



JOHNSON REID
LAND USE ECONOMICS

MEMORANDUM

DATE: September 30, 2011

TO: Mark Clemons
GROUP MACKENZIE

FROM: Jerry Johnson
JOHNSON REID LLC

SUBJECT: Redevelopment Site Identification and Key Analytical and Policy Issues

This memorandum addresses the methodological approach used to identify prospective industrial redevelopment sites, reviews preliminary results, and discusses key analytical and policy issues.

While the primary focus of Group Mackenzie's analysis is on vacant large lot industrial sites available within the Portland metropolitan area, the impact that redevelopment can play in accommodating large lot industrial demand is also of interest. The following are key considerations with respect to redevelopment that should be understood from a policy perspective:

- What is the inventory of industrial sites that could be considered as likely and/or potential redevelopment sites?
- Within what time frame can these sites be expected to be available to serve the market?
- What is the net industrial capacity associated with these sites?

METHODOLOGY

As a general rule, redevelopment is considered plausible when the residual land value under the highest and best use development scenario is equal to or greater than the estimated current value of the property, including improvements. The inventory of sites with potential to redevelop was derived using a methodological approach that compared assumed land values for industrial uses to the value of the property and improvements under the existing use. A land value of \$6 per square foot was assumed to represent an average land value for industrial uses, while Real Market Value (RMV) from County Assessor's records was used as a proxy for the value of land and improvements of individual properties.

If the assumed market value of the land is greater to or equal to the market value of the property, it is assumed to represent a rational development or redevelopment opportunity. While development and/or redevelopment is considered viable in these instances, it does not necessarily mean that it will be redeveloped. There are a number of additional factors that impact redevelopment, and we assume that only a portion of opportunities identified as viable will be realized within the study horizon.

Some of the factors which can stall or preclude redevelopment are:

- **Measures of market value.** Within the analysis, Real Market Value (RMV) based on county assessor records is used as a proxy for the market value of the property. In our experience, this



measure tends to undervalue assets. As a result, it has the effect of indicating a higher likelihood of redevelopment, leading to an over-statement of redevelopment potential.

- **Owner disposition.** This factor includes a broad range of variables, including the property owner's interest in redevelopment, level of capitalization, investment objectives, risk sensitivity, availability and terms of credit, perception of return, etc.
- **Current lease structure.** The property's current lease structure and term may either preclude major improvements or reduce the potential for realizing a return on enhancements or improvements. An example of this is often found in retail leases, which have relatively long terms with extension options.
- **Leaseholder disposition.** The leaseholder's disposition is also a contributing factor to improvements, as the leaseholder's willingness to bear the burden of increased rents associated with improvements is critical. In addition to the current leaseholder, the general market for space and the disposition of potential lessees is also an important factor impacting the viability of improving a property.
- **Regulatory environment** – The ability to successfully complete an improvement also relies upon the local regulatory environment, including building and zoning code applications.
- **Holding costs** – A property owner's basis and tax position in a property may impact the likelihood of redevelopment. Owners without major return requirements are more likely to hold properties, as are owners with property tax relief such as those taking advantage of programs such as farm tax deferrals on property taxes.
- **Specialized improvements** – Industrial uses often have highly specialized improvements, which may have a high value but limited ability to be re-purposed. Work should be done to test the development economics associated with repurposing sites for highly dissimilar uses, or the capacity associated with these sites should be appropriately discounted.\
- **Site Characteristics** – While sites may have a low improvement value, this may reflect issues that have impact the ability to develop the sites. These include issues such as environmental contamination and/or wetlands, which can sharply increase development costs and/or the timing of any development.

The methodology screens for sites of an appropriate size and zoning categorization, and then develops a ratio of current RMV per square foot divided by the assumed industrial land value (\$6 per square foot). Sites with a ratio close to 1.2 or below are considered to have redevelopment potential, in that the estimated value of land and improvements is 120% or less of the assumed underlying land value for alternative industrial uses.

OUTPUT

The methodology generated an initial list of 93 sites, each of which is summarized in the following table.



