



# Oak Street Industrial Area

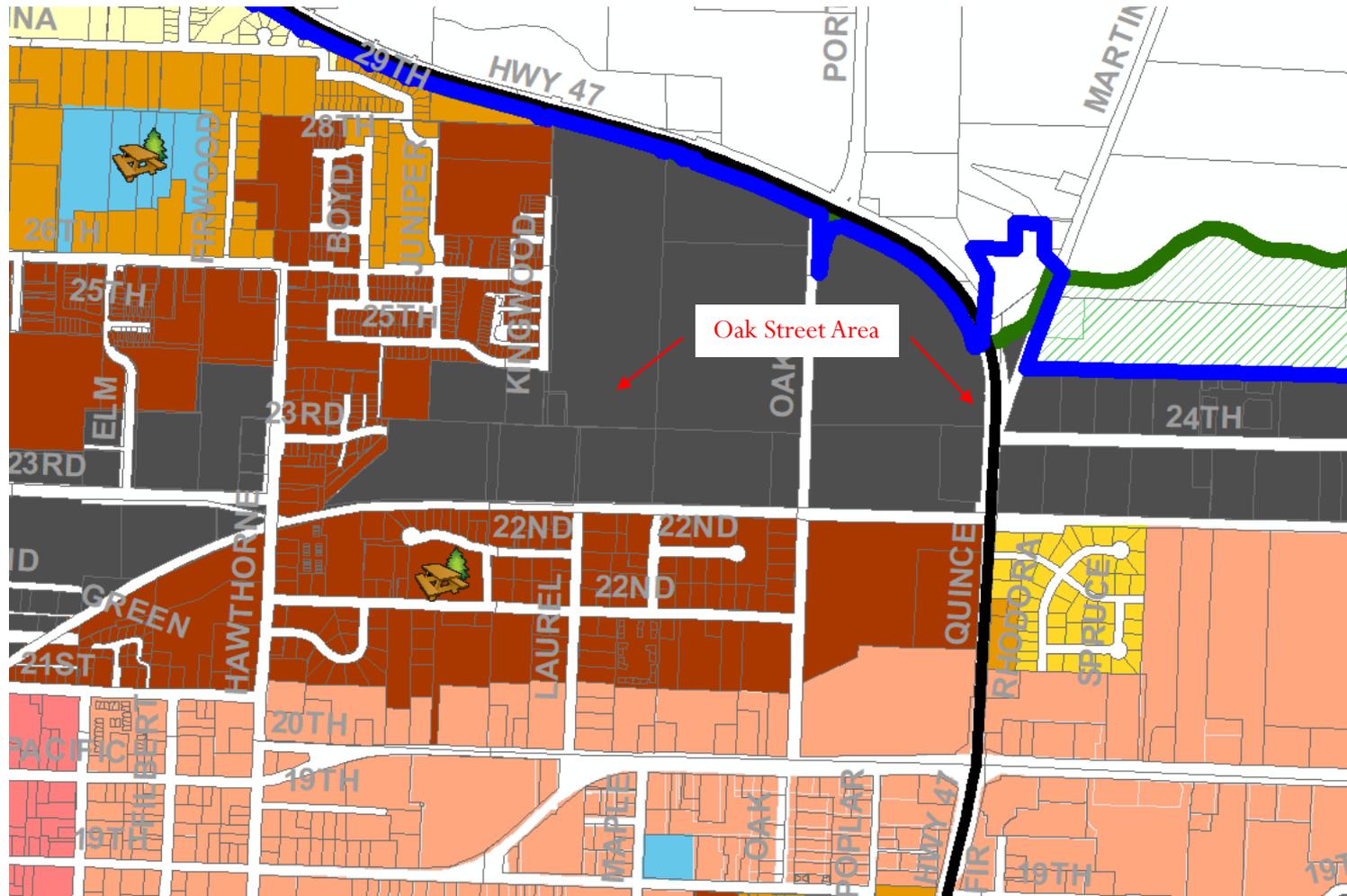
City Council Work Session  
November 13, 2018

Bryan Pohl, Community Development Director  
Dan Riordan Senior Planner

# Purpose

- Address City Council Goal Objective 1.3 “Industrial Area Planning” pertaining to the supply of industrial land:
  - *Review Comprehensive Plan to determine if supply of industrial land is appropriate, continue State certification process and report back to Council.*
- Get Council direction on initiating an Oak Street Concept Plan.

