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CITY OF GRESHAM

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City of Gresham
Economic Opportunities Analysis

Prepared for: City of Gresham

ECOnorthwest

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Table of Contents

Executive Summary

The City of Gresham last completed an Economic Opportunities Analysis (EOA) in 2003. Since that time, Gresham and the broader region have experienced economic shifts shaped by the Great Recession, the COVID-19 pandemic, regional population trends, and evolving state and national policy priorities.

Gresham has also largely built out since the last EOA. The city remains a major employment center in eastern Multnomah County, with a strong concentration of traded-sector employment, particularly in manufacturing. However, Gresham now has fewer large greenfield employment sites available for development. As a result, future employment growth will depend less on expansion into new greenfield areas and more on redevelopment, infill, site assembly, infrastructure readiness, and more efficient use of existing industrial and commercial land.

PURPOSE OF THIS ECONOMIC OPPORTUNITY ANALYSIS

- **Forecast the amount of land needed to accommodate the future employment growth within Gresham between 2026 and 2046.**
- **Evaluate the existing employment land supply within the City to determine if it is adequate to meet that need.**
- **Help the City understand its economic opportunities in the context of Gresham's competitive advantages and disadvantages.**
- **Fulfill state planning requirements for a twenty-year supply of employment land.**

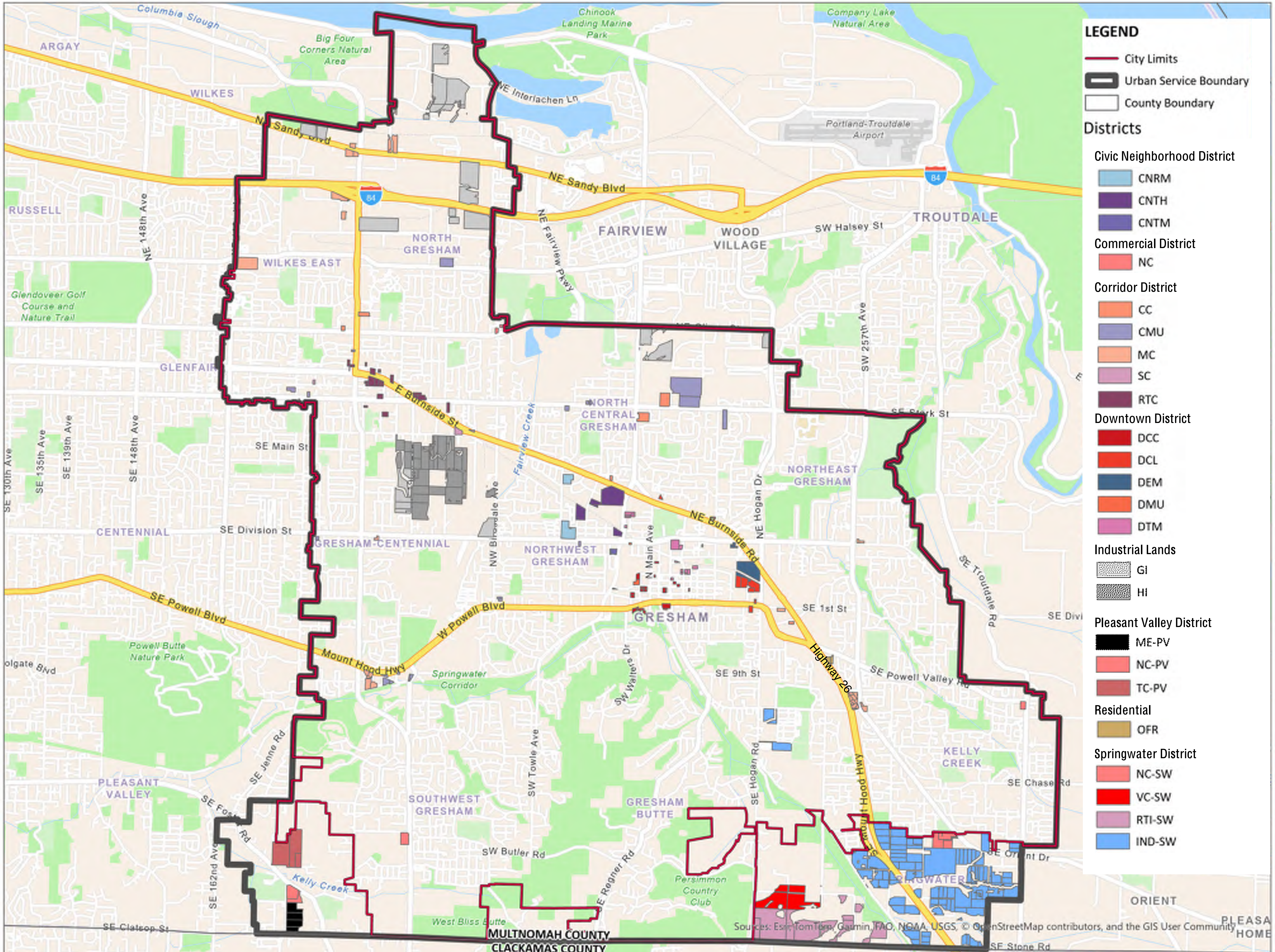
The EOA aligns with Statewide Planning Goal 9 and the Goal 9 Administrative Rule (OAR 660-009). It provides an updated employment forecast, identifies potential growth industries and their site needs, evaluates Gresham's commercial and industrial land supply, and assesses whether that supply is sufficient to accommodate expected employment growth over the 2026 to 2046 planning period.

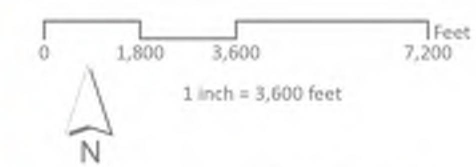
How much employment land does Gresham currently have?

Gresham has approximately 710 acres of unconstrained buildable employment land within its city limits and Urban Service Boundary as shown in Exhibit 1. About three-quarters of this land, approximately 537 acres, is in industrial districts. The remaining 174 acres is in commercial and mixed-use districts. Approximately 194 acres of the total buildable employment land supply is currently developed but is considered likely to redevelop during the planning period.

Exhibit 1: Unconstrained Buildable Area by District, Gresham Buildable Employment Lands Inventory

Gresham, Oregon

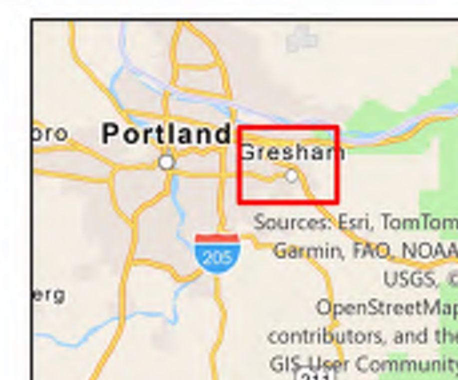




SOURCE DATA:
Metro RLIS Lite Base Data, FEMA
City of Gresham
Dec 2025

GEOGRAPHIC PROJECTION:
NAD 83 HARN, Oregon North
Lambert Conformal Conic

Date: 3/16/2026
Map Created By: SH
Project No: 2240411.01



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How much growth is Gresham planning for?

Gresham's employment base is projected to grow from 46,395 employees in 2026 to 51,852 employees by 2046, an increase of 5,457 jobs over the 20-year planning period.

How much land will be required for employment?

Forecasted employment growth over the 2026-2046 planning period is expected to create demand for approximately 200 gross acres of industrial land and 194 gross acres of commercial land.

Does Gresham have enough land to accommodate employment growth?

Gresham has sufficient industrial land capacity to accommodate forecasted industrial employment growth. The Buildable Lands Inventory (BLI) identifies approximately 537 acres of unconstrained buildable industrial land, compared to forecasted demand for approximately 200 acres. This results in an estimated industrial land surplus of about 337 acres.

However, total acreage does not fully reflect site suitability. Much of Gresham's vacant industrial land is located within the Springwater Plan Area. Springwater includes a substantial share of the city's remaining industrial land supply, but many sites in the area are less suitable for industrial development because of fragmented ownership, small and irregular parcels, environmental constraints, infrastructure needs, and limited freight and interstate access.

Even without relying on Springwater, Gresham has enough industrial land to accommodate forecasted industrial growth. Excluding Springwater, Gresham has approximately 265 acres of industrial land, compared to forecasted demand for approximately 200 acres. This results in an estimated industrial land surplus of about 65 acres. This narrower surplus means that future industrial growth will depend more heavily on redevelopment, infill, site assembly, and reinvestment within existing industrial areas.

Gresham has a modest commercial land deficit. The BLI identifies approximately 174 acres of buildable commercial and mixed-use land, compared to forecasted demand for approximately 194 acres. This results in an estimated deficit of about 20 acres. This deficit is relatively small in the context of Gresham's overall employment land supply and does not indicate a need to expand the employment land base. It does indicate, however, that future commercial growth will depend more heavily on redevelopment, infill, reuse of existing buildings, and more intensive use of existing commercial and mixed-use areas.

Overall, Gresham has sufficient employment land capacity to accommodate forecasted employment growth under Goal 9 requirements. The key implementation issue is how the City can support redevelopment, infill, site readiness, infrastructure investment, and efficient use of available land to meet the needs of target industries.

What are Gresham's key growth opportunities?

Gresham's economy is shaped by several strengths and challenges that influence its ability to retain, grow, and attract businesses.

KEY COMPETITIVE ADVANTAGES

- **Regional location and market access.** Gresham is located within the Portland metropolitan area, approximately 14 miles east of downtown Portland. Businesses in Gresham have access to a large regional labor pool, customer base, and supplier network.
- **Transportation access and freight connectivity.** Gresham benefits from access to I-84, U.S. 26, I-205, rail service, Portland International Airport, and Port of Portland facilities. These connections support freight movement, workforce access, and industrial activity.
- **Established manufacturing base.** Manufacturing is a core strength of Gresham's economy and the City's primary traded sector. The sector accounts for about 15% of covered employment, a higher share than in the region and nation. Gresham's manufacturing base includes firms in semiconductor-related manufacturing, transportation equipment, machinery, food manufacturing, and plastics and rubber products. Manufacturing also provides stable employment opportunities with wages above Gresham's overall average in many occupations, including jobs that do not require a four-year degree.
- **Workforce access and training assets.** Gresham draws from a substantial local and regional labor pool. Stakeholders described the local workforce as reliable and hard-working. The city also benefits from nearby workforce training assets, including Mt. Hood Community College.
- **Economic development tools and supportive City processes.** Gresham has several tools and programs to support business investment, redevelopment, and small business growth including the Enterprise Zone, Strategic Investment Zone, urban renewal, the Garage to Storefront program, storefront improvement grants, the Rapid Response Team, and expedited

review processes for qualifying industrial projects. Stakeholders generally described Gresham as responsive and supportive of industrial and traded-sector projects.

- **Large-scale industrial redevelopment opportunity.** The Heavy Industrial district includes a large redevelopment opportunity that could accommodate future traded-sector users needing larger contiguous sites with access to existing infrastructure. Realizing this opportunity will depend on market conditions, property owner willingness, site preparation needs, infrastructure requirements, and potential rezoning.

KEY CHALLENGES

- **Limited supply of vacant, development-ready industrial sites.** Gresham has sufficient industrial land capacity overall, but many sites are small, constrained, or not well positioned for larger industrial users.
- **Limited vacant commercial land capacity.** Gresham has a modest commercial land deficit, and much of its available commercial land consists of small and dispersed parcels. Future commercial growth will depend heavily on redevelopment, infill, and reuse of existing commercial properties.
- **Infrastructure extension and site development costs.** Gresham's remaining greenfield development opportunities are primarily in the Pleasant Valley and Springwater Plan Areas. Both areas will require varying levels of transportation, water, wastewater, and stormwater improvements to support future employment growth.
- **Redevelopment complexity.** With limited greenfield opportunities, employment growth will depend more heavily on redevelopment, infill, and site assembly. These projects can be more complex, costly, and uncertain than development on vacant land.
- **Tax competitiveness within a multi-state and multi-jurisdictional region.** Gresham's location within Multnomah County and the State of Oregon places it in a relatively high tax environment compared with some nearby alternatives. This includes Oregon's state income tax and additional local taxes applied in Multnomah County and the Portland region, such as business income taxes and voter-approved income-based taxes. These layered taxes can affect both business operating costs and household take-home income.

TARGET INDUSTRIES

The EOA identifies industries that are important to Gresham’s economy and are expected to account for a substantial share of future employment growth.

- **Manufacturing.** Manufacturing is Gresham’s strongest competitive sector and primary traded-sector growth opportunity. Existing strengths include computer and electronic products manufacturing, transportation equipment manufacturing, machinery manufacturing, food manufacturing, paper manufacturing, and plastics and rubber products manufacturing.
- **Wholesale trade and distribution-related activities.** Wholesale trade and distribution-related activities are closely tied to Gresham’s manufacturing base and regional freight access. These businesses support supply chains by moving goods between producers, suppliers, and end users.
- **Health Care and Social Assistance.** Health care and Social Assistance is the largest employment sector in Gresham, accounting for about 21% of covered employment. Many in this field are employed in hospitals, ambulatory care, nursing and residential care, and social assistance roles. This sector reflects Gresham's role as a service hub for eastern Multnomah County and surrounding communities. Growth is expected to be strong and stable due to demographic trends, particularly an aging population with increasing demand for health services.
- **Construction and Specialty Trades.** Construction and specialty trade contractors support regional growth and local development activity. While not a primary traded-sector driver, this sector plays an important supporting role in Gresham’s economy. Construction and trade-related businesses typically have lower-intensity land needs than traditional industrial uses and may be better suited to smaller or more constrained industrial sites.
- **Local Services and Retail.** Gresham has a strong concentration of retail trade and accommodation and food services, reflecting the City’s role as a commercial and service center for surrounding neighborhoods and communities.

Conclusions and Recommendations

The analysis indicates that Gresham has sufficient industrial land capacity to accommodate forecasted industrial growth, even without relying on Springwater. However, excluding Springwater narrows the industrial land surplus and increases the importance of redevelopment, infill, site assembly, infrastructure readiness, and reinvestment within existing industrial areas.

The analysis also indicates that Gresham has a modest commercial land deficit. This deficit can likely be addressed through redevelopment, infill development, reuse of existing buildings, and more intensive use of existing commercial and mixed-use areas.

Infrastructure does not appear to create a broad citywide barrier to accommodating forecasted employment growth, but infrastructure readiness will affect where and when development can occur. Existing employment areas are generally better positioned for near-term growth, while Pleasant Valley and Springwater require additional infrastructure planning, developer-funded improvements, public investment, or additional analysis before they can support more substantial employment development.

To support employment growth over the planning period, the City should:

- **Update Comprehensive Plan goals and policies** to reflect Gresham's current economic development priorities and existing land base. Policies should reflect Gresham's position as an established employment center and align with the City's Economic Development Strategy.
- **Support redevelopment, infill, and reinvestment** in existing industrial and commercial areas, particularly where infrastructure is already in place.
- **Evaluate rezoning opportunities in the Heavy Industrial district** to determine whether portions of the district should be repositioned to better support future industrial redevelopment.
- **Align infrastructure planning and capital investments with employment land readiness**, including targeted improvements that support redevelopment and near-term employment growth.
- **Continue evaluating the long-term role of the Springwater Plan Area** based on what the area can realistically support, rather than relying on prior assumptions about large-scale greenfield industrial development.
- **Use public finance and incentive tools, where appropriate,** to support redevelopment, site readiness, infrastructure improvements, and private reinvestment.
- **Continue implementing the Economic Development Strategy**, with emphasis on site readiness, redevelopment, infill, infrastructure, business retention, traded-sector support, and small business assistance.