Tract ID	Owner	Site Address	City	Total RMV	GIS Acres	RMV/SF	RMV/Underlying Land Value
153E08D -01700	PORTLAND GENERAL ELECTRIC CO	3490 W POWELL LOOP	GRESHAM	\$0	36.34	\$0.00	0.00
1N1E28A -00300	UNION PACIFIC RAILROAD CO		PORTLAND	\$0	78.31	\$0.00	0.00
1N1E21 -00100	UNION PACIFIC RAILROAD CO		PORTLAND	\$0	67.28	\$0.00	0.00
1N1E20 -01300	PORTLAND TERMINAL R R CO &> BU		PORTLAND	\$0	82.93	\$0.00	0.00
2N1W34 -00300	PORTLAND GENERAL ELECTRIC CO	12500 NW MARINA WAY	PORTLAND	\$0	63.11	\$0.00	0.00
2N1E30 -01400	BURLINGTON NORTHERN RAILROAD H	14420-14440 WI/ N BYBEE LAKE RD	PORTLAND	\$0	36.38	\$0.00	0.00
2N1W36 -00400	UNION PACIFIC RAILROAD CO	9003 N COLUMBIA BLVD	PORTLAND	\$0	54.43	\$0.00	0.00
22E31 00600	PORTLAND GEN ELEC CO	NO SITUS	OREGON CITY	\$0	28.72	\$0.00	0.00
25129A001600	PORTLAND GENERAL		SHERWOOD	\$0	43.13	\$0.00	0.00
1N1E18D -00200	PORTLAND SHIPYARD LLC	5555 WI/ N CHANNEL AVE	PORTLAND	\$100	56.01	\$0.00	0.00
1N1E07 -00100	MC CORMICK & BAXTER CREOSOTING	6900 N EDGEWATER ST	PORTLAND	\$170	42.39	\$0.00	0.00
1N3340000401	JACOBSSMUHLEN MEATS INC	1395 NW SUBBAUER RD	CORNELLUS	\$230	31.16	\$0.00	0.00
1N1E27 -00100	CLEAR CHANNEL OUTDOOR INC	SW/ C/ GREELY & N INTERSTATE AVE	PORTLAND	\$7,700	40.22	\$0.00	0.00
1N3E23 -00900	PORT OF PORTLAND	TROUTDALE AIRPORT	TROUTDALE	\$23,010	77.18	\$0.01	0.00
152E21A -00300	OREGON STATE OF (HWY COMM>		PORTLAND	\$21,270	68.69	\$0.01	0.00
251200002000	SIX CORNERS LAND INVESTMENT	20015 SW PACIFIC HWY	SHERWOOD	\$30,320	51.46	\$0.01	0.00
1N2E07 -00100	PORT OF PORTLAND(LEASED)	5330 WI/ NE COURIER CT	PORTLAND	\$308,860	386.26	\$0.02	0.00
1N1W13 -01200	COOKIN NORMAL &	7200 WI/ NW FRONT AVE	PORTLAND	\$101,190	79.27	\$0.03	0.00
25129D000300	LANGER FAMILY LLC	14958 SW TUALATIN SHERWOOD RD	SHERWOOD	\$76,580	56.48	\$0.03	0.01
151E14A -00500	CLEAR CHANNEL OUTDOOR INC	5411 E/ SE MCLOUGHLIN BLVD	PORTLAND	\$88,420	53.61	\$0.04	0.01
152060001000	HILLSBORO CITY OF		HILLSBORO	\$175,770	89.74	\$0.04	0.01
25113B000600	CLEAN WATER SERVICES	16060 SW 85TH AVE	TIGARD	\$154,050	50.61	\$0.07	0.01
1N2280001550	PORT OF PORTLAND THE	3115 NE CORNELL RD	HILLSBORO	\$1,365,330	422.36	\$0.07	0.01
22E10 00601	STATE OF OREGON	NO SITUS	CLACKAMAS	\$706,552	121.09	\$0.13	0.02
2N1W35D -00300	LAMPROS STEEL INC	9040 WI/ N BURGARD WAY	PORTLAND	\$155,290	25.21	\$0.14	0.02
25128B000102	GALBREATH WILLIAM A	19925 SW CIPOLE RD	SHERWOOD	\$172,180	27.19	\$0.15	0.02
25122D000550	WALGRAEVE GARY &	11345 SW HERMAN RD	TUALATIN	\$358,620	54.96	\$0.15	0.02
1N1W02 -00100	PORT OF PORTLAND(LEASED)	TERMINAL 4	PORTLAND	\$597,360	88.03	\$0.16	0.03
1N2150000300	CRANFORD JULIAN F & SHARON D	23320 NW WEST UNION RD	HILLSBORO	\$201,100	28.51	\$0.16	0.03
15305C000100	CLEAN WATER SERVICES		FOREST GROVE	\$1,082,030	131.62	\$0.19	0.03
1N1E10 -00200	GILBERT FAMILY LLC ET AL	1001 W/ N SCHMEER RD	PORTLAND	\$531,870	64.51	\$0.19	0.03