# Oak Street Context



## Economic Opportunity Analysis (EOA)

- The City's 2009 Economic Opportunity Analysis was updated recently by Johnson Economics.
- Both EOAs show supply of industrial land exceeds demand over the next 20 years.

# Economic Opportunity Analysis

- The draft EOA was presented to:
  - Planning Commission at a work session in June;
  - Council at a work session in September; and
  - Economic Development Commission in November.
- The EDC unanimously adopted a motion stating Council should accept the updated EOA. The EDC agreed the EOA provides a basis for further discussion on the type of employment land needed and expressed a desire to be involved in policy discussions affecting the Oak Street area.
- The Planning Commission will consider the final draft EOA later this year. If the Commission formally consents to the updated EOA, a recommendation will be forwarded to Council to adopt the EOA into the Comprehensive Plan.
- Once adopted into the Comprehensive Plan, the EOA may be used to make policy decisions related to land use.

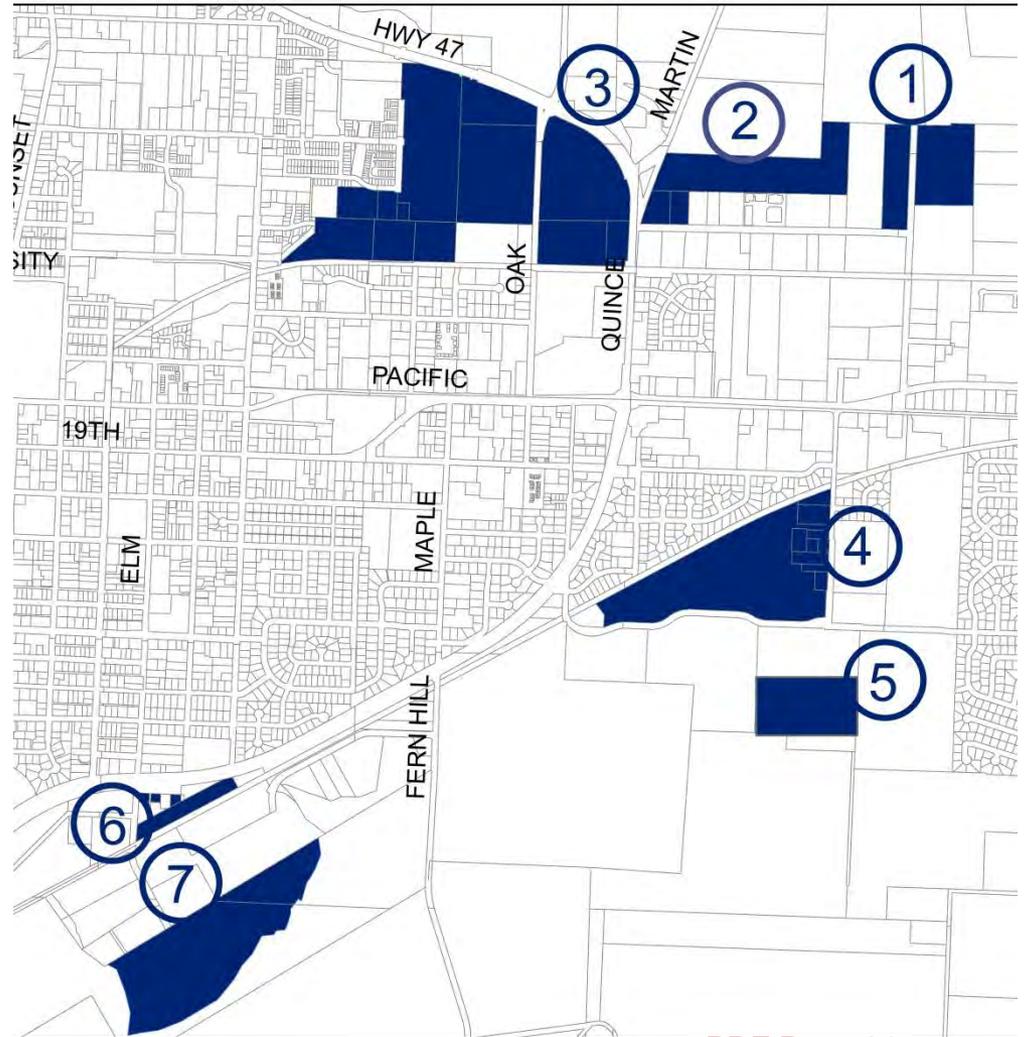
# Undeveloped Industrial Lands

Undeveloped industrial sites are categorized into 3 tiers by Business Oregon.

- Tier 1 means permits can be accessed and development can begin within 180 days.
- Tier 2 means permits can be accessed and development can begin within 18 months.
- Tier 3 means permits can be accessed and development can begin 36 months or longer.

# Undeveloped Industrial Lands

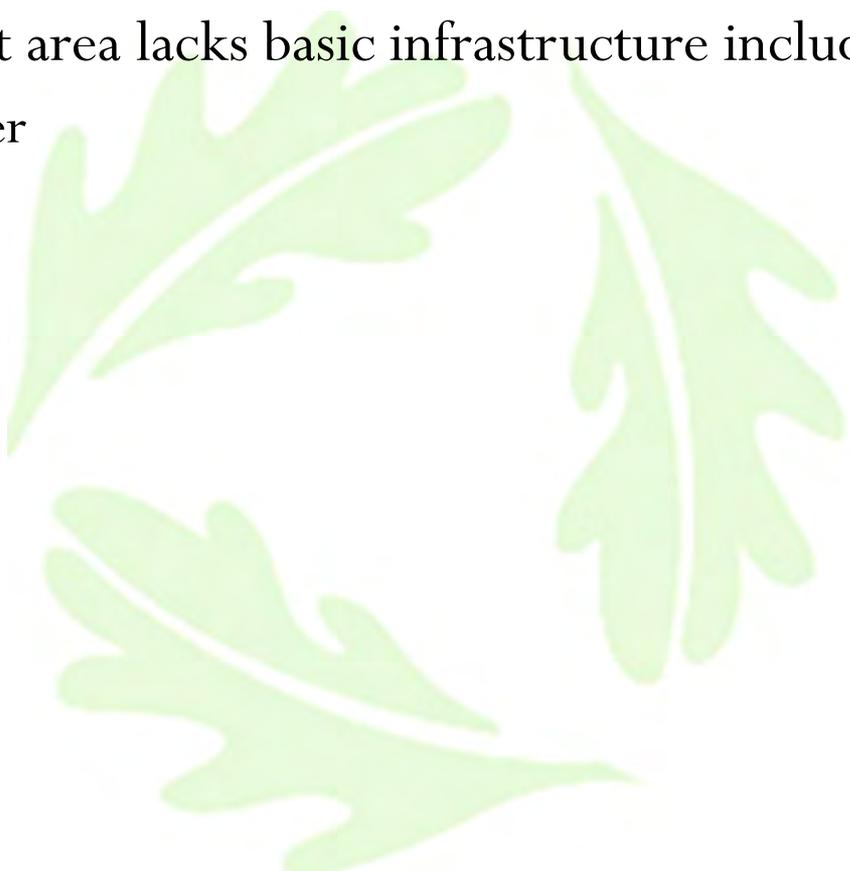
- |                    |        |
|--------------------|--------|
| 1. Henningsen      | Tier 1 |
| 2. Evers Trust     | Tier 2 |
| 3. Oak Street Area | Tier 3 |
| 4. TTM             | Tier 1 |
| 5. Heather Street  | Tier 1 |
| 6. Elm Street      | Tier 2 |
| 7. Haworth         | Tier 1 |