Taken together, these actions would help Gresham accommodate forecasted employment growth, make better use of its existing employment land base, and support industries that strengthen the city's role as an employment center in eastern Multnomah County.

1. Introduction

The City of Gresham last completed an Economic Opportunities Analysis (EOA) in 2003. Since then, Gresham and the broader Portland region have experienced substantial economic change, including the Great Recession, the COVID-19 pandemic, advances in automation and artificial intelligence, changing population and labor force trends, and shifts in state and national policy priorities. These changes have affected where businesses choose to locate, the types of jobs and industries likely to grow, and the types of development that are feasible. An updated EOA will help Gresham understand its current economic position and identify realistic opportunities for future growth.

Gresham is a major employment center for eastern Multnomah County, with strengths in manufacturing, health care, retail, and services. Its location along I-84, access to freight routes, and connection to the regional labor market have helped support a diverse business base. Manufacturing remains one of Gresham's defining economic strengths, including semiconductor-related manufacturing, machinery manufacturing, transportation equipment manufacturing, and food manufacturing. Health care and social assistance are also major parts of the local economy, reflecting Gresham's role as a regional center for medical services and employment.

At the same time, Gresham faces several constraints that will shape future employment growth. The city has a limited supply of vacant, large, development-ready industrial sites and commercial sites. Southern growth areas, including Pleasant Valley and Springwater, remain planned for future growth, but they are unlikely to fully address Gresham's employment land needs. Pleasant Valley is primarily residential and mixed use in character, with supporting commercial development. Springwater has historically been identified as Gresham's primary industrial expansion area, but much of the area has small parcels with fragmented ownership, limited transportation and freight access, environmental constraints, and infrastructure needs that complicate industrial development and site readiness. As a result, Springwater is unlikely to accommodate the scale of industrial growth envisioned in prior planning efforts.

Because Gresham is largely built out outside of Pleasant Valley and Springwater, much of its future economic growth will depend on redevelopment, reinvestment, and more intensive use of existing employment areas. Older industrial areas and commercial corridors may provide opportunities for business expansion and redevelopment, particularly where sites have strong transportation access and existing infrastructure. Supporting these opportunities will likely require continued attention to infrastructure investment, site readiness, regulatory flexibility, and policies that encourage reinvestment. In addition, stakeholders identified advantages for economic development, including lower operating costs in Gresham relative to Portland and the City's generally positive and responsive approach. These advantages may support business retention and investment.

Updating the EOA allows the City to reassess its employment land needs and align economic development policies with current opportunities and constraints. The EOA projects employment growth from 2026 to 2046, identifies the types and amounts of land needed to support that growth, and evaluates land supply, redevelopment potential, and economic development opportunities. It provides a foundation for Comprehensive Plan updates and broader economic development efforts, helping align land use policies, infrastructure planning, and economic priorities.

The EOA draws on data from the Oregon Employment Department, U.S. Bureau of Labor Statistics, and U.S. Census Bureau, along with stakeholder interviews and coordination with regional and local partners. Together, these sources provide the basis for evaluating Gresham's economic trends, employment forecasts, land needs, and redevelopment opportunities.

Framework for an Economic Opportunities Analysis

The content of this report is designed to meet the requirements of Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009). The analysis in this report is designed to conform to the requirements for an EOA in OAR 660-009.

1. *Economic Opportunities Analysis (OAR 660-009-0015)*. The Economic Opportunities Analysis (EOA) requires communities to 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; identify the number of sites by type that are reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses; include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. Local governments are also encouraged to assess community economic development potential through a visioning process or some other public input–based process in conjunction with state agencies.
2. *Industrial and commercial development policies (OAR 660-009-0020)*. Cities are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local

comprehensive plans must also include policies that commit the City or county to designate an adequate number of employment sites of suitable sizes, types, and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area.

3. *Designation of lands for industrial and commercial uses (OAR 660-009-0025)*. Cities and counties must adopt measures to implement policies pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage, and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies and must designate serviceable land suitable to meet identified site needs.

Stakeholder Engagement Process

Throughout March 2026, ECOnorthwest conducted stakeholder interviews and focus groups with local businesses, business support organizations, regional economic development partners, and infrastructure providers. Focus group participants included representatives from Greater Portland Inc., the Columbia Corridor Association, the Port of Portland, and Portland General Electric (PGE). ECOnorthwest also conducted interviews with representatives from the Gresham Area Chamber of Commerce and the Small Business Development Center at Mt. Hood Community College, as well as two local businesses.

These conversations highlighted Gresham's key economic strengths, including its manufacturing base, access to freight routes, access to a regional workforce, and comparatively lower operating costs relative to Portland. The conversations identified challenges that could affect future growth, including limited vacant industrial land, rising infrastructure costs, workforce skills mismatch with business needs, regional tax competitiveness, and uneven experiences with City processes, with smaller businesses reporting more difficulty navigating permitting, accessing information, and receiving support than larger industrial or traded-sector projects.

The project team also held one work session with the Planning Commission and one with the City Council. These public meetings provided opportunities for decision-makers to review findings, discuss economic development objectives, and help ensure that the analysis and recommendations aligned with Gresham's broader community and economic development priorities.

Organization of This Report

This report is organized as follows:

- **Chapter 2. Economic Trends Shaping Gresham's Future** summarizes historic economic trends that affect current and future economic conditions in Gresham, as well as its competitive advantages and disadvantages for economic development.
- **Chapter 3. Employment Growth and Site Needs** presents a forecast for employment growth in Gresham and describes potential growth industries and site needs.
- **Chapter 4. Buildable Lands Inventory** presents a summary of the inventory of employment lands.
- **Chapter 5. Land Sufficiency and Conclusions** compares the supply of employment land with the future need for land and presents conclusions and recommendations.

This report also includes two appendices:

- **Appendix A. National, State, and Local Trends**
- **Appendix B. Buildable Lands Inventory Manual Adjustment Log**

2. Economic Trends Shaping Gresham's Future

Gresham is located in eastern Multnomah County within the Portland region, which functions as an integrated labor market. Workers regularly commute across jurisdictional boundaries, and employers draw from a shared regional workforce. As a result, Gresham's economy is closely tied to broader regional trends. Local businesses benefit from access to a regional labor pool, customer base, and sources of investment, while residents can access employment opportunities throughout the region.

At the same time, Gresham serves as a distinct economic and employment center. The city functions as an industrial hub, with strong transportation and freight connections that enable firms to serve regional, national, and international markets. Industrial areas are concentrated along the I-84 corridor, providing direct access to east–west interstate routes and connections to the Port of Portland and Portland International Airport. Gresham also serves as a service center for eastern Multnomah County and nearby communities.

Gresham has a diverse employment base. The city's largest private sector industries are health care and social assistance, manufacturing, and accommodation and food services. Health care and social assistance and manufacturing are more concentrated in Gresham than in the Portland region overall. Health care and social assistance accounts for 21% of jobs in Gresham, compared with 13% regionwide, and

UNDERSTANDING ECONOMIC DEVELOPMENT

What is Economic Development? Economic development refers to efforts that strengthen a community's economy by attracting investment, creating jobs, and supporting business growth. In Oregon, cities often focus on stimulating real estate development and capital investment because property tax is their primary source of revenue to fund public services. With no sales tax in Oregon, and income taxes going to the State, cities like Gresham prioritize facilitating new property development that grows the local tax base.

Why Do Firms Choose Certain Locations? Businesses consider multiple factors when selecting a location, including availability of skilled labor, infrastructure availability (roads, utilities, etc.), proximity to customers and suppliers, and cost factors including land, wages, taxes and the regulatory climate. Entrepreneurial environments, industry clusters, and quality of life also play a role in attracting new businesses.

Public Policy's Role in Economic Development: Government policies—including zoning, incentives, and infrastructure investments—directly impact a City's ability to attract and retain businesses.

manufacturing accounts for 15% in Gresham, compared with 11% in the region. These sectors play an important role in the city's economy.

This chapter describes the key factors shaping Gresham's economy and places the city in the context of national, state, and regional trends. It evaluates Gresham's employment base and identifies strengths that support business growth and economic development, along with constraints that may limit future growth.

Summary of the Effect of National, State, and Regional Trends on Economic Development in Gresham

This section synthesizes the national, state, and regional trends described and documented in Appendix A and interprets their implications for economic development in Gresham.

As detailed in Appendix A, national, state, and regional economic trends will shape the pace and pattern of economic growth in Gresham over the 20-year planning period, 2026-2046. Taken together, these trends suggest slow to moderate employment growth in Gresham, increasing labor constraints, and rising costs that may affect business expansion and development feasibility. These trends also suggest that growth may be uneven across sectors, with stronger demand in health care and industrial activities and more limited growth in some retail and office uses.

- **Slowing employment growth.** Oregon's labor force growth is slowing due to persistently low birth rates and shifts in migration patterns, which have led to downward revisions in the state's population and labor force growth outlook. Employment in the state and Portland region is expected to continue to grow, but at a slower pace than in the prior decade.

  Between 2024 and 2034, the Portland region (defined as Multnomah, Clackamas, and Washington counties) is projected to add about 78,000 jobs at an average annual growth rate of 0.7%.[1] This compares with an average annual growth rate of 0.8% between 2007 and 2024, a period that includes both the Great Recession and the COVID-19 pandemic. Gresham's employment growth averaged 0.6% annually during that period.[2] Looking ahead, Gresham's growth will likely reflect the region's slowing trajectory.

- **Labor availability constraints.** Labor force growth is expected to slow due to demographic trends and immigration policy. An aging workforce will increase demand for replacement workers, while stricter immigration policies may

[1] See Exhibit 4. Oregon Employment Department. Employment Projections by Industry, 2024-2034
[2] See Exhibit 2 and Exhibit 5; Oregon Employment Department, Quarterly Census of Employment and Wages, 2007–2024.

reduce labor availability in sectors that rely heavily on foreign-born workers, including construction, agriculture, food processing, and hospitality. These trends are particularly relevant to Gresham, where construction and manufacturing account for relatively large shares of employment. In 2024, construction accounted for about 5% of covered employment in Gresham and manufacturing accounted for about 15%.[3] Gresham also has a notable concentration in food manufacturing, suggesting that labor constraints affecting food processing-related industries may be particularly relevant locally. Gresham also has a higher share of foreign-born residents than the region (about 18% compared to 14%)[4], which may increase local exposure to changes in immigration policy. Taken together, these trends may limit the ability of some firms to hire and expand.

- **Rising costs and inflation**. Inflation rose sharply in 2021 and, although it has moderated, prices remain elevated relative to pre-pandemic levels. As households spend more on necessities, they have less income available for discretionary goods and services. This is relevant in Gresham, where retail trade accounts for about 12% of covered employment and accommodation and food services account for about 11%.[5] Reduced discretionary spending may slow growth in these sectors.

  At the same time, higher costs and interest rates are affecting businesses more broadly. Rising input costs for labor, materials, and energy can compress margins, while higher borrowing costs reduce the feasibility of new development and business expansion. These conditions may delay investment, hiring, and real estate development across a range of industries, including manufacturing and logistics. As a result, inflationary pressures may constrain overall economic growth in Gresham, not just in consumer-facing sectors.

- **Trade exposure and tariff vulnerability.** Oregon's economy is highly dependent on exports, with more than half of goods shipped to Mexico, China, and Canada. This concentration increases exposure to changes in trade policy and global market conditions. During the 2018 to 2019 trade war, Oregon's GDP growth declined by 2.5 percentage points, illustrating the potential impacts of tariff escalation.[6] This is relevant to Gresham because of

[3] See Exhibit 5 and Exhibit 16. Oregon Employment Department, Quarterly Census of Employment and Wages, 2007–2024.
[4] US Census Bureau. American Community Survey 1-Year Estimates, 2024, Table DP02
[5] See Exhibit 5. Oregon Employment Department, Quarterly Census of Employment and Wages, 2007–2024.
[6] See Appendix A. Oregon Economic Analysis, Oregon Economic and Revenue Forecast, March 2025. Vol. XLV, No. 1. Release date February 2025, https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0325.pdf

its concentration in manufacturing and other traded-sector industries. Trade disruptions may increase costs, reduce demand for exports, and introduce uncertainty for local firms.

- **Industrial market strengths and constraints.** National and state trends suggest continued opportunity in industrial sectors such as advanced manufacturing, logistics, warehousing, and food and beverage production. Gresham is well positioned locationally to benefit from these trends given its existing industrial base and established employment areas along I-84 and Stark Street. However, the city has limited unconstrained, vacant industrial land. As a result, opportunities for new industrial development that require sites larger than 20 acres are limited. This constraint is not unique to Gresham, as large, development-ready industrial sites are increasingly scarce across the Portland region. In some cases, the lack of available land may prevent the city from accommodating new firms or expansions by existing businesses. Most future industrial growth would need to occur through redevelopment and intensification of existing employment areas, which can be more complex and costly than development on vacant land.
- **Shifts in manufacturing trends.** Manufacturing is a major component of Gresham's economy and an important source of higher-wage employment. In 2024, manufacturing accounted for about 15% of covered employment in Gresham, compared to 11% in the region.[7] At the same time, recent trends in Oregon suggest that manufacturing employment growth may be limited in the near term. Between early 2019 and 2023, manufacturing employment declined by about 6% in Oregon, while increasing by about 1% nationally.[8] This reflects a shift toward productivity gains and capital investment rather than labor-driven expansion. Rising housing costs, taxes, and recent policy changes may also be weakening Oregon's historic appeal to some manufacturers. In Gresham, manufacturing is likely to remain an important economic strength, but future employment growth may be more modest and increasingly shaped by these broader state conditions as well as the availability of suitable industrial sites.
- **Shifts in retail, office, and commercial development patterns.** Retail demand continues to shift in response to e-commerce and changing consumer preferences, with growth concentrated in food service, entertainment, and essential goods. This is especially relevant in Gresham because retail accounts for a larger share of employment than in the region

[7] See Exhibit 5 and Exhibit 16. Oregon Employment Department, Quarterly Census of Employment and Wages, 2007–2024.

[8] See Appendix A. Oregon Employment Department, Made in Oregon: A profile of the State's Manufacturing Sector, May 2024.

(12% compared to 8%)[9], meaning these trends may result in proportionally larger decreases in retail demand in Gresham. Demand for traditional retail space may be more limited, while demand for service-oriented and experiential uses is expected to remain stronger.

At the same time, remote and hybrid work have reduced demand for office space across the region. Because Gresham has a relatively small office market, it is less exposed to these shifts. With limited vacant commercial land, much of which consists of small, dispersed sites, future development will occur through a mix of new development as well as redevelopment or reuse of existing commercial buildings.

