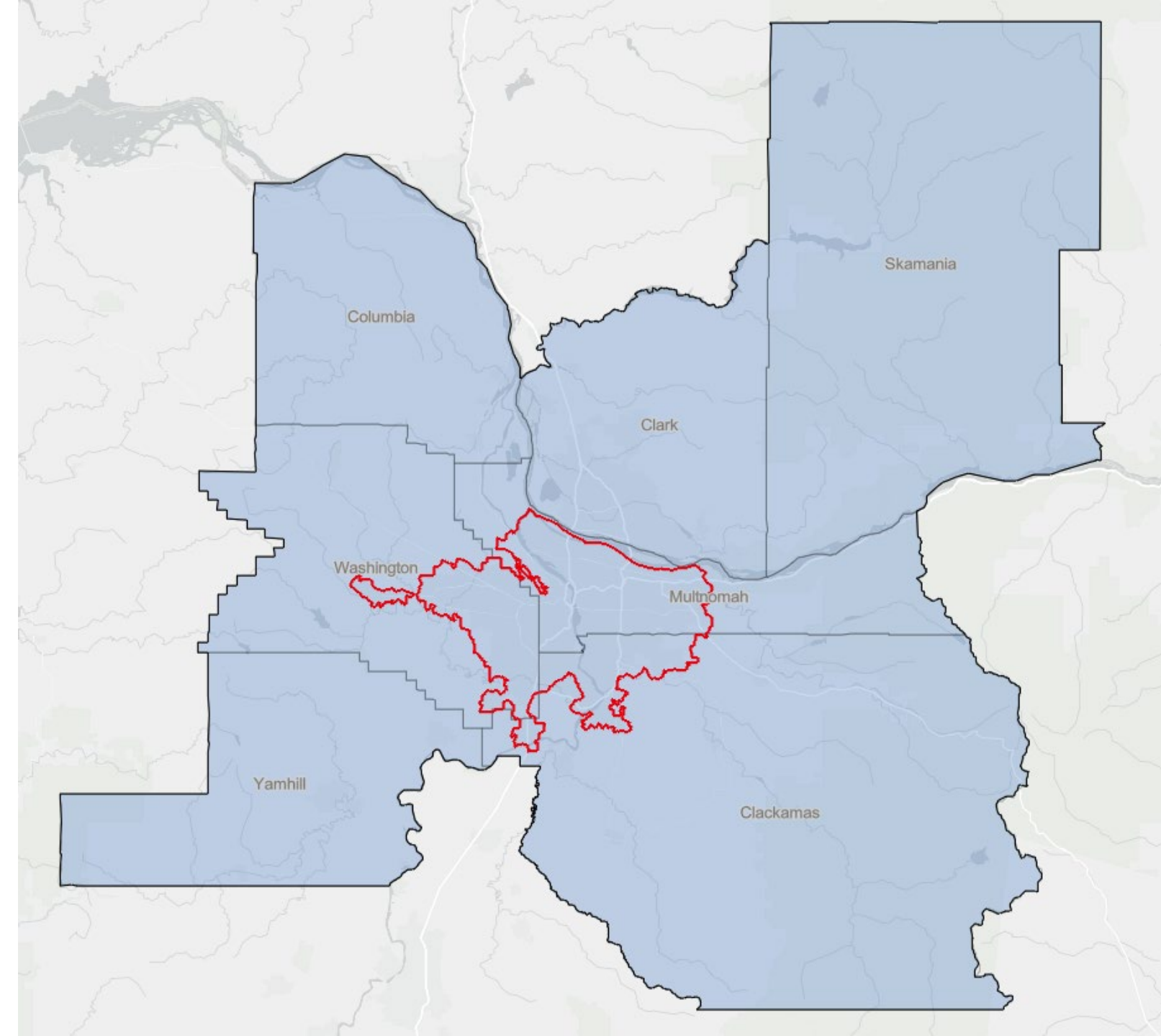
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