# Oak Street Area

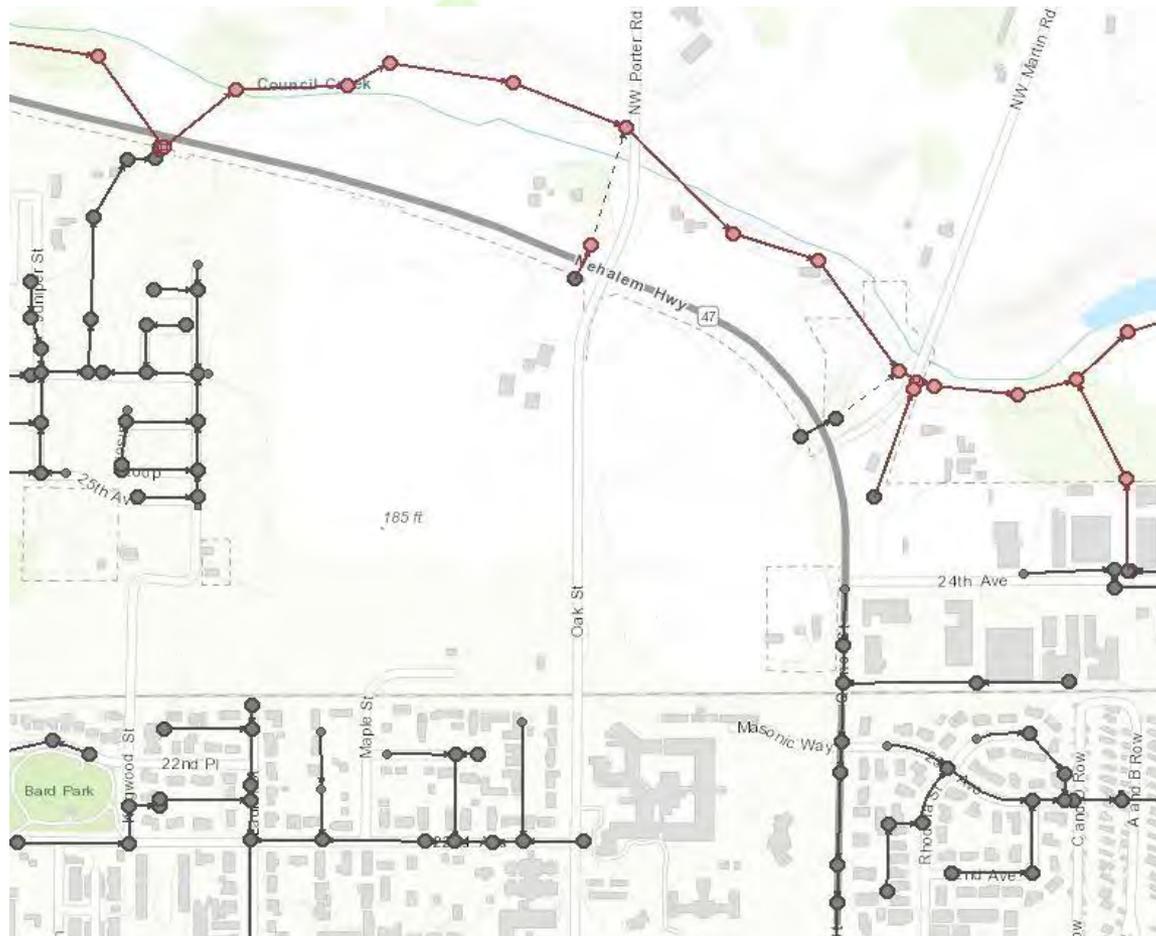
- The Oak Street area is considered to be Tier 3 due to the cost to extend infrastructure to and on the site.
- The Oak Street area is “underwater” meaning the cost of infrastructure exceeds the return on investment expected for industrial development.
- Given the impediments to development, Tier 3 sites are the least competitive from a development perspective. This is the principal reason the Oak Street area remains undeveloped.
- Staff would like to initiate a discussion about how to make Oak Street economically viable and more consistent with the EOA.