- **Demographic change and demand for services.** Gresham's population is aging, although it remains younger than Multnomah County and Oregon. In Gresham, the share of residents age 65 and older increased from about 11% in 2010 to approximately 18% in 2024.[10] The older population is also growing across the region and state, which is expected to increase demand for health care and related services. This is especially relevant in Gresham because health care and social assistance already account for about 21% of covered employment, compared with 13% in the region.[11] The sector is projected to add nearly 19,000 jobs in the Portland region between 2024 and 2034.[12] Gresham's existing concentration in this sector makes it well-positioned to capture additional growth.
- **Entrepreneurship and small business dynamics.** The creation of new businesses is essential to the economies of both Oregon and Gresham, driving job growth and introducing innovations to the marketplace. High inflation, rising interest rates, and recession risks, along with tighter access to venture capital and banking lending conditions, have slowed new business formation. However, several favorable factors could mitigate these impacts going forward and support continued strength in entrepreneurship and small business formation in Oregon. These include increased personal savings and home equity, which are common funding sources for new businesses, and demographic trends such as the large millennial cohort entering prime entrepreneurial years (late 30s and early 40s, according to Census Bureau research).

[9] See Exhibit 5 and Exhibit 16. Oregon Employment Department, Quarterly Census of Employment and Wages, 2007–2024.
[10] See Exhibit 31. US Census Bureau. 2010 Summary File P12; American Community Survey 1-Year Estimates, 2024, Table DP02
[11] See Exhibit 5 and Exhibit 16. Oregon Employment Department, Quarterly Census of Employment and Wages, 2007–2024.
[12] See Exhibit 4. Oregon Employment Department. Employment Projections by Industry, 2024-2034

Gresham's access to a relatively young workforce, both within the city and across the Portland region, supports small business development. Gresham also has a relatively higher share of foreign-born residents than the region (about 18% compared to 14%)[13], and research shows that immigrants are more likely than U.S.-born residents to start businesses, contributing disproportionately to new firm formation. [14]

- **Continued increase in demand for energy.** Demand for electricity is expected to increase over time, especially from industrial users with large power needs. For Gresham, this could become an important economic development issue because power availability may affect the city's ability to accommodate some types of industrial growth. Gresham's proximity to the Bonneville Dam with access to regional hydroelectric power infrastructure is a potential advantage, particularly for energy-intensive industries. However, meeting future demand will still depend on continued investment in energy generation and transmission capacity across the Portland region.

  Rising fuel prices and state-level pushes toward electric vehicle adoption may alter commuting behavior and increase demand for EV infrastructure. As energy costs climb, proximity to job centers and transportation-efficient development will become increasingly important. Gresham's location near I-84, I-205, and US 26 and position as a regional employment center is a long-term advantage.

- **Increases in automation.** Automation continues to reshape employment across sectors, reducing demand for routine and repetitive tasks while increasing the need for higher-skilled roles. Several dominant industries in Gresham, including manufacturing and retail, are particularly exposed to these shifts. In the service sector, tools such as self-checkout and automated ordering systems are becoming more common, while in manufacturing, processes such as assembly, material handling, and quality control are increasingly automated. These trends may reduce demand for some entry-level and middle-skill roles while increasing demand for workers with technical and operational skills. Workforce training providers, including Mt. Hood Community College, play an important role in preparing workers for these changes.

- **Emerging impacts of artificial intelligence (AI) and robotics.** Artificial intelligence and robotics are expanding beyond routine automation to affect both cognitive, administrative, and physical tasks across a wide range of

[13] US Census Bureau. American Community Survey 1-Year Estimates, 2024, Table DP02

[14] Azoulay, Pierre, Benjamin F. Jones, J. Daniel Kim, and Javier Miranda. 2022. *Immigration and Entrepreneurship in the United States*. NBER Working Paper No. 27778. Cambridge, MA: National Bureau of Economic Research. https://doi.org/10.3386/w27778.

industries. Occupations involving data processing, customer service, scheduling, basic analysis, and documentation are increasingly supported or augmented by AI tools, while robotics is being applied to tasks such as manufacturing processes, material handling, and warehousing. In Gresham, these impacts are likely to be most pronounced in administrative, clerical, and customer-facing roles, as well as in production and logistics functions within major local sectors such as manufacturing, health care and social assistance, and retail.

These technologies are expected to change the composition of jobs and required skills more than to reduce total employment. Displacement risk is likely to be concentrated in routine administrative, clerical, and customer-facing roles, including functions such as billing, scheduling, and customer service, as well as some production and logistics activities. At the same time, AI and robotics are expected to improve productivity and increase demand for workers with digital, technical, and analytical skills, as well as interpersonal and communication skills that are less easily automated.

In Gresham, these trends may create opportunities for productivity gains and business growth but will also increase demand for workforce training and skill development. The pace and distribution of these impacts remain uncertain and will vary across industries and occupations.

- **Potential impacts of global climate change on Gresham's economy**. Climate change is expected to increase the frequency and severity of extreme heat, wildfire smoke, and other weather-related disruptions in the Pacific Northwest. In Gresham, these impacts may be felt most acutely in neighborhoods with lower tree canopy, such as Hogan Cedars, Rockwood, North Gresham, and Central City.[15] Higher temperatures and poorer air quality can affect worker health, customer activity, and overall livability. Climate change impacts such as hotter summers and more intense rainstorms may also increase pressure on infrastructure systems, including roads, stormwater facilities, and energy systems, and may raise operating and maintenance costs over time. For local businesses, these conditions could lead to more disruptions from heat and wildfire smoke, higher utility costs, and added need for investments in cooling, shade, and other resilience measures.

[15] City of Gresham. 2021. Gresham and Fairview NPDES Annual Report 2021: Permit Year 26. Retrieved from https://www.greshamoregon.gov/globalassets/city-departments/environmental-services/water-resources/watershed-management/2021-npdes-annual-report.pdf?id=13093&utm.

Employment Trends in Gresham and the Portland Region

Since Gresham last updated its EOA in 2003, the city's economy has changed substantially. The Great Recession, the COVID-19 pandemic, changes in national tariff and immigration policy, outmigration from Multnomah County, and other national and state trends have all affected local economic conditions. This section examines how these broader forces have shaped economic trends in Gresham and the Portland region over roughly the past two decades.

Employment Trends in Portland Region

Exhibit 2 shows covered employment in the Portland region (Clackamas, Multnomah, and Washington counties) for 2007 and 2024.[16] Over this period, covered employment grew by 121,676 or 15%. The largest increases were in health care and social assistance (up 41,274 jobs) and professional, scientific, and technical services (up 22,257 jobs). Management of companies and enterprises also saw strong growth, increasing by nearly two-thirds, or 14,473 jobs. In 2024, the average annual wage across the region was $83,911.[17]

Exhibit 2. Covered Employment by Industry, Portland Region, 2007–2024

Sector	Employees		Change in Employment 2007-2024		
	2007	2024	Number	Percent	AAGR*
Agriculture, Forestry, and Mining	10,434	9,239	(1,195)	(11%)	(0.7%)
Construction	48,646	58,337	9,691	20%	1.1%
Manufacturing	102,778	97,748	(5,030)	(5%)	(0.3%)
Wholesale Trade	50,097	45,721	(4,376)	(9%)	(0.5%)
Retail Trade	87,545	87,122	(423)	(0%)	(0.0%)
Transportation, Warehousing, and Utilities	31,609	42,309	10,700	34%	1.7%
Information	21,156	20,376	(780)	(4%)	(0.2%)
Finance and Insurance	37,606	29,613	(7,993)	(21%)	(1.4%)
Real Estate and Rental and Leasing	15,078	16,044	966	6%	0.4%
Professional, Scientific, and Technical Services	43,880	66,137	22,257	51%	2.4%
Management of Companies and Enterprises	21,623	36,096	14,473	67%	3.1%
Administrative, Support, Waste Management and Remediatic	51,221	54,840	3,619	7%	0.4%
Private Education	15,201	18,982	3,781	25%	1.3%
Health Care and Social Assistance	83,749	125,023	41,274	49%	2.4%
Arts, Entertainment, and Recreation	11,152	15,160	4,008	36%	1.8%
Accommodation and Food Services	68,206	77,267	9,061	13%	0.7%
Other Services and Unclassified	31,743	35,875	4,132	13%	0.7%
Government	100,832	118,343	17,511	17%	0.9%
Total	**832,556**	**954,232**	**121,676**	**15%**	**0.8%**

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2007–2024.
*AAGR = Average Annual Growth Rate

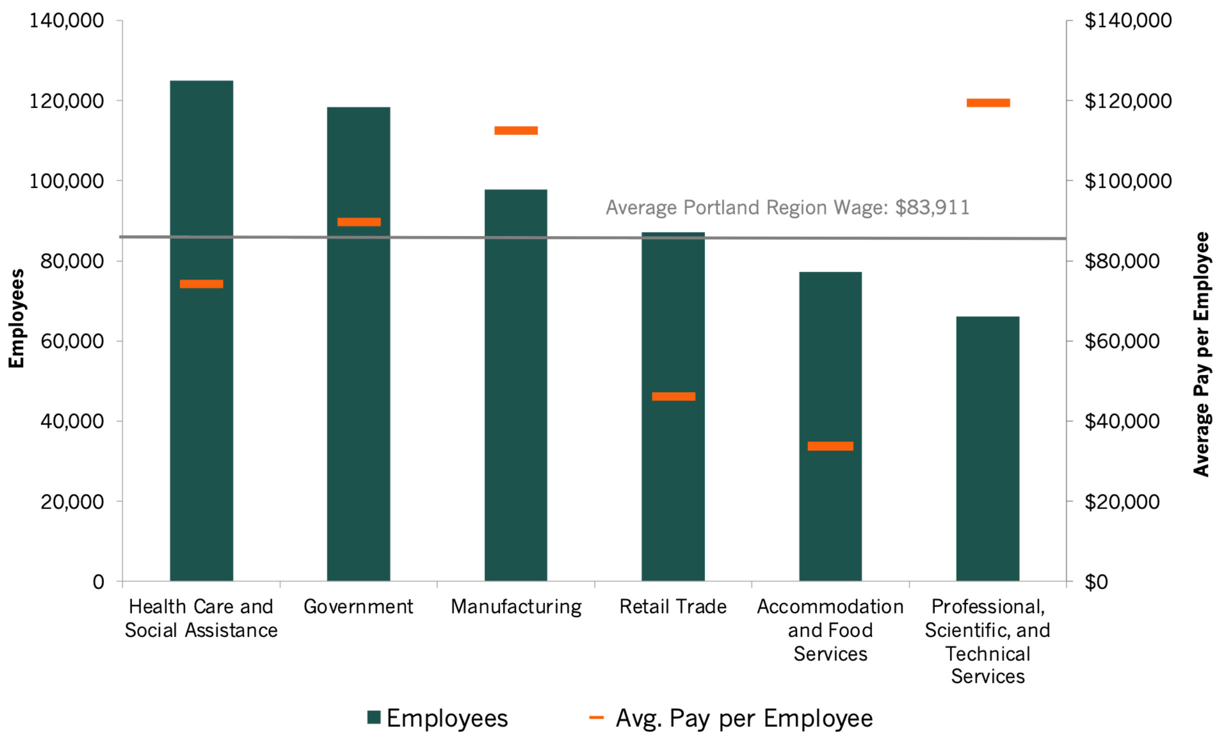
[16] **Covered** employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as "1099 employees"), or some railroad workers. Covered employment data is from the Oregon Employment Department.

[17] Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2024.

Exhibit 3 shows covered employment (green bars) and average wage (orange lines) for the six largest sectors (by number of employees) in the Portland region. Together these six sectors made up 60% of covered employment in the region.

Among these six largest sectors, professional, scientific, and technical services, manufacturing, and government paid above-average wages. Other sectors such as construction, wholesale trade, management of companies and enterprises, finance and insurance, and information also had higher-than-average wages but made up a smaller share of covered employment. Meanwhile, retail trade and accommodation and food services pay well below the average, at around $46,000 and $34,000 respectively.

Exhibit 3. Covered Employment and Average Pay by Sector, 6 Largest Sectors Portland Region, 2024



Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2024.

Outlook for Growth in the Portland Region

Exhibit 4 shows the Oregon Employment Department's forecast for employment growth by industry in the Portland region. Between 2024 and 2034, employment in the region is expected to grow at an average annual growth rate of 0.7%.

Health care and social assistance is expected to see the largest growth in the region, with almost 19,000 additional jobs. This growth could be beneficial to Gresham, which currently has a high concentration of employment in this sector relative to the region (21% vs 13% of covered employees). Other sectors with high forecasted job growth include professional and business services (17,300 jobs), accommodation and food services (7,300 jobs), and construction (6,300 jobs). Combined, these four sectors are expected to add almost 50,000 jobs, or about 64% of the region's employment growth. **Gresham currently accounts for about 4% of the Portland region's covered employment.**

Exhibit 4. Regional Employment Projections, 2024–2034, Portland Region (Multnomah, Clackamas, Washington Counties)

Industry Sector	2024	2034	Change 2024-2034		
			Number	Percent	AAGR
Total Private Payroll Employment	**876,800**	**946,800**	**70,000**	**8%**	**0.8%**
Natural resources and mining	9,500	9,700	200	2%	0.2%
Construction	59,400	65,700	6,300	11%	1.0%
Manufacturing	99,100	101,000	1,900	2%	0.2%
Wholesale trade	47,100	50,300	3,200	7%	0.7%
Retail trade	88,600	89,100	500	1%	0.1%
Transportation, warehousing, and utilities	45,600	49,800	4,200	9%	0.9%
Information	21,000	22,900	1,900	9%	0.9%
Financial activities	56,600	57,900	1,300	2%	0.2%
Professional and business services	160,400	177,700	17,300	11%	1.0%
Private educational services	21,700	24,000	2,300	11%	1.0%
Health care and social assistance	134,700	153,400	18,700	14%	1.3%
Arts, entertainment, and recreation	15,500	17,800	2,300	15%	1.4%
Accomodation and food services	80,300	87,600	7,300	9%	0.9%
Other services	37,300	40,200	2,900	8%	0.8%
Government	**123,500**	**126,700**	**3,200**	**3%**	**0.3%**
Self-employment	**64,900**	**69,100**	**4,200**	**6%**	**0.6%**
Total Employment	**1,065,200**	**1,142,900**	**77,700**	**7%**	**0.71%**

Note: AAGR is the Annual Average Growth Rate
Source: Oregon Employment Department. Employment Projections by Industry 2024-2034.

Employment in Gresham

Between 2007 and 2024, covered employment in Gresham increased by 3,412 jobs, representing a 10% increase at an average annual growth rate of 0.56% (**Exhibit 3** and **Exhibit 4)**. This growth was lower than in the Portland region, where covered employment grew by 15% at an average annual rate of 0.81%.