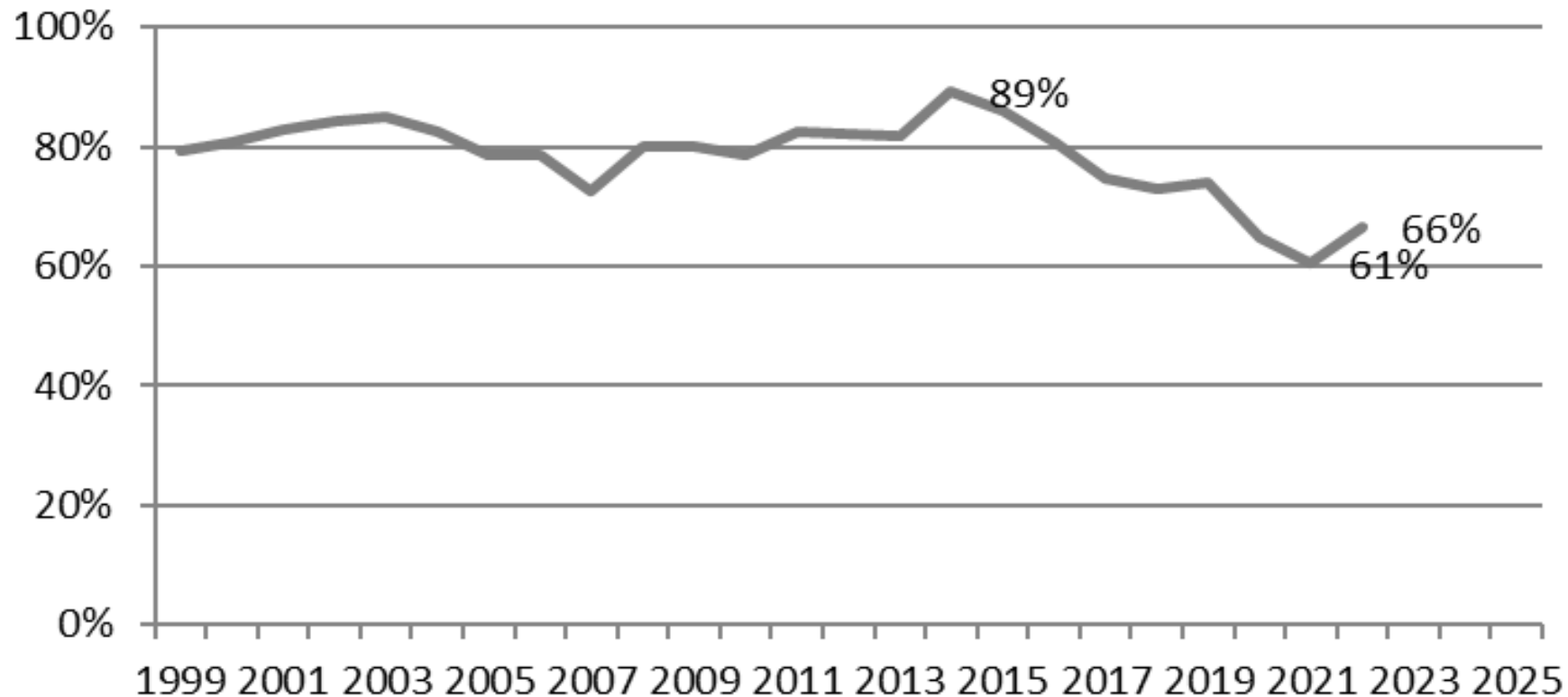