# Oak Street Context

- The Oak Street area lacks basic infrastructure including:
    - Sanitary Sewer
    - Storm Sewer
    - Water
    - Roads
- 

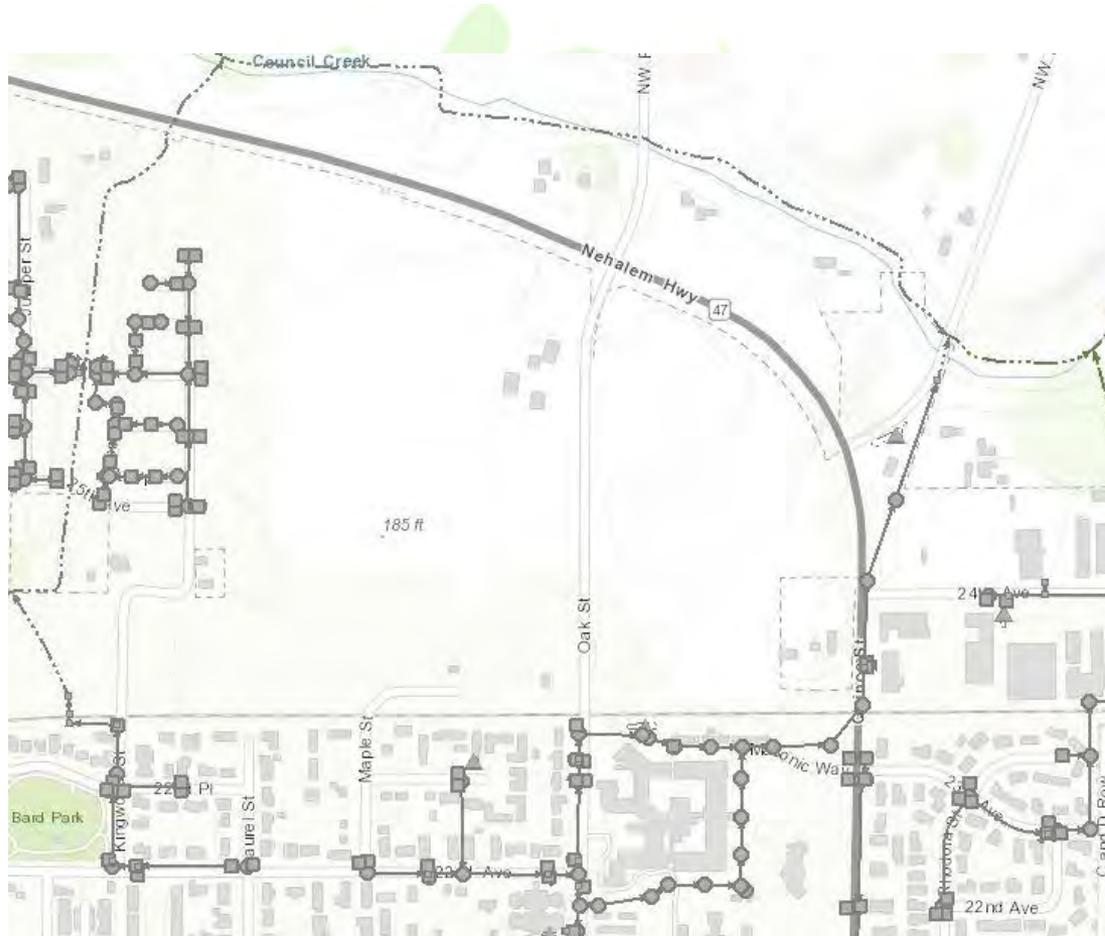
# Oak Street Context

## Existing Sanitary Sewer Infrastructure



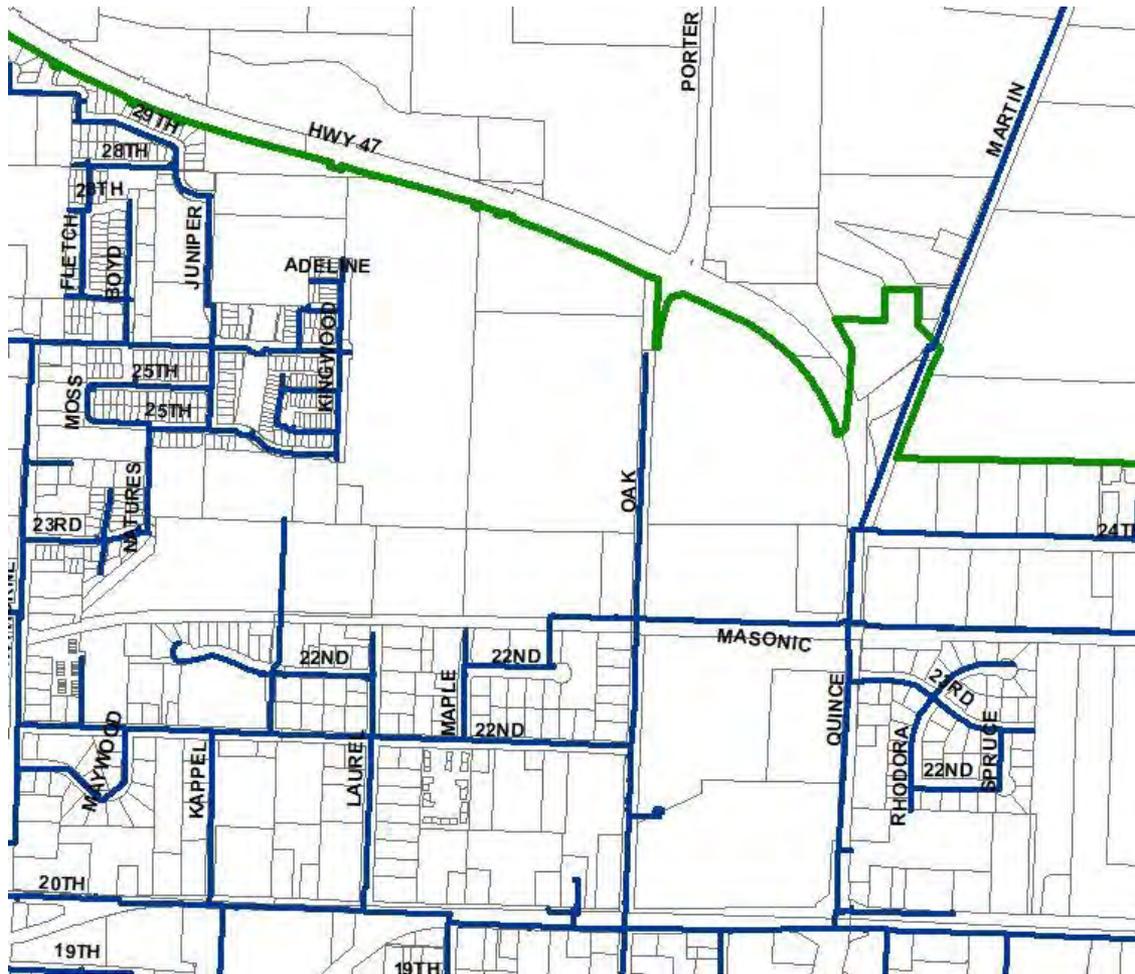
# Oak Street Context

## Existing Storm Sewer Infrastructure



# Oak Street Context

## Existing Water Infrastructure



# Oak Street Context

## Conceptual Transportation Plan



**FIGURE 8-1** UPDATED STREET FUNCTIONAL CLASSIFICATION SYSTEM

# Prior Oak Street Planning

- Transit-Oriented Development (TOD) Study (2011)
- Washington County Industrial Site Assessment Project (2015)



# TOD Study

- The City received a grant from ODOT in 2010 to look at the Oak Street area as a possible future transit-oriented (mixed-use) district.
- The project was timely since at that time Metro was prioritizing corridors for expanding high capacity transit.
- The idea was to develop a land use concept that would support ridership for future high capacity transit service to Forest Grove and to elevate the Hillsboro to Forest Grove corridor as a regional priority.
- The transit development concept was discussed by the Planning Commission as part of the update to the Comp. Plan adopted in 2014.
- The concept was supported by the Planning Commission, however, the Commission did not recommended adoption into the Comp. Plan largely due to the long time horizon for extending high capacity transit to Forest Grove.