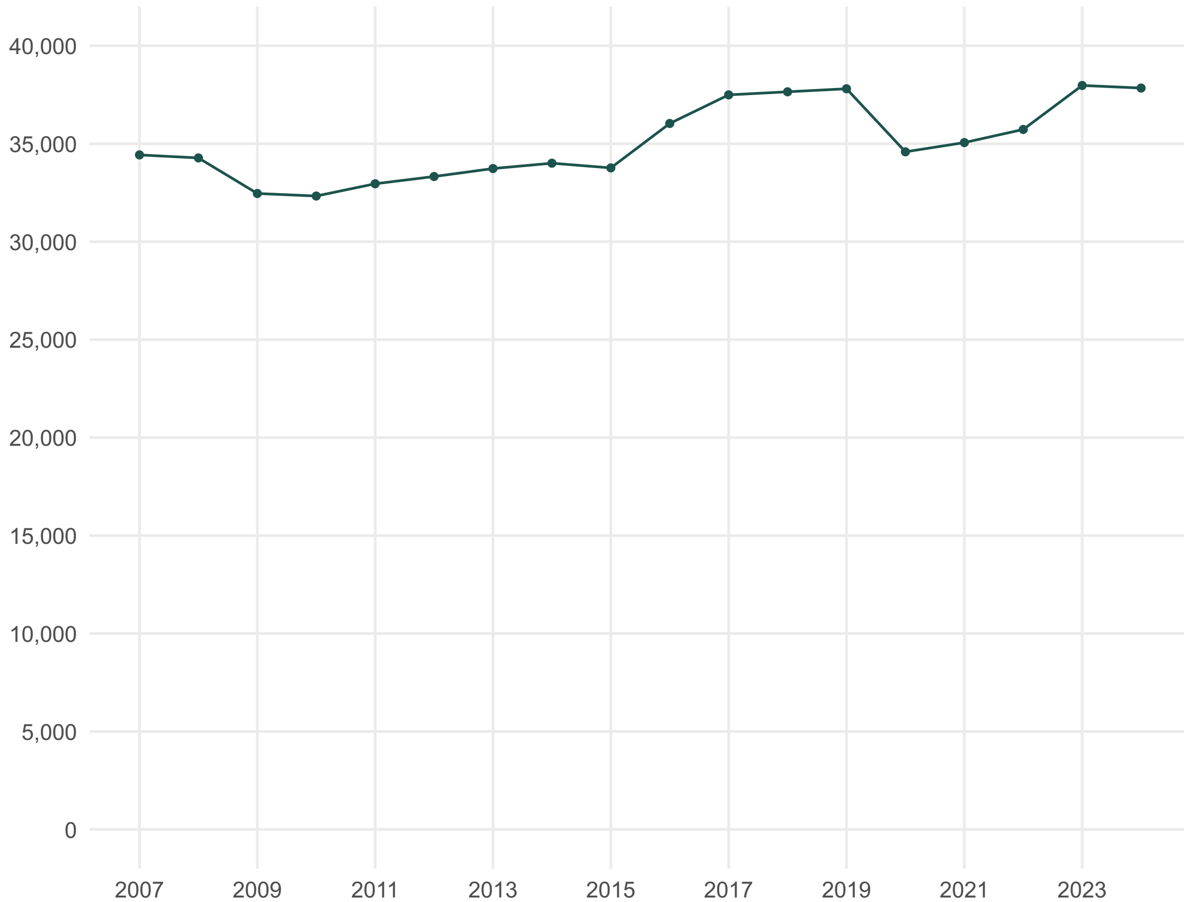
Exhibit 5. Change in Covered Employment, Gresham, 2007–2024

Sector	Employees		Change in Employment 2007-2024		
	2007	2024	Number	%	AAGR*
Agriculture, Forestry, and Mining	160	100	(60)	(38%)	(2.7%)
Construction	1,628	2,053	425	26%	1.4%
Manufacturing	5,584	5,639	55	1%	0.1%
Wholesale Trade	1,306	1,662	356	27%	1.4%
Retail Trade	3,809	4,419	610	16%	0.9%
Transportation, Warehousing, and Utilities	1,074	1,445	371	35%	1.8%
Information	278	178	(100)	(36%)	(2.6%)
Finance and Insurance	2,174	1,027	(1,147)	(53%)	(4.3%)
Real Estate and Rental and Leasing	553	451	(102)	(18%)	(1.2%)
Professional, Scientific, and Technical Services	534	624	90	17%	0.9%
Management of Companies and Enterprises	158	130	(28)	(18%)	(1.1%)
Administrative, Support, Waste Management and Remediation	2,214	1,201	(1,013)	(46%)	(3.5%)
Private Education	233	449	216	93%	3.9%
Health Care and Social Assistance	4,083	7,857	3,774	92%	3.9%
Arts, Entertainment, and Recreation	378	414	36	10%	0.5%
Accommodation and Food Services	3,640	4,009	369	10%	0.6%
Other Services and Unclassified	1,675	1,254	(421)	(25%)	(1.7%)
Government	4,937	4,918	(19)	(0%)	(0.0%)
Total	**34,418**	**37,830**	**3,412**	**10%**	**0.56%**

Sectors highlighted in blue have wages higher than the City average.
*Average Annual Growth Rate
Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2007 and 2024.

Covered employment in Gresham declined during the Great Recession, then generally increased through the 2010s, with the strongest gains occurring between 2015 and 2019. The strongest year for growth was 2016, which corresponded with the opening and expansion of several industrial developments supported by city incentives.[18] Covered employment fell again in 2020 during the COVID-19 pandemic, then recovered over the following several years. By 2023, employment had returned to its pre-pandemic level.

Exhibit 6. Change in Covered Employment, Gresham, 2007 – 2024



Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2007 to 2024.

[18] Beverly Corbell. 2015. "Industrial development takes off in Gresham." *DJCOREGON.* Retrieved from https://djcoregon.com/news/2015/04/14/industrial-development-takes-off-in-gresham/

Since 2007, Gresham's employment has grown, but at a slower pace than the broader Portland region. **Exhibit 7** shows how the annual growth rate for each industry in Gresham has differed from the region. A few industries grew faster in Gresham than in the broader Portland region, with the largest differences in private education, health care and social assistance, and wholesale trade (which declined slightly across the region). Manufacturing employment also increased slightly in Gresham, even as it declined regionally. In contrast, several sectors that grew across the Portland region, including real estate and rental and leasing, administrative services, and other services, declined in Gresham.

Exhibit 7. Change in Covered Employment, Gresham compared to the Portland Region, 2007 – 2024*

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2007 to 2024.
*Exhibit only shows industries with greater than 200 employees in Gresham

Exhibit 8 summarizes covered employment in Gresham in 2024. The largest employment sectors were health care and social assistance (21% of employees), manufacturing (15%), government (13%), retail trade (12%), accommodation and food services (11%), and construction (5%). The average annual wage across all employees was $63,365, about 25% lower than the regional average.

Exhibit 8. Covered Employment and Average Pay by Sector, Gresham, 2024[19]

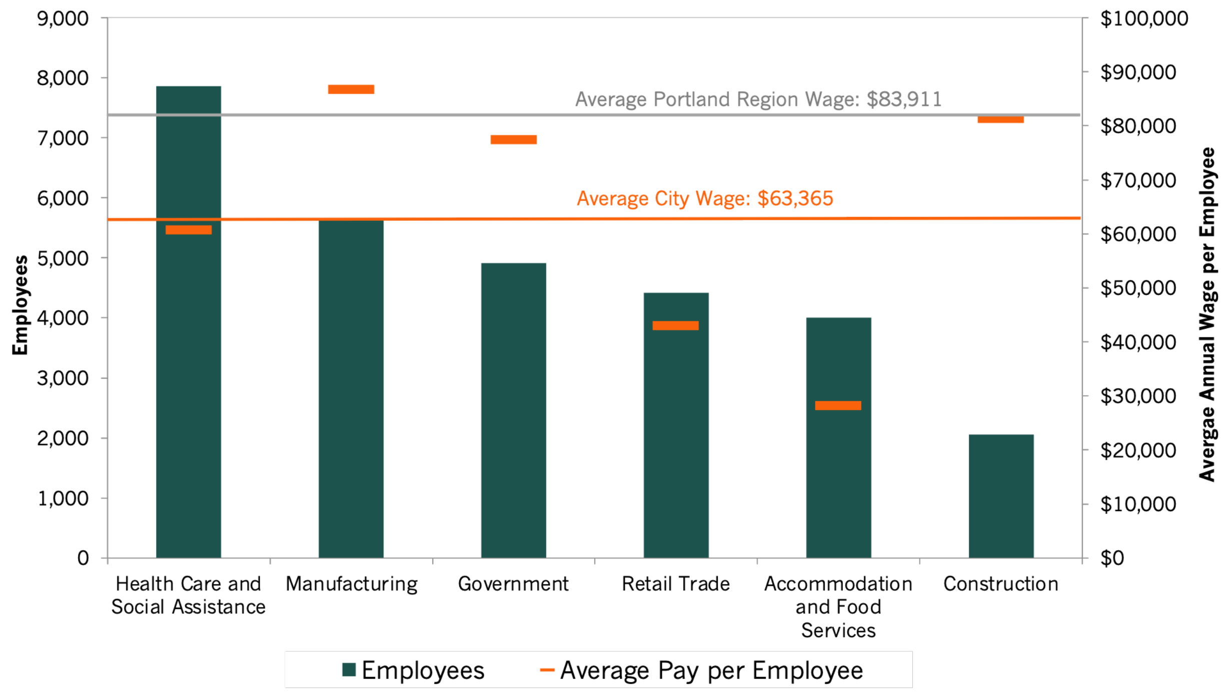
Sector	Employees	Payroll	Average Pay per Employee	Share of Total Employees
Agriculture, Forestry, & Mining	100	$4,647,645	$46,476	0%
Management of Companies and Enterprises	130	$12,188,371	$93,757	0%
Information	178	$14,423,537	$81,031	0%
Arts, Entertainment, and Recreation	414	$10,610,965	$25,630	1%
Private Education	449	$25,040,717	$55,770	1%
Real Estate and Rental and Leasing	451	$24,980,102	$55,388	1%
Professional, Scientific, and Technical Services	624	$48,571,900	$77,840	2%
Finance and Insurance	1,027	$79,496,407	$77,406	3%
Administrative, Support, Waste Management and Remediation	1,201	$52,573,098	$43,774	3%
Other Services and Unclassified	1,254	$62,626,766	$49,942	3%
Transportation, Warehousing, and Utilities	1,445	$110,151,170	$76,229	4%
Wholesale Trade	1,662	$136,686,532	$82,242	4%
Construction	2,053	$166,888,743	$81,290	5%
Accommodation and Food Services	4,009	$112,815,844	$28,141	11%
Retail Trade	4,419	$189,932,756	$42,981	12%
Government	4,918	$380,430,447	$77,355	13%
Manufacturing	5,639	$488,663,625	$86,658	15%
Health Care and Social Assistance	7,857	$476,387,150	$60,632	21%
Total	**37,830**	**$2,397,115,775**	**$63,365**	**100%**

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2024.

[19] Transportation and warehousing were combined with utilities due to confidentiality of QCEW data.

Exhibit 9 shows covered employment (green bars) and average pay per employee (orange lines) for the six largest sectors (by number of employees) in Gresham. These sectors account for 76% of covered employment. Of these six sectors, manufacturing, government, and construction had above-average wages, though only manufacturing had average wages above the region's average wage. For each of these sectors, the average pay in Gresham is below the corresponding industry average for the region (manufacturing- 23%; government- 14%; construction- 15%). Meanwhile, health care and social assistance wages are slightly below the city's average wage. Wages for retail and accommodation and food services are well below the city average.

Exhibit 9. Covered Employment and Average Pay for Six Largest Sectors, Gresham, 2024



Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2024.

Gresham's Competitive Advantages and Disadvantages

Gresham's economic development potential is shaped by both local conditions and broader state, national, and regional trends. Economic conditions in Gresham relative to these conditions in other portions of the Portland region form Gresham's competitive advantage for economic development.

Gresham has several notable advantages for employment and business growth relative to the Portland region. These include its location within the Portland metropolitan area, strong access to regional transportation networks, an established industrial base, access to a large and diverse workforce, and relatively affordable housing. The city also has a reputation for being supportive of business and offers economic development tax incentives to encourage business investment and expansion.

At the same time, Gresham faces several constraints. These include a limited supply of vacant, unconstrained industrial and commercial land, which increases reliance on redevelopment, as well as higher taxes and business costs than some competing locations elsewhere in the metro area and across the Columbia River. For example, Clark County, Washington offers no state or local income tax, which can reduce overall business operating costs and increase after-tax income for workers. These differences may affect business location decisions within the regional market. Broader economic conditions, infrastructure constraints, and rising development costs may also limit Gresham's ability to capture future employment growth.

Economic Development Strengths

- **Regional location and market access.** Gresham is located within the Portland metro, approximately 14 miles east of downtown Portland. As part of a broader metro area with about 2.5 million residents, businesses in Gresham have access to a large labor pool and consumer market. Gresham's location on the east side of the region also places it relatively close to the Columbia River Gorge and Mount Hood, which contributes to quality of life (including access to outdoor recreation) and makes Gresham an attractive place to locate and grow a business.
- **Transportation access and freight connectivity.** Gresham benefits from strong regional and interstate transportation connections that support both freight movement and workforce access. I-84 and U.S. 26 provide direct east–west access, while I-205, located a few miles west of the city, provides north–south connectivity. These corridors are critical for industrial users and facilitate efficient movement of goods to regional and interstate markets. Gresham is also located along a Union Pacific rail corridor and is in close proximity to major regional freight assets, including the Port of Portland's

marine terminals, Portland International Airport, and regional intermodal facilities. In addition, the city is served by TriMet transit, including the MAX Blue Line and multiple bus routes, which support workforce mobility and access to jobs. Together, these assets support industrial and commercial activity.

- **Established manufacturing base**. Manufacturing is a core strength of Gresham's economy, accounting for about 15% of covered employment, a higher share than in the region and nation. The city's manufacturing sector is diverse, encompassing firms that produce equipment, machinery, and electronic products. Gresham also has a notable semiconductor presence, including firms such as Onsemi and Microchip Technology, which help anchor a local cluster and support related suppliers and service providers.

  Manufacturing also provides stable employment opportunities with wages above Gresham's overall average in many occupations, including jobs that do not require a four-year degree. This aligns well with the city's workforce characteristics and contributes to its role as an employment center for eastern Multnomah County.

- **Workforce access and training assets.** As one of the region's larger cities and a major employment center in eastern Multnomah County, Gresham draws from a substantial local and subregional labor pool. Stakeholders described the city's workforce as reliable and hard-working. In addition, Gresham's relatively lower housing costs compared with some other parts of the region may help employers attract and retain workers.

  Gresham also benefits from nearby workforce training and higher education assets. **Mt. Hood Community College**, located in Gresham, provides associate degrees, certificate programs, and targeted workforce training aligned with industry needs. For example, the college offers a two-week intensive semiconductor training workshop developed in collaboration with industry partners; participants receive a stipend and are eligible to interview with participating firms upon completion. Other nearby colleges and universities include **Portland State University, the University of Portland, Reed College, Portland Community College, Eastern Oregon University** (through partnership programs with MHCC), and **Clackamas Community College.**

- **Foreign Trade Zone (FTZ) Access**. Gresham is located within Foreign Trade Zone 45, managed by the Port of Portland. FTZ designation provides advantages for firms engaged in global trade, including tariff deferral, duty reduction on re-exports, and logistical efficiencies. These benefits can support manufacturing, semiconductor-related industries, and firms with complex supply chains.

