

ECONOMIC DEVELOPMENT COUNCIL WORK GROUP UPDATE

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Department: Planning Development and Research

Meeting Date: 01/28/26

Presenter(s), (if applicable): Councilors Ashton Simpson, Christine Lewis, and Juan Carlos Gonzalez; Catherine Ciarlo, Director of Planning Development and Research; Tom Rinehart, Rinehart Strategies

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ISSUE STATEMENT

Since 2020, the Portland Metro region has experienced a net population loss for the first time since the early 1980s. In 2025, Oregon lost over 14,000 jobs, many of those within Metro's boundary. The Governor of Oregon, Metro Councilors, and many of our Metro area's city councils and county commissions have identified economic growth and jobs creation as a top issue. This is especially critical given the importance of business tax revenues to support needed services and infrastructure in the region, the Metro Council is no exception, and in winter 2025 an internal Council work group was charged with 1) exploring Metro's role in regional economic development; and 2) bringing recommendations to the full Metro Council that consider best practices and opportunities for new programs, policies and projects under Metro's authority.

An internal working group of Metro Councilors and staff from Planning, Development and Research, Government Affairs, and Council office have been meeting since April 2025 to discuss Metro's role in supporting economic development in our region. The Metro Council work group on economic development explored how Metro can leverage its regional planning authority, land use responsibilities, and convening role to support long-term job growth. The work session today introduces four recommendations for the Council to consider.

Recommendations

1. Create a Job Ready Lands Program

As the steward of the region's Urban Growth Boundary (UGB) with statutory land use planning authority, Metro plays a central role in determining whether the region has an adequate supply of employment land for future growth. The current economic issues facing the region challenge Metro and public sector partners to expand on existing work to catalyze land readiness for employers to expand and relocate to the area. A Job Ready Lands program would work towards the goal of better national visibility for our region's

top priority vacant and ready to develop employment land parcels by including them in a national database for site selectors. The steps towards creating a Job Ready Lands program might include:

Q1-3 2026

- Refresh buildable employment lands inventory
- Identify target industries to create a regional strategy from local EOAs and CEDS priorities

Q4 2026-Q2 2027

- Site solicitation and need assessment
- State legislative strategy for Job Ready Lands funding

2027

- Identify funding strategy

2027 and beyond

- Marketing and integration with national database

2. Launch the Housing Production Accelerator fund

The Housing Production Accelerator Fund is part of how Metro will implement the Regional Housing Coordination Strategy (RHCS) and was elevated by the Council work group as an important action to accelerate housing and support economic development and job creation. On January 8th, 2026 the Council approved Resolution 25-5540 to create the Housing Production Accelerator Fund, a one-time investment of \$5 million of CET reserves to provide funding for local partners to speed up housing development.

3. Focus the update to the region's Comprehensive Economic Development Strategy (CEDS) to create a regional strategy for target industries

Greater Portland Inc. (GPI) and Metro are currently scoping work to do the next required update of the Comprehensive Economic Development Strategy (CEDS), to be completed by the end of 2026. The work group recommends that staff coordinate with GPI to support engagement by elected and high-level private sector leaders to increase ownership and improve implementation of the actions identified in the CEDS. A critical element is a regional strategy to identify priority target industries for our region. Technical and steering groups would analyze already existing and required local economic opportunity analyses (EOAs) in the region to elevate common priorities into a regional strategy for determining which target industries align with the region's job creation and employment.

4. Integrate strategic economic development activities into Metro's planning and decision making

Economic development has always been a part of Metro's work but has not always been specifically identified as a priority. The nature of the moment we are in right now calls for clarifying the impact of our programs, policies and investments for the regional economy. The workgroup recommends the Council direct itself and staff to 1) highlight the critical

role economic development plays in all of Metro's programs and activities and 2) expand Metro's presence and leadership in economic development forums, organizations, and conversations. This focus shift will help center Council and staff activities on intentional and inclusive economic development in our new and ongoing work.