**Regional
forecast
geography**

75% average UGB capture rate (assumptions vary by sector)

Annual moving 20-year capture rate since
inception of the Metro UGB in 1979



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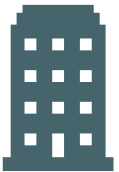
Apply square feet per employee by building type

Apply floor-area ratios by building type

Acres demanded



Deduction from demand: work from home and hybrid work



Mostly in-person sectors
10% or less WFH

Construction
Retail trade
Transportation,
warehousing, and utilities
Arts, entertainment,
recreation
Accommodations and
food service



Moderately
hybrid sectors
10-20% WFH

Manufacturing
Wholesale trade
Private education
Health and social services
Other services



Hybrid sectors
20% + WFH

Information
Finance and insurance
Real estate
Professional services
Management of
companies
Government

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Manufacturing sector example

Shares of jobs are allocated to buildings

Office

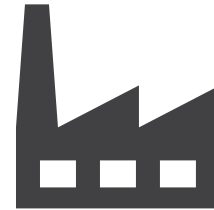
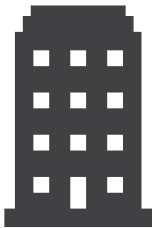
Medical/
Institution

Flex/Business
park

General
industrial

Warehouse/
Distribution

Retail



3%

0%

33%

40%

20%

4%

Converting jobs to acres

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Acres demanded



Account for excess office vacancy

Total vacant
office space

Healthy vacancy rate

Excess vacancy counted as
capacity for future office
space demand



Converting jobs to acres

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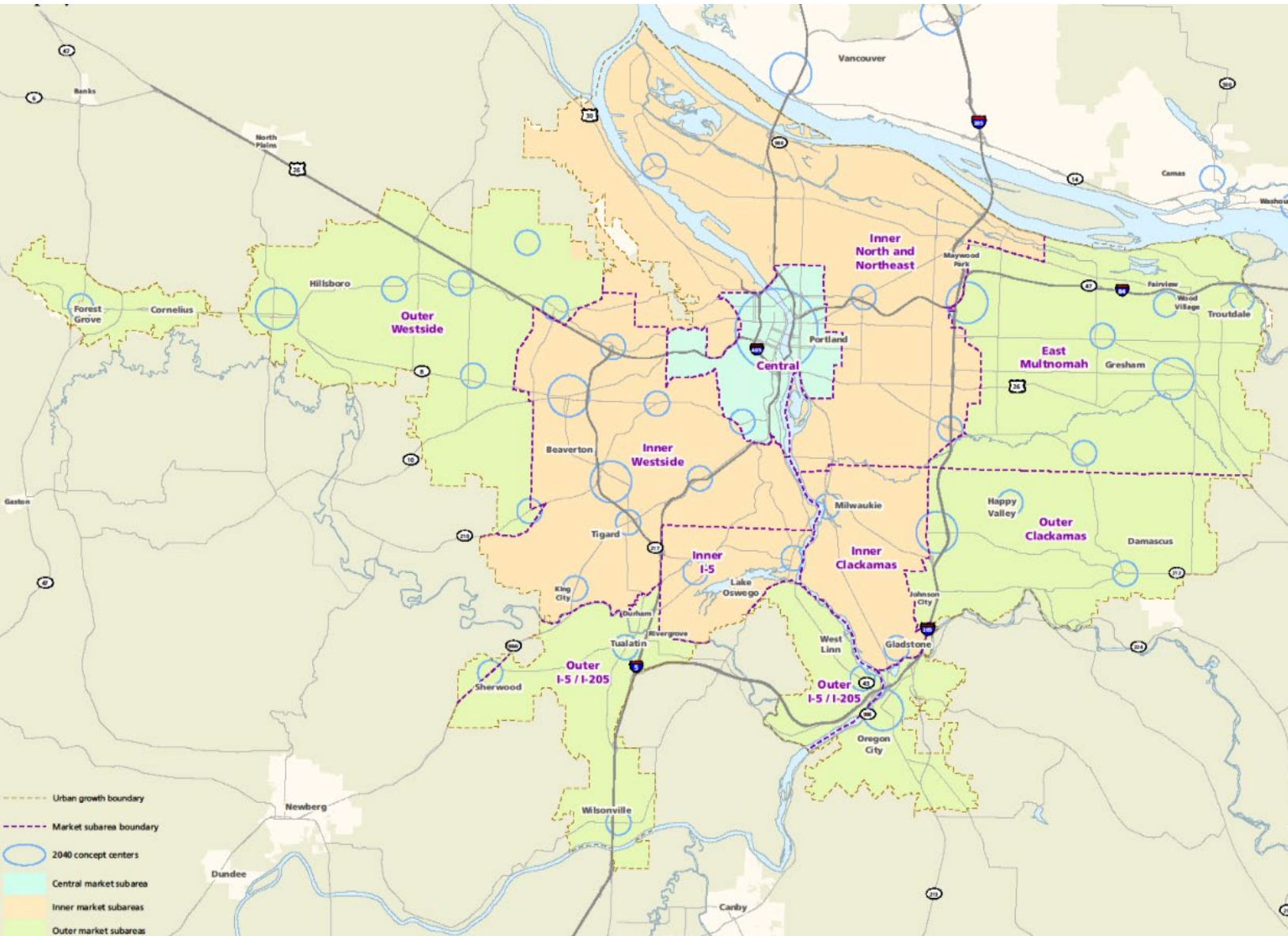
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Apply floor-area ratios by building type