- **Relative affordability, particularly for housing.** Gresham is one of the more affordable cities in the Portland region, especially in terms of housing costs. The median home price in Gresham is approximately $460,000 (as of March 2026)[20], roughly 12% lower than in Portland.[21] Homes in Gresham also tend to offer more space relative to price than in some other parts of the region. This affordability can support workforce attraction and retention, particularly for middle-income households and families.
- **Economic development investments and incentives.** Gresham has several economic development tools that support business investment.
  - **Strategic Investment Zone.** A 500+ acre area on the east side of the city offering partial property tax abatement for qualifying traded-sector businesses (which are those that produce goods primarily sold outside of the region) for up to 15 years. To date, the program has been used by a single firm, Fujitsu (now Microchip), and played a key role in securing and supporting its continued expansion in Gresham. Microchip has since made hundreds of millions of dollars in new capital investments and created hundreds of jobs at its Gresham facility.
  - **Enterprise Zone.** Provides three- to five-year property tax abatements for firms meeting investment, job creation, and wage requirements. Since adoption in 2006, the program has supported more than $1.6 billion in investment and the creation of over 5,000 jobs in Gresham.[22]
  - **Urban Renewal.** The city has established two Urban Renewal Areas (URAs), including a recently designated Downtown-Civic URA expected to support approximately $381 million in investment over 30 years.[23] Urban renewal provides a key financing tool to support redevelopment by funding infrastructure improvements, site preparation, and public amenities that can improve development feasibility and attract private investment. This is particularly important in Gresham, where much of the city's future growth is expected to occur through infill and redevelopment.

    Recent investments such as the mixed-use, multi-phased Downtown Rockwood project demonstrate how urban renewal can support reinvestment, revitalization, and new business activity in targeted districts.

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[20] Zillow. "Gresham OR Housing Market," Retrieved 19 March 2026 from https://www.zillow.com/home-values/24967/gresham-or/.
[21] Zillow. "Portland OR Housing Market," Retrieved 19 March 2026 from https://www.zillow.com/home-values/13373/portland-or/.
[22] Gresham Economic Development Strategy, Fiscal years 2025/26 – 2027/28
[23] City of Gresham Oregon. "Downtown-Civic." Retrieved 19 March 2025 from https://www.greshamoregon.gov/urban-renewal/downtown-civic/

- **Supportive business environment and small business services.** Gresham has a network of small business support organizations and services, including the Small Business Development Center at Mount Hood Community College, which offers no-cost business advising and technical assistance. The City also supports small business growth and commercial district vitality through programs such as storefront improvement grants and the Garage to Storefront program. Storefront improvement grants help businesses and property owners improve building facades and street-facing spaces, while the Garage to Storefront program helps home-based businesses transition into commercial storefronts. These programs can help reduce barriers for small businesses, activate vacant or underused commercial spaces, and support reinvestment in Gresham's commercial districts. Business stakeholders have also described the City as an active partner that helps connect businesses to local organizations and supports events and economic activity, making Gresham a more desirable place to do business than some cities in the region. This can be particularly valuable for small businesses and entrepreneurs.
- **Generally responsive city government:** Industrial developers and traded-sector businesses described Gresham as responsive and willing to work with applicants, particularly during site selection, expansion, and development. The City is viewed as being more proactive and accessible than some peer jurisdictions, which can help reduce uncertainty and improve competitiveness for larger or more complex projects.

  At the same time, stakeholder feedback suggests that experiences are not uniform. Some businesses, particularly smaller commercial users, reported challenges with navigating City processes, receiving timely responses, and identifying a clear path to approval. This indicates an opportunity to improve consistency and transparency across project types.

  - ***Rapid Response Team for industrial businesses.*** Gresham's Rapid Response Team provides coordinated, cross-departmental support for industrial expansion and relocation projects. The program includes a defined review timeline and a single point of contact to help streamline permitting, and address infrastructure and regulatory issues. The City of Gresham also adopted a fast-track timeline for design review for qualified industrial projects. This process cuts the design review process from 120 days to 66 days.
- **Quality of life.** Gresham offers a mix of suburban and more urban neighborhoods, a historic downtown, and access to parks, trails, and retail amenities. Community assets such as the Springwater Corridor, a 20-mile pedestrian and bicycle trail that serves downtown and several

neighborhoods, provide recreation opportunities within the city. Gresham is also near Mount Hood and the Columbia River Gorge, which expands access to outdoor recreation. Its location allows residents to reach the broader Portland metro area while living in a relatively affordable and less congested setting. These qualities can help support business attraction and workforce retention.

- **Large-site opportunity within the Heavy Industrial land use district.** While Gresham has limited vacant, unconstrained industrial land overall, the Heavy Industrial (HI) land use district includes one large site exceeding 100 acres that may be positioned for redevelopment during the planning period. Large, contiguous industrial sites of this scale are increasingly limited in the Portland region. This site represents a relatively uncommon opportunity to accommodate future industrial investment within an established industrial district with existing infrastructure. Realizing this opportunity will depend on market conditions, landowner willingness, and rezoning to General Industrial.
- **Potential relative advantage for energy-intensive users.** Access to reliable and affordable power is becoming increasingly important for industrial users. Gresham may have a relative advantage because it is one of the closest metropolitan cities to the Bonneville Dam and already has hydroelectric power infrastructure serving parts of its industrial base, particularly along I-84 and Stark Street. These areas may be more attractive to energy-intensive industries. However, this advantage is location-specific and depends on broader regional generation and transmission capacity.[24]

Economic Development Challenges

- **Limited supply of competitive industrial land.** Gresham has a limited supply of industrial land that is likely to attract future industrial growth. The Buildable Lands Inventory (BLI) identifies approximately 387 acres of vacant industrial land, about 70% of which (about 272 acres) is located in the Springwater Plan Area. Much of this land is constrained or not well positioned for industrial development, which limits the city's ability to accommodate new or expanding firms even when demand exists. In addition, most available sites are small, with about 90% under 10 acres.
    - **Springwater constraints and planning uncertainty.** About 272 acres (70%) of remaining undeveloped industrial land is located in the Springwater Plan Area. Despite being planned for industrial uses since 2002, the area has seen no industrial development. Constraints include

[24] Kenyon College. "The Economic Costs and Benefits of the Bonneville Dam." Retrieved from https://www2.kenyon.edu/projects/Dams/bec03wilsona.html

steep slopes and natural resources. Other challenges for industrial development include irregular parcel shapes, fragmented ownership, and limited freight access. The City is currently evaluating whether this area should remain designated for industrial uses or whether residential or commercial designations would be more appropriate. If redesignated, this would remove a substantial amount of land from the City's existing industrial land inventory.

  - **Redevelopment opportunity and constraints.** With limited vacant, unconstrained land, much of Gresham's future industrial growth will need to occur through redevelopment and intensification of existing employment areas. The City identified approximately 150 acres of redevelopment opportunity, including a large site of about 120 acres in the Heavy Industrial land use district. This site represents a rare opportunity to accommodate larger industrial users within the city.

    However, redevelopment of this site and others like it is challenging. The site is currently in active use as a quarry, meaning redevelopment would require a transition in use and substantial site preparation. In addition, redevelopment depends on property owner willingness to sell or reposition the site, which is outside the City's direct control. More broadly, redevelopment often involves higher costs, longer timelines, and greater complexity than development on vacant land, which may slow the pace at which industrial growth can be accommodated.

- **Limited supply and characteristics of commercial land.** Gresham has a limited supply of vacant land for commercial development, with approximately 130 acres identified in the BLI. Much of this land consists of smaller, dispersed sites that may not accommodate larger-format commercial users or coordinated development. As a result, future commercial growth will likely rely on redevelopment and reuse of existing commercial areas, in addition to development on vacant land.

  Gresham has a history of commercial redevelopment, particularly in areas such as Rockwood, demonstrating the city's ability to support reinvestment. However, redevelopment can be more complex, costly, and less predictable than development on vacant land, which may affect the pace and type of commercial growth.

- **Lower wage levels.** Average wages in Gresham are lower than in the broader Portland region, and wages in several major sectors are also below regional averages. Lower wages may be an advantage for some employers seeking to manage labor costs. However, lower wages may also make it harder to attract and retain workers, particularly as housing and other living costs remain high across the region.

- **Tax competitiveness within a multi-state and multi-jurisdictional region.** Gresham's location within Multnomah County and the State of Oregon places it in a relatively high tax environment compared to some nearby alternatives. This includes Oregon's state income tax as well as additional local taxes applied in Multnomah County and the Portland region, such as business income taxes and voter-approved income-based taxes. These layered taxes can affect both business operating costs and household take-home income.

  While Gresham may offer some cost or regulatory advantages relative to the City of Portland, it still competes with nearby locations such as Clark County, Washington, which has no state or local income tax. In a region where firms and workers can compare locations across jurisdictional boundaries, these differences may influence business investment and residential location decisions.

Public Facilities and Services

Provision and cost of public facilities and services can affect a firm's decision to expand or locate in a city. One of the primary considerations for employment land development is whether infrastructure is available to or near a site, including water, wastewater, and transportation facilities. Where infrastructure is not already available, the timing, cost, and feasibility of extending or upgrading infrastructure can affect whether a site can realistically support employment growth during the planning period.

Overall, Gresham has sufficient planned water capacity to accommodate forecasted employment growth. The wastewater treatment plant has substantial current hydraulic capacity, though City staff indicated that 20-year wastewater system adequacy is still to be determined. The City is addressing wastewater needs through funded five-year Capital Improvement Program projects, 10-year master planning, and development of an asset management program. Stormwater and transportation constraints are more location-specific and may affect site readiness, development timing, and costs in infill areas, Springwater, and Pleasant Valley.

Existing employment areas generally have higher access to infrastructure and are better positioned to support near-term employment growth, redevelopment, and business expansion. Growth areas such as Springwater and Pleasant Valley represent longer-term employment land opportunities, but they require major infrastructure extensions, developer-funded improvements, public investment, and/or additional analysis before they can fully support employment development. These needs do not indicate a broad citywide barrier to meeting Gresham's forecasted employment land need, but they do affect near-term site readiness.

WATER

Overall, Gresham has sufficient planned water capacity to support forecasted employment growth over the 2026 to 2046 planning period. Water service is not expected to broadly constrain employment growth or limit most target industries. However, larger water users will require site-specific review, and undeveloped areas will require extension of transmission mains.

- **Water supply and current capacity.** Gresham's water supply is groundwater, delivered through a newly completed system of wells and treatment plants. The City has been on 100% well water since early 2026. Gresham currently has approximately 12 million gallons per day (MGD) of groundwater capacity, with current maximum day demand in the range of 10 MGD.
- **Planned water system expansion.** The City has the future ability to expand groundwater capacity to approximately 18 MGD. The wells needed for this future expansion have already been drilled and have known capacity. The City would need to construct a treatment plant to support this expansion. The City is planning an initial 2 MGD expansion in 2028, with the remaining expansion expected to occur as growth requires.
- **Water storage capacity.** The City currently has adequate capacity among its seven water storage reservoirs. By 2030, the City forecasts a storage deficiency in the Grant Butte service level, which may be addressed through changes to system configuration, an additional storage reservoir, or a combination of both. By 2050, the City forecasts a storage deficiency in the Wheeler service level, which includes roughly one-third of the Springwater Plan Area. A new 2-million-gallon reservoir is recommended to address that need.
- **Location-specific service considerations.** Water service can be more challenging on the buttes, where water must be pumped uphill. Existing infrastructure meets this need now and is expected to continue doing so, though some hillside areas may have pressure-related constraints. In undeveloped areas, master-planned transmission mains will be needed to support growth. Historically, these lines have been constructed as development occurs, with system development charges helping fund system expansion.
- **Implications for employment land readiness and target industries.** Water capacity does not rule out any broad category of target industry. However, water availability will vary by location and by the needs of individual users.

Businesses with water demand above 100,000 gallons per day would require careful site-specific review. The City may be able to support customers using up to 1 MGD where the right system and site conditions are present. Overall, the City has sufficient water capacity and planned improvements to support population and employment growth over the planning period.

WASTEWATER

Gresham's wastewater treatment plant has substantial current hydraulic capacity, but 20-year system adequacy is still to be determined. Known constraints are primarily in the collection system. The City relies on 10-year master planning to support development of Capital Improvement Program funding, and staff are developing an asset management program to identify, prioritize, and plan for needed wastewater system improvements.

- **Wastewater treatment capacity.** In 2025, annual average flow to the wastewater treatment plant was just below 12 MGD, compared with a design capacity of 20 MGD. Based on this available hydraulic capacity, the treatment plant is not expected to be a broad constraint on commercial, industrial, or residential development.
- **Wastewater treatment plant needs.** Although the treatment plant has adequate hydraulic capacity, the City needs an additional anaerobic digester to increase solids processing capacity. This project is funded in the five-year Capital Improvement Program. The City may also need to evaluate future solids treatment needs based on future regulatory requirements from Oregon DEQ.
- **Wastewater collection system needs.** The primary wastewater constraints are in the collection system rather than at the treatment plant. Infrastructure in portions of northeast Gresham is currently undersized for the flows received and the system experiences stress from inflow and infiltration during large rain events. Several funded projects in the City's five-year wastewater Capital Improvement Program are intended to address these areas, though additional study, planning, and funding will be needed to fully address all known collection system deficiencies. To help plan for future needs, the Wastewater Department relies on 10-year master planning to guide Capital Improvement Program funding. Staff are also building an asset management program to help justify and prioritize wastewater collection line replacement based on the actual condition of sewer infrastructure throughout the city.
    - **Springwater wastewater service.** Wastewater infrastructure is a significant consideration in Springwater. The Linneman Pump Station,

which serves the south and southeast portions of the city, including the Springwater Corridor, needs to be expanded. The City has an approved five-year Capital Improvement Program project dedicated to this pump station upgrade. Properties south of Johnson Creek in the Springwater Corridor do not currently have access to sewer service because there is no wastewater line under Johnson Creek. Development of these properties would require installation of a sewer line under the creek; preliminary assessment has been completed, but preliminary design, cost estimates, and dedicated funding have not.

- **Implications for employment land readiness and target industries.** Wastewater treatment capacity does not appear to limit Gresham's ability to accommodate most employment growth, including industrial, commercial, and residential development. However, collection system constraints could affect development timing and costs in some locations, particularly in northeast Gresham and portions of Springwater south of Johnson Creek. Continued investment in treatment plant equipment, solids handling, and collection system improvements will be important to maintaining regulatory compliance and supporting employment growth over the planning period.

STORMWATER

Overall, stormwater infrastructure is not expected to limit employment growth citywide, but it may affect development timing, cost, and site design in some locations.

- **Existing city stormwater capacity.** In the existing developed areas of Gresham, the City's stormwater master planning has identified locations and pipes that require upsizing to protect properties during larger storm events. These projects are included in the City's Capital Improvement Program and system development charge methodology. However, pipe upsizing can be challenging because much of the cost may not be eligible for system development charge funding and may need to be funded primarily through operating capital dollars. Some infill areas also lack nearby pipe infrastructure, and extensions of several hundred feet can be difficult for small developments with limited funds.
- **Growth area stormwater systems.** In undeveloped greenfield areas, including Springwater and Pleasant Valley, there is no comprehensive existing stormwater system. Stormwater facilities in these areas are generally expected to be constructed incrementally as development occurs, with developers building facilities to manage stormwater from their own sites. Needed improvements include new trunk lines, outfalls, and floodplain or stream resilience projects in undeveloped areas. Watershed staff have

recently developed the Kelley Creek Watershed Master Plan for Pleasant Valley, which may create opportunities for City-led regional water quality facilities. Staff also expect to begin data collection for a Springwater-focused stormwater master planning effort after the Springwater zoning study.