1N2210003100	BERGER KEITH A & REBECCA LEE	5455 NW BIRCH AVE	HILLSBORO	\$362,020	42.22	\$0.20	0.03
1N1E11B -00903	FAZIO ANTHONY A &	8433 NE 13TH AVE	PORTLAND	\$334,720	34.96	\$0.22	0.04
1N3E34C -00500	LSI LOGIC MANUFACTURING	22318 NE GLUSAN ST	GRESHAM	\$762,910	74.93	\$0.23	0.04
31W14C 00103	MEADWESTVACO PACKAGING SYS LLC	NO SITUS	WILSONVILLE	\$325,610	26.23	\$0.28	0.05
1N1E02C -00300	PORTLAND CITY OF(BUREAU OF	10040 NE 6TH DR	PORTLAND	\$387,790	28.87	\$0.31	0.05
25129A000100	UNITED STATES OF AMERICA	20555 SW GERDA LN	SHERWOOD	\$636,900	45.76	\$0.32	0.05
1N3E23 -00800	PORT OF PORTLAND(LEASED)	1000-1260 NW PERIMETER WAY	TROUTDALE	\$461,720	32.63	\$0.32	0.05
1N2E08 -00300	PORT OF PORTLAND(LEASED)	NE AIRPORT WAY, A	PORTLAND	\$7,813,160	480.55	\$0.37	0.06
23E06C 08001	WEAVER RUSSELL J & KATHLEEN D	NO SITUS	CLACKAMAS	\$607,532	34.20	\$0.41	0.07
25127B000300	WAGER EDWARD J	12075 SW TUALATIN SHERWOOD RD	TUALATIN	\$595,490	32.15	\$0.43	0.07
1N1E12D -00100	BROADMOOR INC	3509 WI/ NE COLUMBIA BLVD	PORTLAND	\$2,793,200	139.37	\$0.46	0.08
21E36 01700	PORTLAND GEN ELEC CO	NO SITUS	WEST LUNN	\$1,178,985	48.98	\$0.55	0.09
151E11D -00200	TILBURY CEMENT CO	4035 SE 22ND AVE	PORTLAND	\$1,123,380	44.82	\$0.58	0.10
1N2E06 -00300	PORT OF PORTLAND(LEASED)	4756 NE MARINE DR	PORTLAND	\$9,867,110	346.42	\$0.65	0.11
151090001100	MAXTEK	3025 SW ZWORYKIN AVE	BEAVERTON	\$3,584,620	124.13	\$0.66	0.11
1N3E33 -01300	LUDE INC	21015 WI/ SE STARK ST	GRESHAM	\$5,710,320	137.48	\$0.95	0.16
1N1E05 -00400	PORTLAND CITY OF	N PORTLAND RD	PORTLAND	\$1,889,680	41.29	\$1.05	0.18
2N1W35B -01500	TIME OIL CO	10350 WI/ N TIME OIL RD	PORTLAND	\$1,614,930	32.90	\$1.13	0.19
1N1E04A -00400	THE PORT OF PORTLAND	10799 N EXPO RD	PORTLAND	\$5,482,970	97.40	\$1.29	0.22
2N1W24 -01200	PORT OF PORTLAND(LEASED)	8235 WI/ N MARINE DR	PORTLAND	\$7,156,740	120.22	\$1.37	0.23
1N1E30 -00900	PORT OF PORTLAND(LEASED)	6347 N MARINE DR	PORTLAND	\$2,439,320	40.66	\$1.38	0.23
25124B001007	JEWELL ATTACHMENTS LLC	18101 SW BOONES FERRY RD	TIGARD	\$1,706,600	27.95	\$1.40	0.23
2N1W26 -00800	SHAWCOR PIPE PROTECTION LLC	14400 WI/ N RIVERGATE BLVD	PORTLAND	\$9,258,060	147.14	\$1.44	0.24
1N2230001200	UNITED STATES OF AMERICA	21255 NW EVERGREEN PKWY	HILLSBORO	\$3,016,000	46.30	\$1.50	0.25
153050000800	WHITE OAK RIVER INC	4114 HEATHER ST	FOREST GROVE	\$2,063,450	25.84	\$1.83	0.31
1N3E22D -00102	WEYHRICH ENTERPRISES LLC	1459 NW SUNDIAL RD	TROUTDALE	\$2,324,840	28.37	\$1.88	0.31
22E10 00602	STATE OF OREGON	NO SITUS	CLACKAMAS	\$5,271,878	64.11	\$1.89	0.31
2N1W35D -00700	UNION BANK OF CALIFORNIA	12005 WI/ N BURGARD ST	PORTLAND	\$2,252,280	25.30	\$2.04	0.34
25121A002100	GRIMM'S FUEL CO	18400 SW PACIFIC HWY	TUALATIN	\$2,767,800	28.47	\$2.03	0.37
22E04D 00700	GREAT AMERICAN TV&R CO INC	9415 SE LAWNFIELD RD	CLACKAMAS	\$4,586,572	42.41	\$2.48	0.41
153E05BC -04000	MULTNOMAH COUNTY	1400 SE 182ND AVE	PORTLAND	\$2,758,990	25.21	\$2.51	0.42