Acres demanded





Analysis subareas: square feet per employee and floor-area ratios vary

Job densities

(vary by building type and submarket)

Office

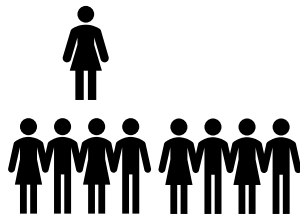
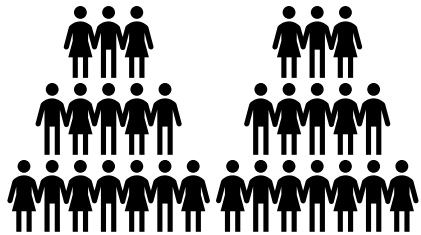
Retail

Medical /
Institution

Flex/
bus. park

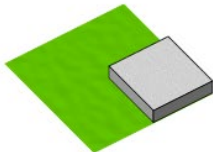
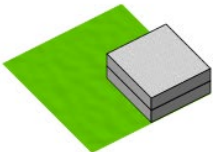
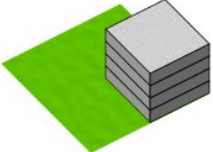
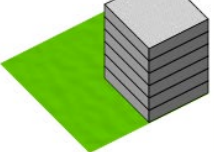
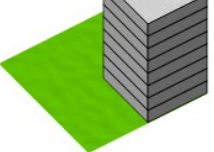
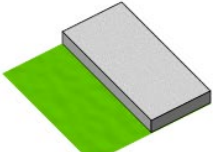
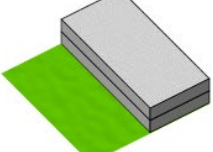
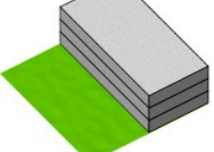
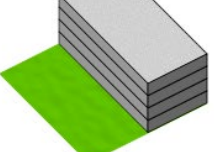
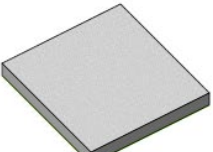
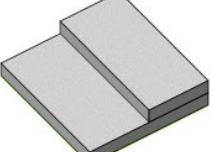
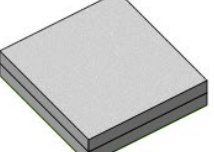
General
industrial

Warehouse
/distr.



Floor-area ratios

(vary by building type and submarket)

	0.25 25%	0.5 50%	1 100%	1.5 150%	2 200%
25% lot coverage					
50% lot coverage	not possible				
100% lot coverage	not possible	not possible			

Converting jobs to acres

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Apply floor-area ratios by building type

Acres demanded



Summarize two categories for results

Industrial

Gen. Industrial

Warehouse/Distribution

Flex/Business Park

Commercial

Office

Retail

Medical/Institution

Employment land gap analysis: draft results

Industrial land gap analysis

	Capacity (acres)	Demand (acres)	Surplus or deficit (acres)
Low growth forecast	5,950	-1,500	+7,450
Baseline growth forecast	5,950	1,400	+4,550
High growth forecast	5,950	5,200	+750