- **Implications for employment land readiness and target industries.** Stormwater requirements may affect site feasibility because development must reserve space for water quality and flow control facilities. This can be challenging for small infill projects in the existing city, where applicants often seek to maximize density on their sites. In Springwater and Pleasant Valley, butte topography, natural resource overlay areas, and potential unmapped wetlands may add time and cost to development. If zoning or transportation plans change in Springwater or other growth areas, the City will need to update stormwater master plans to reflect revised development assumptions.

TRANSPORTATION

Transportation funding is a key infrastructure challenge for Gresham's employment growth, particularly for large projects that improve access to jobs and support development in growth areas.

- **Existing city transportation needs.** In the existing city, major transportation needs identified by staff include improvements to the Stark Street and Hogan Road intersection and phased improvements to Hogan Road. The City's transportation Capital Improvement Program includes a project for the Stark and Hogan intersection, as well as Hogan Road improvements between Powell Boulevard and Burnside Road. These projects are intended to improve safety, reduce congestion, and support access to employment areas in the existing city.
- **Growth area transportation needs.** Transportation improvements will be important to supporting development in Pleasant Valley and Springwater. In Pleasant Valley, the Giese Road expansion and 172nd Avenue expansion are among the improvements most likely to support development activity. These improvements are identified in Pleasant Valley transportation planning materials and are expected to be developer funded, while some related improvements may require a combination of developer and capital improvement funding. In Springwater, Johnson Creek and Highway 26 create significant east-west connectivity barriers. Better access to Highway 26 is important for development. The identified Highway 26 interchange at 267th Avenue would improve highway access and provide another connection across Highway 26, improving access to and through Springwater. The funding and timing of these Springwater improvements are unknown.

- **Implications for employment land readiness.** Transportation improvements will affect when land in Pleasant Valley and Springwater is ready to support business and employment development. If zoning changes are considered in Springwater, the Springwater Plan Area will need a detailed transportation analysis to right-size roads and identify improvement needs.

3. Employment Growth and Site Needs

Statewide Planning Goal 9 requires cities to estimate how much land is needed for commercial and industrial development over a 20-year period. In Gresham, that means identifying how much employment growth is expected by 2046 and what kinds of businesses are likely to locate here. This chapter presents an employment forecast and analysis of potential growth industries that build from recent economic trends.

Forecast of Employment Growth and Land Demand

Demand for industrial and commercial land in Gresham will be shaped by the expansion and relocation of existing businesses as well as the establishment of new ones. The employment projections in this section are based on Gresham's current employment base and assume that future growth over the 2026 to 2046 forecast period will be consistent with the city's historical growth rate from 2007 to 2024.

The employment forecast does not account for a major shift in employment that could occur if one or more large employers were to locate in Gresham during the planning period. Such a change would exceed the growth anticipated in the City's employment forecast and the associated land needs. This would be true not only for employment uses but also for housing, parks, and other community needs. While major economic events, such as the successful recruitment of a very larger employer, are difficult to incorporate into an Economic Opportunities Analysis, their implications are relatively predictable: increased demand for land (of all types) and for public services.

ECOnorthwest's approach to projecting demand for industrial and commercial land includes four steps:

1. **Establish base employment** – Begin with the estimate of covered employment in Gresham, as shown in **Exhibit 8** (page 18). Since covered employment does not include all workers, this number is adjusted to reflect total employment in the City.

2. **Project total employment** – Consider forecasts and other factors that may influence employment growth in Gresham over the 20-year planning horizon.

3. **Allocate employment** – Assign projected employment to various land use categories.

4. **Estimate land demand** – Calculate employment land demand based on projected growth and assumptions about future employment densities.

This methodology follows administrative rule requirements and incorporates input from City staff and stakeholder engagement.

Employment Base for Projection

To estimate future employment land needs, ECOnorthwest first developed a baseline of current employment in Gresham. This baseline provides the foundation for forecasting job growth and associated land needs through 2046.

ECOnorthwest began with covered employment[25] data from the Oregon Employment Department's confidential Quarterly Census of Employment and Wages (QCEW), which includes most wage and salary employment. According to this data, Gresham had approximately 37,830 covered employees in 2024 **(Exhibit 10)**. This is the best and most current available data for Gresham and reflects changes in employment post-COVID.

Covered employment does not include all workers in the economy, most notably sole proprietors. To estimate total employment more accurately, ECOnorthwest compared covered employment and total employment data from IMPLAN (Impact Analysis for Planning), a commercially available regional economic modeling system, used to estimate industry relationships and economic impacts.[26] For Multnomah County that comparison showed that covered employment accounted for about 79% of total employment. ECOnorthwest then applied sector-specific ratios from that analysis to estimate the number of noncovered workers in Gresham by employment sector.

Based on this methodology, ECOnorthwest estimates that Gresham had approximately **45,882 total jobs** in 2024 **(Exhibit 10).** This estimate serves as the starting point for evaluating future employment growth and land needs.

[25] Covered employment includes employment covered by unemployment insurance.

[26] IMPLAN reports Total Employment, which includes both wage and salary jobs and proprietor employment. This makes IMPLAN employment counts broader than covered employment sources such as QCEW, which generally excludes self-employed workers, proprietors, most farm employment, military personnel, railroad workers, and some public officials. IMPLAN starts with covered employment data and supplements it with other federal data sources to fill known gaps and estimate proprietor, farm, military, and railroad employment. Employment figures are reported as annual averages and include full-time, part-time, and seasonal jobs. As a result, IMPLAN Total Employment is higher than covered employment for the same geography.

Exhibit 10. Estimated Total Employment by Sector, Gresham City Limits and Urban Service Boundary*, 2024

Sector	Covered Employment	Estimated Total Employment	Covered % of Total
Agriculture, Forestry, and Mining	100	259	39%
Construction	2,053	2,686	76%
Manufacturing	5,639	6,028	94%
Wholesale Trade	1,662	1,801	92%
Retail Trade	4,419	5,429	81%
Transportation, Warehousing, and Utilities	1,445	2,141	67%
Information	178	238	75%
Finance and Insurance	1,027	1,632	63%
Real Estate and Rental and Leasing	451	1,431	32%
Professional, Scientific, and Technical Services	624	873	72%
Management of Companies and Enterprises	130	135	96%
Administrative, Support, Waste Management and Remediation	1,201	1,452	83%
Private Education	449	585	77%
Health Care and Social Assistance	7,857	8,955	88%
Arts, Entertainment, and Recreation	414	1,138	36%
Accommodation and Food Services	4,009	4,479	90%
Other Services and Unclassified	1,254	1,701	74%
Government	4,918	4,918	100%
Total	**37,830**	**45,882**	**82%**

Source: 2024 covered employment from confidential Quarterly Census of Employment and Wage (QCEW) provided by the Oregon Employment Department. ECOnorthwest estimate for total employment.
*See Exhibit 18 for map of the study area.

Employment Projection

The employment forecast covers the 2026 to 2046 period, requiring an estimate of total employment for Gresham in 2026. The base employment starts with the estimate of 45,882 total jobs in Gresham in 2024, shown in **Exhibit 10.**

Gresham does not have an existing employment forecast, and there is no required method for employment forecasting. OAR 660-024-0040(8) sets out optional "safe harbors" that allow a City to determine employment land need.

Exhibit 11 presents three employment growth rate scenarios:

- Metro Urban Growth Report regional growth rate: 0.42% annual employment growth.
- Gresham's historic employment growth rate (2007-2024): 0.56% annual employment growth **(Exhibit 5 on page 15)**.
- Oregon Employment Department's (OED) regional growth rate: 0.71% annual employment growth.

The OED regional growth rate (0.71%) is the safe harbor option identified in OAR 660-024-0040(8)(a)(A).

Exhibit 11. Forecast Rate Options for Employment Growth in Gresham, 2026-2046

	Jobs grow at the rate of…		
Year	Metro Urban Growth Report (0.42%)	Gresham Historic Growth Rate (2007-2024) (0.56%)	OED Regional Growth Rate (0.71%)
2026	46,269	46,395	46,533
2046	50,319	51,852	53,569
Change 2026 to 2046			
Employees	4,050	5,457	7,036
Percent	9%	12%	15%
Growth Rate	0.42%	0.56%	0.71%

Source: ECOnorthwest

The City selected an employment forecast based on Gresham's historical average annual employment growth rate of 0.56%. As shown in **Exhibit 12**, this growth rate predicts an increase in employment in Gresham to 51,852 jobs by 2046. This is an increase of 5,457 jobs, or 12%, over the 2026 to 2046 planning period.

This forecast assumes that future employment growth will generally follow Gresham's historical pattern. The selected rate is higher than the regional growth rate in Metro's Urban Growth Report but lower than the Oregon Employment Department's forecast for the Portland region. As a result, it reflects a moderate and realistic pace of growth that is consistent with broader state and national expectations for slower employment growth over time.

The forecast also reflects Gresham's development context. As a regional employment center, Gresham is already relatively built out and has a limited supply of suitable vacant employment land. This suggests that a large share of future growth may need to occur through redevelopment, which is often more costly, complex, and less predictable than development on vacant land. In addition, some areas planned for future industrial use, such as Springwater, have characteristics that present substantial development challenges, including steep slopes, natural resource constraints, fragmented ownership, and limited infrastructure. Together, these factors suggest that regional growth and local development constraints may moderate the pace of future employment growth in Gresham.

Exhibit 12. Forecast of Employment Growth in Gresham, 2026-2046

Year	Total Employment
2026	46,395
2046	51,852
Change 2026 to 2046	
Employees	5,457
Percent	12%
Growth Rate	0.56%

Source: ECOnorthwest

Allocate Employment by Industry Category

The next step in forecasting employment is to allocate future employment across broad industry categories. ECOnorthwest grouped employment into broad categories based on the North American Industrial Classification System (NAICS): industrial, retail commercial, office and commercial services, and government.[27]

Exhibit 13 shows the expected share of employment across the categories in 2026 and the forecast of employment growth by category in 2046 in Gresham. The results assume that the share of employment in each category will remain the same.

Exhibit 13. Forecast of Employment Growth by Industry Category, Gresham City Limits and Urban Service Boundary, 2026–2046

Industry Category	2026		2046		Change 2026 to 2046
	Employment	% of Total	Employment	% of Total	
Industrial	13,060	28%	14,596	28%	1,536
Retail Commercial	5,490	12%	6,135	12%	645
Office & Commercial Services	22,872	49%	25,563	49%	2,691
Government	4,973	11%	5,558	11%	585
Total	**46,395**	**100%**	**51,852**	**100%**	**5,457**

Source: ECOnorthwest

Note: The shaded percentages denote an assumption about the future share of employment (as a percent of total) by land use type.

[27] Industrial employment includes agriculture, forestry, and mining; construction; manufacturing; wholesale trade; and transportation and warehousing and utilities. Retail commercial is retail trade. Office and commercial includes information; finance and insurance; real estate; professional services; management of companies; administrative support and waste management; private education; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services. Government includes all employment at federal, state, local, and other governmental agencies.

Estimate of Demand for Commercial and Industrial Land

This section shows demand for vacant (including partially vacant) and redevelopable land in Gresham over the 20-year period. The assumptions used in this analysis are:

- **Employment density**. Employment density, measured as employees per net acre, reflects the ratio of the number of employees to the amount of developed employment land.

  Based on an empirical evaluation of commercial (including mixed use land use districts) and industrial land use districts, in Gresham that are at or near buildout, this study assumes an average of 8.1 employees per acre for industrial land and 19.0 employees per acre for commercial land **(Exhibit 14).** [28] Actual densities vary by specific use; for example, a two-story commercial building may have a higher employment density, while a convenience store with a large parking lot may have a lower employment density. Using an average helps account for these variations.

- **Conversion from net to gross acres**. Employment density data is expressed in *net* acres, which excludes land for public rights-of-way. Estimates of future employment land needs must account for both the land within tax lots for employment use and land required for streets and other public rights-of-way. One way to estimate this total is to convert *net* acres to *gross* acres based on assumptions about the share of land dedicated to rights-of-way.[29] This conversion is expressed as the percentage of gross acres occupied by rights-of-way.

  ECOnorthwest evaluated net-to-gross ratios in existing industrial and commercial areas in Gresham and found that approximately 20% of commercial land and 10% of industrial land is currently dedicated to rights-of-way. However, because much of Gresham's remaining employment capacity will come from development in already serviced areas, future development is expected to require less additional right-of-way.

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[28] ECOnorthwest estimated employment density by sampling built-out industrial and commercial areas across the city. The analysis focused on areas that were mostly or fully developed and excluded vacant parcels. To reflect real-world conditions, constrained land as a part of developable parcels was included. Employment counts relative to total acreage within these sampled areas were then used to calculate average employment densities by plan designation.

[29] OAR 660-024-0010(6) uses the following definition of net buildable acre. "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

To reflect this, ECOnorthwest applied reduced net-to-gross conversion factors, assuming that rights-of-way will account for 10% of gross commercial land and 5% of gross industrial land in future development.

Using these assumptions, the forecasted growth of 5,457 new employees will result in the following demand for vacant (and partially vacant) employment land: 200 gross acres of industrial land and 194 gross acres of commercial land.[30]

Exhibit 14. Demand for Vacant Land to Accommodate Employment Growth, Gresham, 2026–2046

Land Use Category	New Employment	Employees per Net Acre	Land Demand (Net Acres)	Land Demand (Gross Acres)
Industrial	1,536	8.1	190	200
Commercial	3,336	19.0	176	194
Total	**4,872**	**-**	**366**	**394**

Source: ECOnorthwest

Target Industries

Gresham's target industries reflect its existing economic strengths, regional role, and development constraints. The city has a demonstrated competitive advantage in manufacturing and health care, supported by an established industrial base, access to regional transportation networks, and its role as a service center for eastern Multnomah County.

These conditions have resulted in an employment base that is more concentrated in certain industries than the national average, particularly manufacturing and health care and social assistance. This concentration indicates that Gresham has developed a competitive advantage or notable specialization in these sectors, with established firms, supply chains, and workforce skills that support continued growth.

A location quotient, or LQ, compares an industry's share of local employment to that industry's share of national employment. An LQ above 1.0 means the industry is more concentrated locally than it is nationally, while an LQ of 1.25 or higher generally indicates a local specialization.

Manufacturing is especially prominent, with employment more than three times as concentrated in Gresham as it is nationally, as shown by a manufacturing LQ of 3.64.

[30] Government employment is not included when discussing employment land demand since growth in government employment does not result directly in need for more land for public uses. For instance, schools require land based on expected growth of students in the school district or replacement of existing schools, rather than as a result of growth in government employment. Local or regional governments may grow and continue to occupy existing built space or may need land based on factors other than employment growth. In addition, government employment locates in a range of zones, including commercial, residential, public, and other zones.