1N1E01 -00400	PORT OF PORTLAND	2432 NE MARINE DR	PORTLAND	\$8,251,930	66.74	\$2.84	0.47
2N1W36 -00200	METRO		PORTLAND	\$42,008,480	330.28	\$2.92	0.49
1N1E06 -00200	COLUMBIA STEEL CASTING CO INC	10425 WI/ N BLOSS AVE	PORTLAND	\$9,817,660	75.81	\$2.97	0.50
1N3E23 -00100	PORT OF PORTLAND	E SIDE/ NW SUNDIAL RD	TROUTDALE	\$26,743,370	201.26	\$3.05	0.51
151080000504	TUALATIN HILLS PARK &	15655 SW MILLIKAN WAY	BEAVERTON	\$27,058,240	193.10	\$3.22	0.54
152070000200	HILLSBORO CITY OF	2500 SW HILLSBORO HWY	HILLSBORO	\$22,926,260	162.26	\$3.24	0.54
1N3E22 -00504	FORT JAMES CORPORATION	22329 NE MARINE DR	FAIRVIEW	\$5,488,100	36.12	\$3.49	0.58
1N1E17 -00301	US BARGE LLC	5555 WI/ N CHANNEL AVE	PORTLAND	\$10,341,130	64.41	\$3.69	0.61
2N1W35B -00300	PORT OF PORTLAND(LEASED)	13333 WI/ N RIVERGATE BLVD	PORTLAND	\$5,141,790	31.80	\$3.71	0.62
1N3E34D -00600	SEMICONDUCTOR COMPONENTS	23400 WI/ NE GLUSAN ST	GRESHAM	\$4,210,670	25.91	\$3.73	0.62
1N3E30D -01300	NEW ALBERTSON'S INC	17505 WI/ NE SAN RAFAEL ST	PORTLAND	\$5,747,740	34.19	\$3.86	0.64
1N1E12 -00200	PORT OF PORTLAND	7000 WI/ NE AIRPORT WAY	PORTLAND	\$23,204,200	132.54	\$4.02	0.67
1N3E26B -01200	MULTNOMAH COUNTY	1400-1700 W HIST COLUMBIA RIVER HWY	TROUTDALE	\$4,511,990	25.26	\$4.10	0.68
31W14D 01903	RITE AID STORE #80	29555 SW BOONES FERRY RD	WILSONVILLE	\$5,337,990	29.80	\$4.11	0.69
1N2E07 -00200	PORT OF PORTLAND	7000 WI/ NE AIRPORT WAY	PORTLAND	\$19,283,060	103.63	\$4.27	0.71
1N3E29A -00900	BOYD FUTURE ASSOCIATES LLC	19730 WI/ NE SANDY RD	PORTLAND	\$5,161,250	27.68	\$4.28	0.71
1N1E01 -00100	PORT OF PORTLAND	10150 NE 33RD DR	PORTLAND	\$36,424,200	193.59	\$4.32	0.72
1N2270000104	INTEL CORPORATION	2501 NW 229TH AVE	HILLSBORO	\$21,692,450	111.71	\$4.46	0.74
153E14C -01600	MUTUAL MATERIALS COMPANY	2300 SE HOGAN RD	GRESHAM	\$17,009,850	86.37	\$4.52	0.75
1N133BC01300	BEAVERTON SCHOOL DIST #48J	13845 NW SCIENCE PARK DR	PORTLAND	\$8,393,080	38.29	\$5.03	0.84
2N1W36C -00700	WMR LLC	11920 WI/ N BURGARD RD	PORTLAND	\$6,875,390	29.27	\$5.39	0.90
1N2E09 -00400	PORT OF PORTLAND		PORTLAND	\$30,426,330	128.95	\$5.42	0.90
2N1W26 -00501	PORT OF PORTLAND(LEASED)	14005 WI/ N LOMBARD ST	PORTLAND	\$6,724,650	27.62	\$5.59	0.93
1N2220001000	HILLSBORO CITY OF	4450 NW 229TH AVE	HILLSBORO	\$7,055,870	28.36	\$5.71	0.95
22E16A 00100	SAFEWAY CANADA HOLDINGS INC	16800 SE EVELYN ST	CLACKAMAS	\$11,399,900	45.60	\$5.74	0.96
1N2E15B -00200	PORT OF PORTLAND	10201 WI/ NE AIRPORT WAY	PORTLAND	\$12,286,450	45.53	\$6.20	1.03
22E08DD00101	JMP INC	8000 SE ROOTS RD	PORTLAND	\$11,507,541	42.24	\$6.25	1.04
2N1E30 -00600	PORT OF PORTLAND	6399 WI/ N MARINE DR	PORTLAND	\$17,094,710	60.48	\$6.49	1.08
2N1W35D -01200	WMR LLC	11920 N BURGARD ST	PORTLAND	\$8,340,630	28.92	\$6.62	1.10
1N2270000100	INTEL CORPORATION	3100 NE SHUTE RD	HILLSBORO	\$13,519,070	44.79	\$6.93	1.15
25127A000200	PACIFIC REALTY ASSOCIATES LP	20800 SW 115TH AVE	TUALATIN	\$8,576,910	27.24	\$7.23	1.20