FINANCIAL IMPLICATIONS

Developing implementation plans and programs for these recommendations would require staff time for both the development and ongoing administration of this work. Managing an effective program that achieves goals defined by the Council would require additional dedicated staff.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Metro History

Supporting the regional economy is core to Metro's responsibilities. Metro manages visitor venues like the Convention Center and the Oregon Zoo, supports development and provides funding for affordable housing, parks and natural areas. Metro's land use and transportation planning, policy and investments help to shape our region. Over the years, Metro has undertaken many projects and programs that influence economic development: below are a few examples:

- The Regional Transportation Plan is fundamentally about moving goods and people to support, among other things, the economy. The RTP includes a Regional Freight Plan.
- Collaborating with regional and local partners on high-capacity transit and shared strategies for transportation investment are paired with community led development strategies to support residents and businesses.
- Growth management decisions ensure that the region has enough employment land for long-term job growth.
- Periodic updates to our region's industrial land inventory have highlighted the investments necessary to make large industrial sites ready for development.
- Metro's policies, implemented by cities and counties, protect industrial lands from conflicting uses.
- Metro's brownfield grants fund site assessments.
- Metro's Construction Career Pathways Program works to build reliable construction career pathways for apprentices, women, and Black, Indigenous, and other people of color.
- Metro's venues such as the Zoo, EXPO, the Oregon Convention Center, and the Portland'5 Center for the Arts attract visitor dollars.
- Metro maintains data and analysis tools like the Economic Value Atlas to support policy and investment decisions.
- The Regional Affordable Housing Bond and Supportive Housing Services levy help to improve housing access and affordability for workers.

- Metro partners with Greater Portland, Inc. on the development of our region's Comprehensive Economic Development Strategy, which will soon be updated.

Economic Context

The Greater Portland region, much like the rest of the state, is in a job loss crisis. Our region is no longer growing at the rate we have experienced for many years, which limits the ability to fund priorities in our region. This has major impacts on people and businesses in the region. The Governor of Oregon has put forward a Prosperity Roadmap that highlights the need and the imperative for our region to grow jobs and retain businesses.

The Greater Portland Area's economy is hindered by a chronic shortage of development-ready industrial sites, particularly large lots. The region's ongoing debates about employment land adequacy, whether inside or outside the UGB, often lead to gridlock. Employers seeking sites for advanced manufacturing, clean tech, or logistics frequently find that the land exists in theory but is not actually available due to access, environmental constraints, or infrastructure gaps.

Meanwhile, other regions — notably Minneapolis, Detroit, Denver, and Salt Lake City — have invested heavily in site readiness and are better positioned to attract high-wage job creators. These regions have moved beyond regulatory planning and into coordinated implementation, backed by public-private partnerships and flexible capital deployment.

Metro's 2040 Growth Concept articulates a vision of compact development, connected centers, and regional job access. A Job Ready Land Program would complement and augment this vision by ensuring that employment lands are not only designated, but also ready for employers to activate. This is particularly important in responding to the need to balance housing development with regional job accessibility, reducing vehicle miles traveled (VMT) and promoting equitable prosperity.

In addition, Metro's statutory responsibilities under Oregon's statewide land use system (particularly Goal 9 – Economic Development, and Goal 14 – Urbanization) obligate the region to maintain an adequate supply of buildable employment land. This program provides a path to actualize those goals, ensuring the land within the UGB can meaningfully support job growth without unnecessary expansion. Finally, creating a program like this one would align with the current goals of the CEDS.

BACKGROUND

Council Work Group on Economic Development Process

In winter of 2025, Metro Council President Peterson asked Councilors Simpson, Lewis, and Gonzalez to lead efforts to explore Metro's role in regional economic development through creation and work of a Council work group. The group was charged with providing recommendations to the Metro Council no later than 1st quarter 2026 on how the Metro Council could create programs, policies and projects to help cities and counties in the Metro region:

- grow our local economies
- provide living wage jobs
- support existing and future business clusters
- increase access to workforce education
- promote urban and rural connections; and
- improve the affordability of the region.

The recommendations were intended to specifically:

- Inform ongoing work of the Metro Future Vision Committee and any long-range land use and transportation plan updates and help shape updates of the 50-year land use plan known as the 2040 Growth Concept.
- Enhance partnerships with Business Oregon, City/County economic interests, area chambers of commerce and economic alliances, other business organizations, CBOs and non-profits.
- Include ways to direct Metro grants and funding opportunities to advance economic development initiatives by cities and counties.
- Identify research and best practices from across the country that have the potential for significant economic benefit to the region.
- Document lessons learned about how Metro programs, policies and projects have helped support local, regional and statewide economic development.
- Identify opportunities to improve and enhance existing Metro economic development policies, projects and programs.
- Prioritize advancement in economic opportunities for all, including historically marginalized and underserved communities.

ATTACHMENTS

None