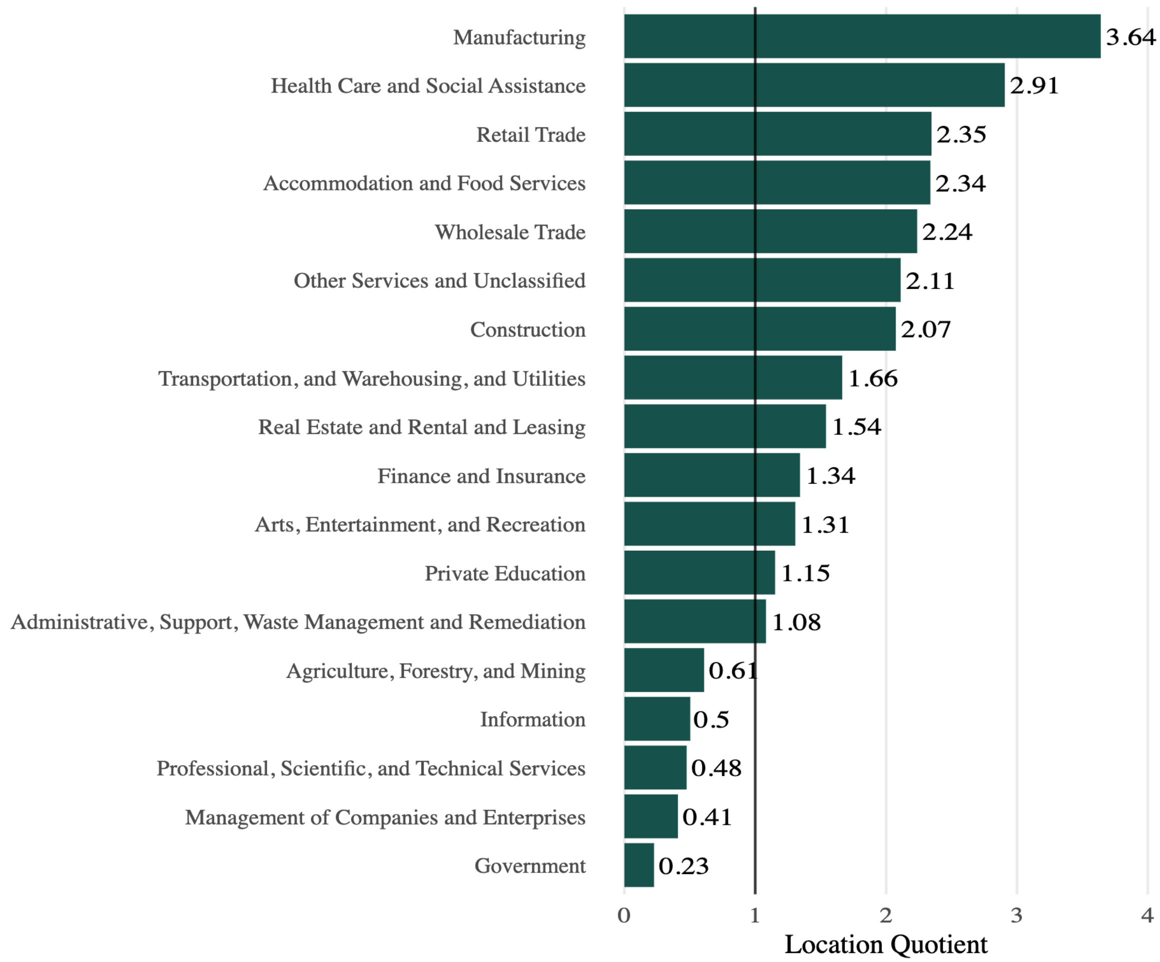
This reflects Gresham's role as an industrial center within the region, supported by access to I-84 and a cluster of manufacturing and distribution businesses. Health care and social assistance is also highly concentrated (LQ 2.91), reflecting the city's role as a service hub for eastern Multnomah County and surrounding communities. Both sectors are major sources of employment, and manufacturing, in particular, provides wages above the citywide average.

Gresham also has above-average concentrations in retail trade, accommodation and food services, wholesale trade, other services, and construction. These industries support the local population and surrounding communities, reinforcing Gresham's role as both an employment center and a service hub.

By contrast, Gresham is less competitive for traditional office-based industries such as information, professional, scientific, and technical services, and management of companies and enterprises, which are underrepresented locally (LQs of 0.50, 0.48, and 0.41, respectively). These industries tend to cluster in more central locations with larger office markets, higher levels of accessibility, and more extensive walkable environments with a concentration of nearby services and amenities, as well as stronger networks of related firms. While Gresham has regional transportation access and some walkable areas, its smaller office market and location on the eastern edge of the metro area make it less competitive for large concentrations of office-based employment.

Exhibit 15 shows employment concentration by broad industry (2-digit NAICS) in Gresham compared with the United States in 2024. **Exhibit 16** provides additional detail at the 3-digit NAICS level, highlighting industries with above-average wages (light green), strong employment levels, and high location quotients that signal competitive advantage. Specialized industries in manufacturing and health care stand out as core drivers of the City's economy.

Exhibit 15. Employment Concentration by Industry, Gresham Compared to the U.S., 2023



Source: Oregon Employment Department and U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2024

Note: A location quotient (LQ) of 1.0 indicates that the industry's share of local employment matches the U.S. average. Industries with higher concentration have more employment in Gresham than the national average, indicating a strength in employment in that industry. Typically, a LQ of 1.25 or greater indicates a specialization within that industry.

Exhibit 16. Concentration of Industries and Employment, Gresham, 2024

	High Employment (500 employees or more)	Lower Employment (150 to 499 employees)
High Location Quotient (greater than 1.25)	▪ Computer and Electronic Product Manufacturing ▪ Transportation and Equipment Manufacturing ▪ Nursing and Residential Care Facilities ▪ Machinery Manufacturing ▪ Social Assistance ▪ Sporting Goods, Hobby, Musical Instrument, Book and Miscellaneous Retailers ▪ Food and Beverage Retailers ▪ Warehousing and Storage ▪ Motor Vehicle and Parts Dealers ▪ Religious, Grantmaking, Civic, Professional, and Similar Organizations ▪ Food Manufacturing ▪ Credit Intermediation and Related Activities ▪ Specialty Trade Contractors ▪ Food Services and Drinking Places ▪ Merchant Wholesalers, Durable Goods ▪ Merchant Wholesalers, Nondurable Goods ▪ Ambulatory Health Care Services ▪ Hospitals	▪ Paper Manufacturing ▪ Plastics and Rubber Product Manufacturing ▪ Printing and Related Support Activities ▪ Furniture, Home Furnishings, Electronics, and Appliance Retailers ▪ Support Activities for Transportation ▪ Repair and Maintenance ▪ Clothing, Clothing Accessories, Shoe, and Jewelry Retailers ▪ Amusement, Gambling, and Recreating Industries ▪ Real Estate ▪ Health and Personal Care Retailers ▪ Construction of Buildings ▪ Personal and Laundry Services ▪ Building and Material Garden Equipment and Supplies Dealers ▪ General Merchandise Retailers
Low Location Quotient	▪ Administrative and Support Services ▪ Professional, Scientific, and Technical Services ▪ Government	▪ Educational Services ▪ Fabricated Metal Product Manufacturing ▪ Truck Transportation

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2024.
Note: Green highlighting indicates higher than Gresham's average wage.
Note: A location quotient (LQ) of 1.0 indicates that the industry's share of local employment matches the U.S. average. Industries with higher concentration have more employment in Gresham than the national average, indicating a strength in employment in that industry. Typically, a LQ of 1.25 or greater indicates a specialization within that industry.

Potential Growth Industries

An analysis of potential growth industries in Gresham considers two core questions: (1) Which industries are most likely to be attracted to Gresham? and (2) Which industries best support Gresham's economic development goals? The selection of growth industries is informed by the City's economic development objectives, current economic conditions in Gresham and the broader Portland Metro region, and Gresham's competitive position.

The industries identified as having potential for growth in Gresham are:

- **Manufacturing.** Manufacturing is Gresham's strongest competitive sector and the primary traded-sector growth opportunity. The sector has a location quotient of 3.64, indicating a high level of specialization relative to the national economy, and accounts for about 15% of covered employment. Existing manufacturing industries with strong concentrations and high levels of employment include:
  - Computer and electronic products manufacturing
  - Transportation equipment manufacturing
  - Machinery manufacturing
  - Food manufacturing
  - Paper manufacturing
  - Plastics and rubber products manufacturing

  These industries benefit from Gresham's location along I-84, its established industrial districts, and its existing cluster of semiconductor and advanced manufacturing firms. National trends such as reshoring, supply chain diversification, growth in advanced manufacturing, and continued public and private investment in semiconductors and clean technology are expected to support ongoing demand for manufacturing space.

  Gresham's location within the Portland region provides access to a large labor market, freight infrastructure, and an established manufacturing ecosystem, all of which support the city's competitiveness. At the same time, slower regional economic growth, relatively high development costs, and the State's and County's tax environment may make it more difficult for Gresham to compete for some manufacturing investment. In addition, future growth will be constrained by the limited supply of vacant, unconstrained industrial land. As a result, manufacturing expansion in Gresham is likely to occur through redevelopment, intensification, and incremental growth within existing industrial areas rather than through large-scale greenfield development.

- **Health Care and Social Assistance.** Health care and social assistance is the largest employment sector in Gresham, accounting for about 21% of covered employment and showing a high level of concentration (LQ 2.91). Key subsectors include:
    - Hospitals
    - Ambulatory care
    - Nursing and residential care
    - Social assistance

  This sector reflects Gresham's role as a service hub for eastern Multnomah County and surrounding communities. Growth is expected to be strong and stable due to demographic trends, particularly an aging population with increasing demand for health services. The Oregon Employment Department’s regional employment forecast points to strong growth in this sector. Unlike industrial sectors, health care uses are less dependent on large sites and can be accommodated within commercial areas. Gresham’s existing concentration in this sector positions the city well to capture future growth.

- **Wholesale trade and distribution-related activities.** Wholesale trade has a strong local presence and is closely tied to Gresham’s manufacturing base. These businesses support supply chains by distributing goods between producers and end users. Subsectors with notable presence include:
    - Durable and nondurable goods wholesalers
    - Warehousing and storage
    - Support activities for transportation

  These industries benefit from access to I-84 and regional freight routes, proximity to manufacturing firms, and Gresham’s role within the regional distribution network. As with other industrial uses, expansion will be constrained by limited suitable site availability.

- **Construction and Specialty Trades.** Construction and specialty trade contractors show strong employment levels and location quotients above national averages. These industries support regional growth and local development activity. While not a primary traded-sector driver, this sector plays an important supporting role in Gresham's and the regional economy. Construction and trade-related businesses typically have lower-intensity land needs than traditional industrial uses and may be better suited to smaller or more constrained sites. If industrial designations are maintained in areas such as Springwater, these types of uses may be more feasible than large-scale industrial development.

- **Local Services and Retail.** Gresham has a strong concentration of retail trade and accommodation and food services, with location quotients above 2.0. These sectors reflect the city's role as a commercial and service center for surrounding neighborhoods and communities.

  As Gresham's population and employment base grow, including expansion into areas such as Pleasant Valley and Springwater, demand for resident-serving businesses is expected to increase. These include retail stores, restaurants, medical and dental offices, childcare providers, and personal services.

  These industries contribute to quality of life, provide essential services, and support Gresham's attractiveness as a place to live, work, and visit. They also create opportunities for small business development and entrepreneurship. While these sectors are primarily locally serving and tend to offer lower wages than traded-sector industries, they play a critical role in supporting a complete and functional local economy.

Site Needs for Potential Growth Industries

OAR 660-009-0015(2) requires the EOA to "identify the number of sites by type reasonably expected to be needed to accommodate the expected [20-year] employment growth based on the site characteristics typical of expected uses." The Goal 9 rule does not specify how jurisdictions conduct and organize this analysis.

OAR 660-009-0015(2) does state that "industrial or other employment uses with compatible site characteristics may be grouped together into common site categories." The rule suggests, but does not require, that the City "examine existing firms in the planning area to identify the types of sites that may be needed." For example, site types can be described by (1) plan designation (e.g., heavy or light industrial), (2) general size categories that are defined locally (e.g., small, medium, or large sites), or (3) industry or use (e.g., manufacturing sites or distribution sites). For purposes of the EOA, Gresham groups its future employment uses into categories based on their need for land with a particular plan designation (i.e., industrial or commercial) and by their need for sites of a particular size.

The potential growth industries described in the prior section are a mixture of business sizes, which will require a mixture of site sizes. **Exhibit 17** shows the typical site needs for industrial businesses in Oregon.

Exhibit 17. Industrial Development Competitiveness Matrix, Business Oregon

INDUSTRY SECTOR	SITE SIZE (ACRES)	SITE TOPOGRAPHY (SLOPE)	TRIP GENERATION (ADT/ACRE)	SITE ACCESS (MAX DISTANCE IN MILES TO INTERSTATE OR MAJOR ARTERIAL)	RAILROAD OR PORT ACCESS	ELECTRICITY REQUIREMENTS
Clean-Tech Manufacturing	5-100+	0-5%	40 to 80	w/in 10	Preferred	4-6 MW
Heavy Industrial/Manufacturing	10-100+	0-5%	40 to 60	w/in 10	Preferred	2 MW
Food Processing	5-25+	0-5%	50 to 65	w/in 30	Preferred	2-6 MW
Advanced Manufacturing & Assembly	5-25+	0-7%	30 to 60	w/in 15	Not Required	1-2 MW
General Manufacturing	5-15+	0-5%	30 to 50	w/in 20	Preferred	0.5 MW
Business Park and R&D Campus	20-100+	0-7%	60 to 150	N/A	Preferred	0.5-1.5 MW
Business Admin Services	5-15+	0-12%	170 to 180	N/A	Not Required	0.5 MW
Regional Warehouse/Distribution	20-100+	0-5%	20 to 80	w/in 5 (only interstate or equivalent)	Preferred	1 MW
Local Warehouse / Distribution	10-25+	0-5%	20 to 80	w/in 5 (only interstate or equivalent)	Preferred	1 MW
UAV Manufacturing/Research	10-25+	0-7%	30 to 50	N/A	Not Required	0.5 MW
Data Center	10-50+	0-7%	20 to 30	w/in 30	Avoid / Not Required	5-100 MW
Rural Industrial	10-50+	0-5%	30 to 50	w/in 60	Preferred	1 MW

Source: Business Oregon, Infrastructure Finance Authority, “Industrial Development Competitiveness Matrix.” Note: Items identified as “preferred” are those that increase the feasibility of the subject property and its future reuse. Items identified as “required” are factors seen as mandatory in a majority of cases and have become industry standards.

Industrial Site Needs

Gresham's industrial growth is expected to be driven primarily by manufacturing and related industrial support activities, including wholesale trade, logistics, and construction-related businesses. These industries have a wide range of site needs depending on firm size, operational intensity, and development model.

Given Gresham's limited supply of suitable vacant industrial land, a substantial share of future demand is expected to be accommodated through reuse and redevelopment of existing industrial properties, in addition to development on remaining vacant sites.