Commercial land gap analysis

	Capacity (acres)	Demand (acres)	Surplus or deficit (acres)
Low growth forecast	480	-300	+780
Baseline growth forecast	480	800	-320
High growth forecast	480	2,300	-1,820





Large industrial site inventory

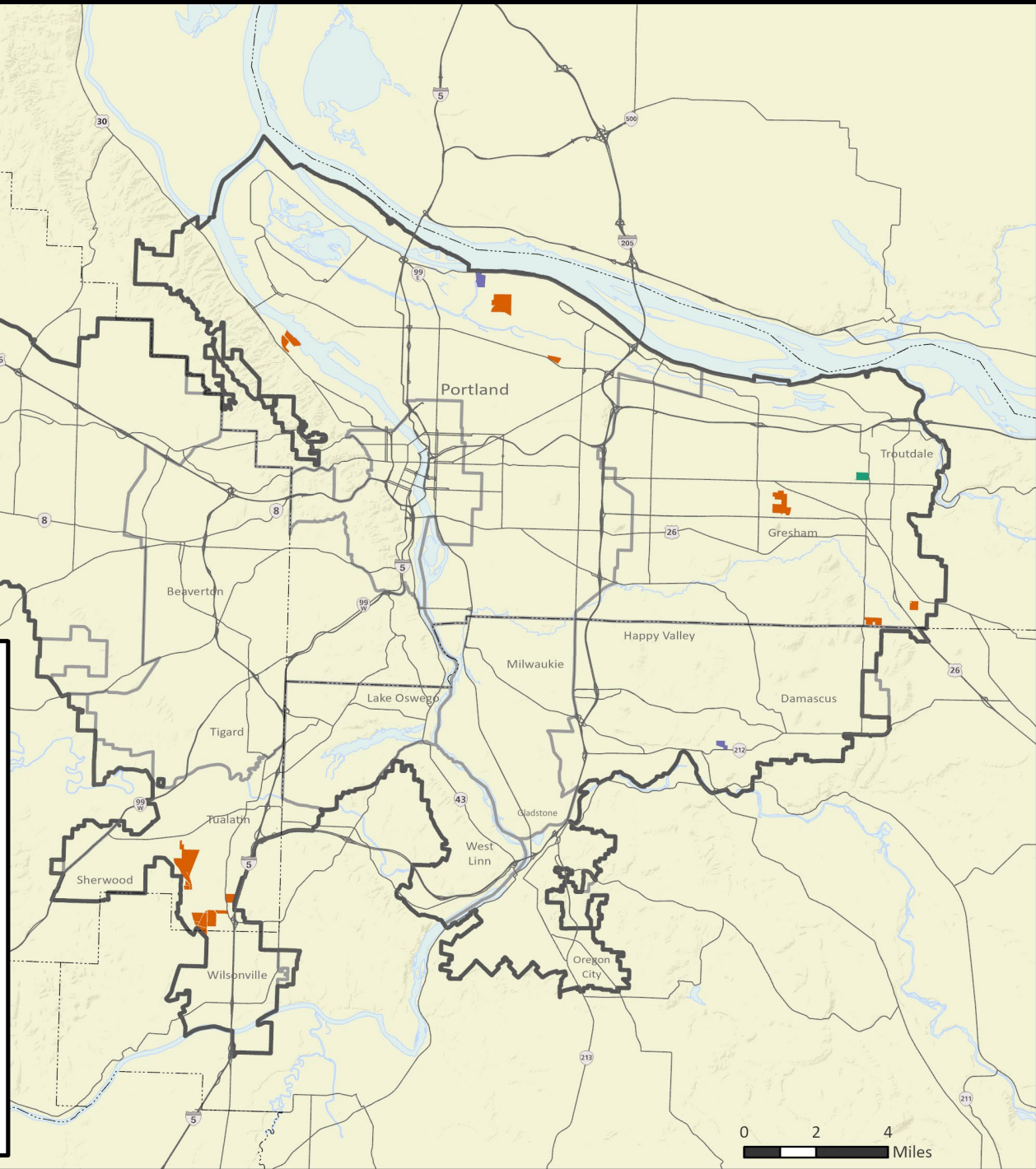
2024 Buildable Land Inventory

Large Lot Industrial Tiers

June 2024 (DRAFT)