The list included a number of sites that were owned by utilities, railroads or public entities. The Port of Portland alone accounted for 20 of the 93 sites identified in the initial screen. When these are excluded, the methodology yields a total of 41 sites with an indicated potential for redevelopment.

Taxlot ID	Owner	Site Address	City	Total RMV	GIS Acres	RMV/SF	RMV/Underlying Land Value
1N1E06 -00200	COLUMBIA STEEL CASTING CO INC	10425 WI/ N BLOSS AVE	PORTLAND	\$9,817,660	75.81	\$2.97	0.50
1N1E10 -00200	GILBERT FAMILY LLC ET AL	1001 W/ N SCHMEER RD	PORTLAND	\$531,870	64.51	\$0.19	0.03
1N1E11B -00903	FAZIO ANTHONY A &	8433 NE 13TH AVE	PORTLAND	\$334,720	34.96	\$0.22	0.04
1N1E12D -00100	BROADMOOR INC	3509 WI/ NE COLUMBIA BLVD	PORTLAND	\$2,793,200	139.37	\$0.46	0.08
1N1E17 -00301	US BARGE LLC	5555 WI/ N CHANNEL AVE	PORTLAND	\$10,341,130	64.41	\$3.69	0.61
1N1W13 -01200	COOKIN NORMAL &	7200 WI/ NW FRONT AVE	PORTLAND	\$101,190	79.27	\$0.03	0.00
1N2150000300	CRANFORD JULIAN F & SHARON D	23320 NW WEST UNION RD	HILLSBORO	\$201,100	28.51	\$0.16	0.03
1N2210003100	BERGER KEITH A & REBECCA LEE	5455 NW BIRCH AVE	HILLSBORO	\$362,020	42.22	\$0.20	0.03
1N2270000100	INTEL CORPORATION	3100 NE SHUTE RD	HILLSBORO	\$13,519,070	44.79	\$6.93	1.15
1N2270000104	INTEL CORPORATION	2501 NW 229TH AVE	HILLSBORO	\$21,692,450	111.71	\$4.46	0.74
1N3E22 -00504	FORT JAMES CORPORATION	22329 NE MARINE DR	FAIRVIEW	\$5,488,100	36.12	\$3.49	0.58
1N3E22D -00102	WEYHRICH ENTERPRISES LLC	1459 NW SUNDIAL RD	TROUTDALE	\$2,324,840	28.37	\$1.88	0.31
1N3E29A -00900	BOYD FUTURE ASSOCIATES LLC	19730 WI/ NE SANDY RD	PORTLAND	\$5,161,250	27.68	\$4.28	0.71
1N3E30D -01300	NEW ALBERTSON'S INC	17505 WI/ NE SAN RAFAEL ST	PORTLAND	\$5,747,740	34.19	\$3.86	0.64
1N3E33 -01300	LINDE INC	21015 WI/ SE STARK ST	GRESHAM	\$5,710,320	137.48	\$0.95	0.16
1N3E34C -00500	LSI LOGIC MANUFACTURING	22318 NE GLISAN ST	GRESHAM	\$762,910	74.93	\$0.23	0.04
1N3E34D -00600	SEMICONDUCTOR COMPONENTS	23400 WI/ NE GLISAN ST	GRESHAM	\$4,210,670	25.91	\$3.73	0.62
1S1090001100	MAXTEK	3025 SW ZWORYKIN AVE	BEAVERTON	\$3,584,620	124.13	\$0.66	0.11