# Transit Development Land Use Concept



**LEGEND**

- Through Street
- "Main Street"
- Fixed-Rail Transit
- Mixed-Use Land Use
- Commercial Land Use
- Industrial Land Use
- Access point subject to ODOT approval

FINAL PREFERRED ALTERNATIVE

Figure | 2 | Final Preferred Alternative

# Industrial Site Assessment

- Washington County received a grant from Metro in 2015 to assess industrial sites in the County including the Oak Street area.
- The study was conducted by Group McKenzie with assistance from Johnson Economics.
- The primary purpose of the study was to evaluate industrial sites and identify barriers to development.
- Two development concepts were prepared for the Oak Street area. One for the area east of Oak Street and one for the area west of Oak Street.

# Industrial Site Assessment

## Oak Street East Concept

### Site Assessment Results

WOODFOLD-MARCO EAST (SITE ID: 64) - FOREST GROVE

Conceptual Development Plan



#### Site Characteristics

Site Size: 27.7 acres

Net Developable Acreage: 23.1 acres

#### Development Characteristics

Site Use: Single-user food processing manufacturing with light industrial flex space for other uses

Total Building Size: 380,200 SF

Total Construction Cost: \$35,000,000

Total Site Development Costs: \$6,700,542; \$6.65/SF

Site Development Period: 18 months

# Industrial Site Assessment

## Oak Street West Concept

### Site Assessment Results

WOODFOLD-MARCO WEST (SITE ID: 65) - FOREST GROVE

Conceptual Development Plan



Site Characteristics	
Site Size: 53.7 acres	Net Developable Acreage: 50.9 acres
Development Characteristics	
Site Use: Single-user advanced/high-technology manufacturing campus	
Total Building Size: 781,200 SF	Total Construction Cost: \$69,000,000
Total Site Development Costs: \$12,759,589; \$5.76/SF	Site Development Period: 21 months

# Concept Cost Estimates

- The chart below shows the estimate cost of infrastructure for the TOD and industrial concepts based on the prior studies.

	TOD Concept (2011 \$)	Industrial Concept (2014/2015 \$)
Roads	\$30,193,000	\$8,730,000
Water (12 inch Main)	\$3,892,000	\$546,000
Sewer Lines	\$3,010,000	\$1,626,000
<b>TOTAL</b>	<b>\$37,095,000</b>	<b>\$10,902,000</b>

Sources:

TOD Concept: Forest Grove Transit-Oriented Development Plan and Implementation Strategy (2011), Parametrix, Urbsworks, Johnson Economics, Nelson Nygaard, SERA.

Industrial Concept: Washington County Industrial Site Assessment Project (2015), Mackenzie, Johnson Economics, Apex.

Road Cost for Industrial Concept reflects roads identified in the Forest Grove Transportation System Plan (2014), SCJ Alliance.

# Oak Street Options

- Possible options for Oak Street to analyze include:
  - Retain the General Industrial (GI) Zoning over the entire Oak Street area (i.e. status-quo). This allows for land banking industrial land for very long-term use (more than 20 years out);
  - Re-designate some of the Oak Street area Business Industrial Park (BIP). This would provide more flexibility in allowed employment uses compared to General Industrial;
  - Re-designate some of the Oak Street area Neighborhood Mixed Use (NMU). This would provide opportunity to medium to high density residential and commercial/office uses;
  - Re-designate some of the Oak Street area for Single family and/or Multi-family use;
  - All or any of the above (mixture of employment and/or residential zoning).

# Next Steps

- Next Steps Include:
  - Formal adoption of the EOA update:
    - Legislative amendment to the Comp. Plan.
    - Review by Planning Commission and formal recommendation to Council.
    - Council adoption of ordinance amending the Comp. Plan.
- Items for Council feedback:
  - Evaluate land use alternatives for Oak Street area and prepare land use concept recommendation.
  - Review land use alternatives and concept recommendation with stakeholders including the Economic Development Commission.
  - Planning Commission review and recommendation on preferred land use concept to Council.
  - Council review and adoption of ordinance amending the Comp. Plan map reflecting preferred land use designations.



The End