-  Tier 1
-  Tier 2
-  Tier 3

-  County boundary
-  Major arterials
-  Urban growth boundary
-  Rivers and lakes



Sherwood West employment analysis

Project Question

Is there an economic benefit to include employment acres above and beyond the regional growth forecast?

- How does an increase in employment land in Sherwood West support economic growth for the Metro Region?
- How could this approach and analysis be replicated and effective for reviewing future UGB expansion requests?

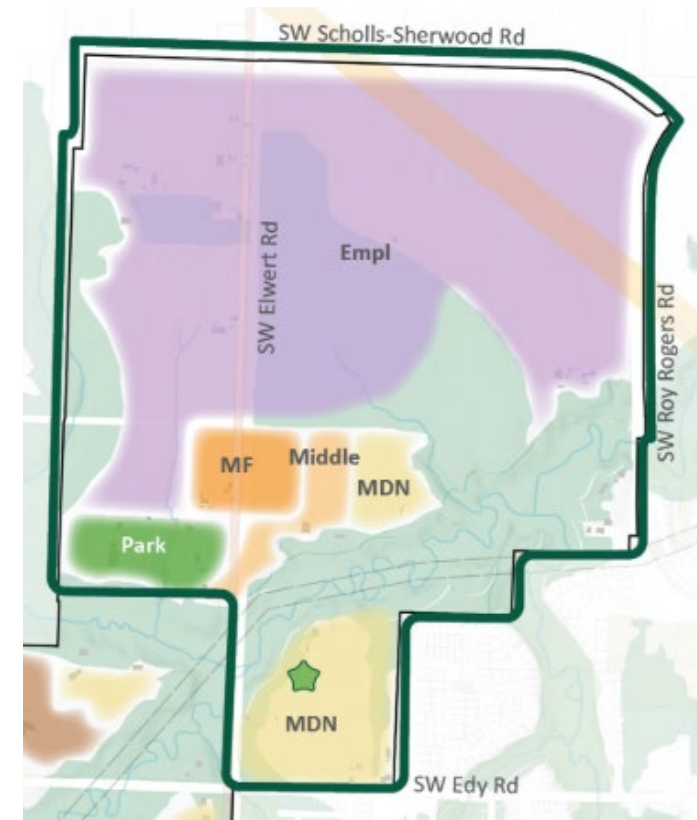
Project Approach

Market supply

A diverse regional market supply of sites is essential to maintain an equilibrium in market pricing and to support a broad range of industries.

Site competitiveness

The Sherwood West site has characteristics that are suited to accommodate the industries that are likely to grow, which will support regional economic and business growth.



Market supply

Does the region have the supply of industrial land to support the industries that are growing in the region?

Current industrial land supply and vacancy rates

Positive net absorption of industrial square footage in Washington County and Sherwood in 2023

Current vacant land that could support employment growth

Average parcel size: 10 acres
Median parcel size: 5 acres

Parcel assembly is likely needed to support industrial uses

Market supply

Does the region have the supply of industrial land to support the industries that are growing in the region?

Regional employment growth trends

Average annual growth rate, 2017-2022

	Sherwood	Regionwide
Industrial land users	5.8%	1.7%
Manufacturing	2.5%	1.1%



Site competitiveness

Does Sherwood West have a competitive advantage for employment growth over other available land in the region?

Site evaluation and readiness analysis

Pros: Parcel size, ownership, and slopes are competitive for industrial users

Cons: I-5 access

Needs: Infrastructure for water and sanitary sewer

Capacity constraints in existing industrial areas

Companies have relocated from smaller spaces in the region to new industrial parks in Sherwood to expand and consolidate operations

Questions?

oregonmetro.gov