1S1E11D -00200	TILBURY CEMENT CO	4035 SE 22ND AVE	PORTLAND	\$1,123,380	44.82	\$0.58	0.10
1S1E14A -00500	CLEAR CHANNEL OUTDOOR INC	5411 E/ SE MCLOUGHLIN BLVD	PORTLAND	\$88,420	53.61	\$0.04	0.01
1S3050000800	WHITE OAK RIVER INC	4114 HEATHER ST	FOREST GROVE	\$2,063,450	25.84	\$1.83	0.31
1S3E14C -01600	MUTUAL MATERIALS COMPANY	2300 SE HOGAN RD	GRESHAM	\$17,009,850	86.37	\$4.52	0.75
22E04D 00700	GREAT AMERICAN TV&R CO INC	9415 SE LAWNFIELD RD	CLACKAMAS	\$4,586,572	42.41	\$2.48	0.41
22E08DD00101	JMP INC	8000 SE ROOTS RD	PORTLAND	\$11,507,541	42.24	\$6.25	1.04
22E16A 00100	SAFeway CANADA HOLDINGS INC	16800 SE EVELYN ST	CLACKAMAS	\$11,399,900	45.60	\$5.74	0.96
23E06C 08001	WEAVER RUSSELL J & KATHLEEN D	NO SITUS	CLACKAMAS	\$607,532	34.20	\$0.41	0.07
2N1W26 -00800	SHAWCOR PIPE PROTECTION LLC	14400 WI/ N RIVERGATE BLVD	PORTLAND	\$9,258,060	147.14	\$1.44	0.24
2N1W35B -01500	TIME OIL CO	10350 WI/ N TIME OIL RD	PORTLAND	\$1,614,930	32.90	\$1.13	0.19
2N1W35D -00300	LAMPROS STEEL INC	9040 WI/ N BURGARD WAY	PORTLAND	\$155,290	25.21	\$0.14	0.02
2N1W35D -00700	UNION BANK OF CALIFORNIA	12005 WI/ N BURGARD ST	PORTLAND	\$2,252,280	25.30	\$2.04	0.34
2N1W35D -01200	WMR LLC	11920 N BURGARD ST	PORTLAND	\$8,340,630	28.92	\$6.62	1.10
2N1W36C -00700	WMR LLC	11920 WI/ N BURGARD RD	PORTLAND	\$6,875,390	29.27	\$5.39	0.90
2S121A002100	GRIMM'S FUEL CO	18400 SW PACIFIC HWY	TUALATIN	\$2,767,800	28.47	\$2.23	0.37
2S122D000550	WALGRAEVE GARY &	11345 SW HERMAN RD	TUALATIN	\$358,620	54.96	\$0.15	0.02
2S124B001007	JEWELL ATTACHMENTS LLC	18101 SW BOONES FERRY RD	TIGARD	\$1,706,600	27.95	\$1.40	0.23
2S127A000200	PACIFIC REALTY ASSOCIATES LP	20800 SW 115TH AVE	TUALATIN	\$8,576,910	27.24	\$7.23	1.20
2S127B000300	WAGER EDWARD J	12075 SW TUALATIN SHERWOOD RD	TUALATIN	\$595,490	32.15	\$0.43	0.07
2S128B000102	GALBREATH WILLIAM A	19925 SW CIPOLE RD	SHERWOOD	\$172,180	27.19	\$0.15	0.02
2S129D000300	LANGER FAMILY LLC	14958 SW TUALATIN SHERWOOD RD	SHERWOOD	\$76,580	56.48	\$0.03	0.01
31W14C 00103	MEADWESTVACO PACKAGING SYS LLC	NO SITUS	WILSONVILLE	\$325,610	26.23	\$0.28	0.05
31W14D 01903	RITE AID STORE #80	29555 SW BOONES FERRY RD	WILSONVILLE	\$5,337,990	29.80	\$4.11	0.69

The analysis was done at a GIS level for the entire region, and does not factor in a broader range of factors that can impact the likelihood of redevelopment. These include the assumption that gross acreage is equivalent to net acreage, which we know to be untrue in many instances.

This redevelopment analysis was completed as part of a larger vacant industrial lands analysis, which analyzed parcels throughout the Portland metropolitan region. The list above includes parcels that were also identified through the vacant land analysis, and in some instances, there is overlap between the two datasets. A portion of the sites in the table above are included in the 57 site dataset that is a part of the tiering inventory; some of the sites above are land banked by users and are included in the "User Designated" inventory table and may be further developed by the current user/owner; and some of the sites above are physically constrained and are included in the Appendix of this report. When these sites are excluded, the redevelopment methodology yields a total of 25 sites with an indicated potential for redevelopment.



POLICY IMPLICATIONS

While we can use a methodological approach to identify prospective redevelopment sites, a considerable amount of further analysis would be required to clarify their impact on the market. Many of the issues impacting the redevelopment likelihood and capacity outlined earlier in this memorandum would take considerable time to identify at the specific site level. Additional screening for issues such as environmental contamination and wetlands is likely possible at the GIS level.

If redevelopment can be assumed at some time on at least a portion of these sites, it may add to the region's capacity to accommodate large lot industrial users. It is important to note that any capacity increase associated with redevelopment would need to factor in the net impact, deducting the current capacity served by the site. In other words, if redevelopment accommodates an 800 person firm but displaces current uses with 200 employees, the net increase in capacity would be 600 employees.

In many instances, marginal development patterns are at a lower density than historical patterns, and redevelopment in these cases may yield a decrease in effective employment capacity.

The time line of when sites could be expected to be available is also important. From an economic development perspective, the key variable is the number of readily available sites in the market at any one time. Sites such as the Broadmoor Golf Course, while potentially available at some time in the future, cannot be assumed as part of the short-term inventory. In addition, sites with environmental clean-up costs may never be able to be economically developed as industrial land without public intervention.