Industrial site needs can be grouped into the following categories:

- **Existing industrial and flex space.** Many businesses prefer to locate in existing industrial or flex buildings (when available) that can accommodate immediate occupancy. These spaces typically serve small and mid-sized businesses, such as suppliers, logistics firms, manufacturers, and service providers, that benefit from shared facilities, lower upfront costs, and proximity to arterial corridors and other industrial users.
- **Small-scale development sites (smaller than 5 acres).** Small-scale sites are typically occupied by contractors, specialized manufacturers, and service-oriented businesses that want ownership of their building and yard space. Development is usually owner-driven or by small developers constructing single buildings. These projects often feature limited office space with outdoor storage or yard areas and need convenient access to major roads and utilities.
- **Mid-sized development sites (5 to 20 acres).** Mid-sized sites accommodate larger industrial users or single-tenant buildings developed for manufacturing, assembly, or distribution. These sites can also support smaller industrial parks with multiple buildings and tenants. These sites generally require strong highway access and high-capacity infrastructure such as water, wastewater, and power to support a range of business operations.
- **Large industrial or manufacturing sites (20 acres or more).** Large industrial users, including manufacturers, logistics firms, and industrial or research campuses, typically require sites of 20 acres or more that are fully serviced and have direct access to the regional transportation network. These sites are often developed as single-user, build-to-suit facilities or as master-planned business parks designed to accommodate multiple large tenants. They require substantial infrastructure capacity, particularly for transportation, utilities, and freight access.

In Gresham, sites of this size are limited, with only two identified in the Springwater Plan Area. The city also has a potential large redevelopment site in the Heavy Industrial land use district. However, given the limited supply of development-ready land, Gresham's ability to accommodate large industrial users is constrained. This reflects a broader regional pattern, as large, development-ready industrial sites are increasingly scarce across the Portland region.

Commercial Site Needs

Commercial development in Gresham will be driven primarily by growth in health care, retail, personal services, and other population-serving uses. These industries depend on visibility, accessibility, and proximity to residential areas and employment centers.

New commercial development is expected to occur through intensification of use in existing built space, reuse of vacant buildings or spaces, infill development of vacant sites, redevelopment, as well as in developing areas such as Pleasant Valley and Springwater, depending on future land use decisions.

Commercial site needs include:

- **Space in existing buildings (multi-tenant and standalone).** Many businesses, including retail, restaurants, personal services, and some health care providers, locate in existing multi-tenant buildings such as shopping centers or mixed-use developments. These locations provide visibility, shared parking, and proximity to other businesses. Some users, such as grocery stores, fitness centers, offices, and larger restaurants, occupy standalone buildings developed on individual sites or as part of larger centers.
- **Small commercial sites (1 to 5 acres).** A smaller number of businesses, including hotels, larger retailers, larger restaurants, medical or professional offices, and auto-related services, require land for a purpose-built facility. These users typically seek one- to five-acre sites in areas with strong transportation access and available infrastructure to support higher customer traffic.
- **Mid- to large-scale commercial sites (5 to 20+ acres).** Larger commercial users, such as regional-serving retail and expanded medical facilities, may require sites of more than five acres, especially for development with large building footprints and substantial parking needs. This category may also include larger shopping centers, which are often anchored by a major tenant and supported by smaller retail or service businesses.

4. Buildable Lands Inventory

As part of the 2026 Economic Opportunity Analysis, the City of Gresham requested a buildable lands inventory (BLI) for employment lands to identify those parcels available for and buildable for development by commercial and industrial users within the Urban Service Boundary (USB). Mackenzie compiled information on buildable lands to further the City's economic development objectives and to satisfy provisions of Oregon Statewide Land Use Planning Goal 9, Economic Development, as codified at Oregon Administrative Rules (OAR) 660, Division 9 to implement Oregon Revised Statutes (ORS) 197.712(2).

To determine the City's buildable lands, Mackenzie utilized geographic information systems (GIS) data from the City, Metro, and Federal Emergency Management Agency (FEMA) to review information on parcels, Gresham Community Plan Map District, development status, natural resources, and topographic conditions to:

1. Categorize land designated or planned for employment.
2. Screen out properties which are already built out and not anticipated to redevelop.
3. Determine which sites are vacant, partially vacant, exempt, and developed.[31]
4. Deduct areas with site constraints that preclude development on vacant, partially vacant, and developed parcels.
5. Identify the remaining buildable area of vacant, partially vacant, and redevelopable parcels after deducting for constraints.

Study Area

The study area includes the area within the City of Gresham Urban Service Boundary as shown in **Exhibit 18.**

[31] As defined in OAR 660-009-0005, *"Developed Land" means non-vacant land that is likely to be redeveloped during the planning period.*

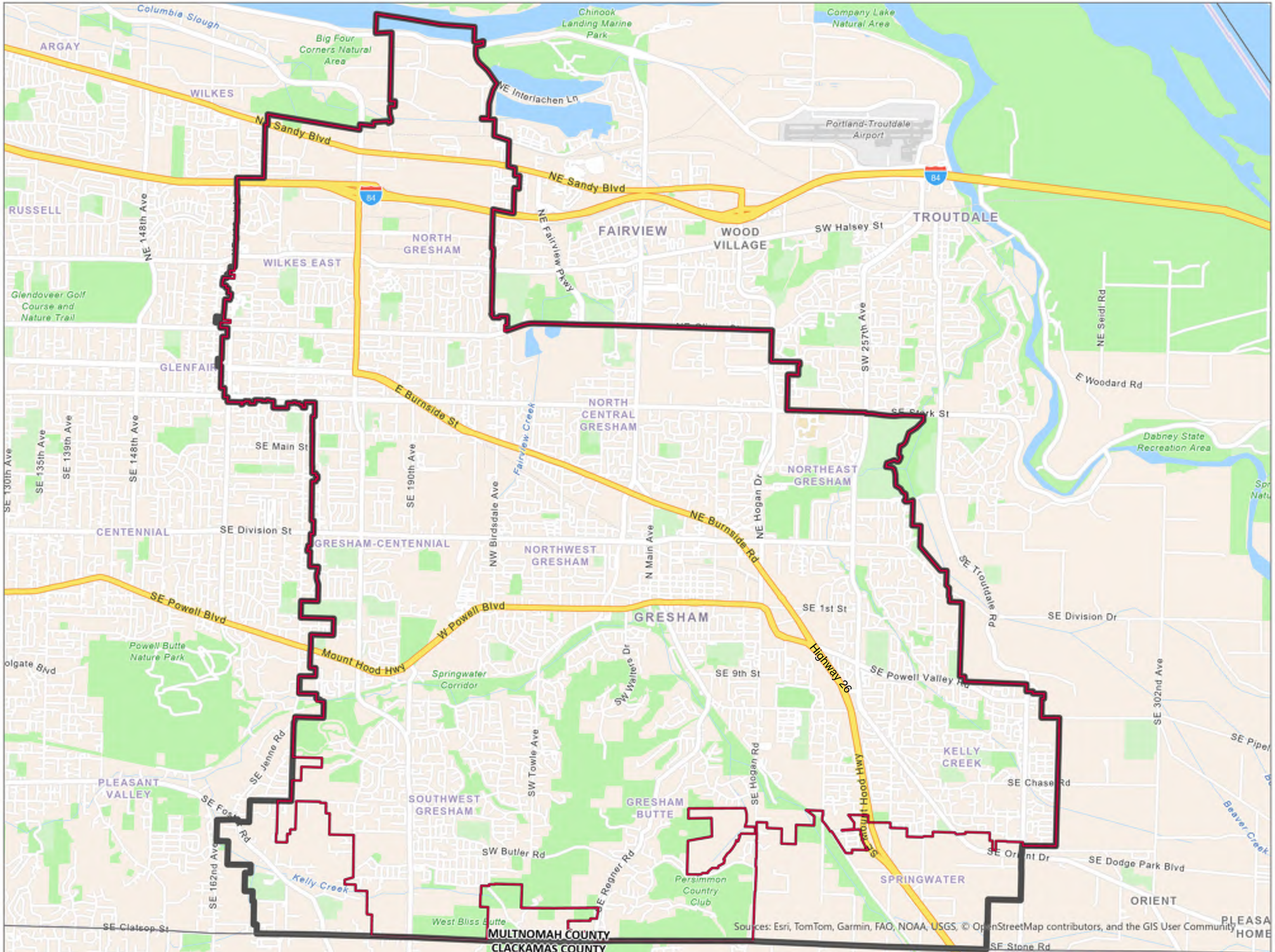


Exhibit 18: City Limits and Urban Service Boundary, Gresham Buildable Employment Lands Inventory

Gresham, Oregon

LEGEND

- City Limits
- Urban Service Boundary
- County Boundary

0 1,800 3,600 7,200 Feet

1 inch = 3,600 feet

N

SOURCE DATA:
Metro RLIS Lite Base Data, Dec 2025

GEOGRAPHIC PROJECTION:
NAD 83 HARN, Oregon North Lambert Conformal Conic

Date: 3/11/2026
File: Basemap

Map Created By: SH
Project No: 2240411.01

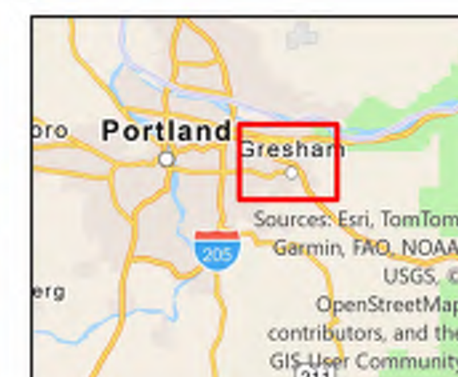


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Exhibit 19. Gresham Buildable Lands Inventory Employment Land Use Districts

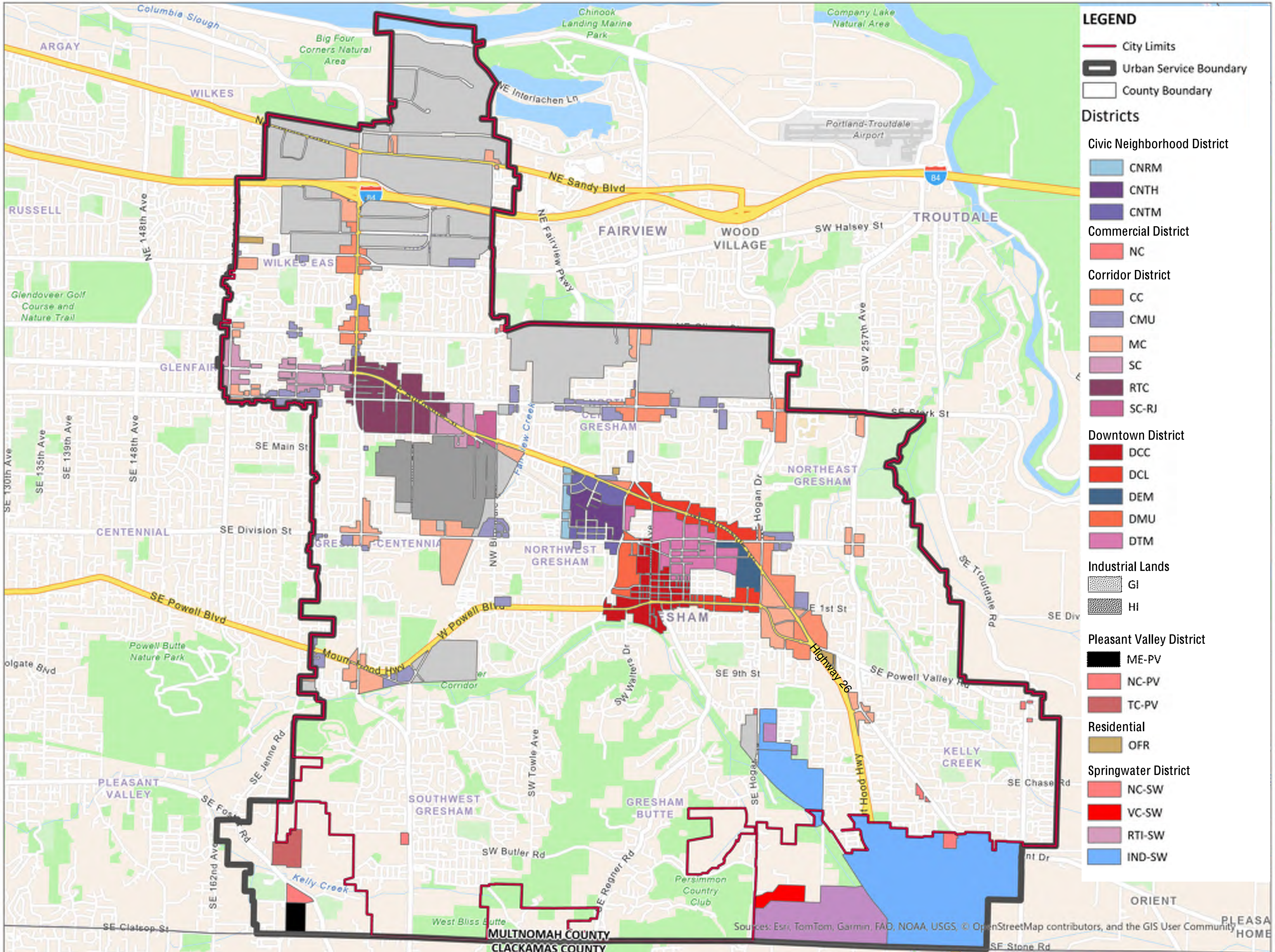
Commercial Districts
▪ Community Commercial (CC)
▪ Moderate Commercial (MC)
▪ Neighborhood Commercial (NC)
Mixed Use Districts
▪ Office/Residential (OFR)
▪ Rockwood Town Center (RTC)
▪ Station Centers (SC)
▪ Corridor Mixed Use (CMU)
▪ Station Center Ruby Junction (SC-RJ)
▪ Downtown Commercial Core (DCC)
▪ Downtown Mixed Use (DMU)
▪ Downtown Transit Mid-Rise (DTM)
▪ Downtown Employment Mid-Rise (DEM)
▪ Downtown Commercial Low-Rise (DCL)
▪ Civic Neighborhood Residential Mid-Rise (CNRM)
▪ Civic Neighborhood Transit Moderate Density (CNTM)
▪ Civic Neighborhood Transit High Density (CNTH)
▪ Town Center – Pleasant Valley (TC-PV)
▪ Neighborhood Commercial – Pleasant Valley (NC-PV)
▪ Mixed Employment – Pleasant Valley (ME-PV)
▪ Village Center – Springwater (VC-SW)
▪ Neighborhood Commercial (NC-SW)
Residential
▪ Office/Residential (OFR)
Industrial Districts
▪ Heavy Industrial (HI)
▪ General Industrial (GI)
▪ Research/Technology Industrial – Springwater (RTI-SW)
▪ Industrial – Springwater (IND–SW)

The land use districts noted in **Exhibit 19** were analyzed as part of this employment land BLI. These employment land use districts are graphically depicted in **Exhibit 20**.

Since Mixed Use Districts can accommodate either commercial or residential development, Mackenzie used Metro Regional Land Information System (RLIS) data to calculate the percentage of commercial development in Gresham Mixed Use Districts over the last 10 years. This rate (approximately 50%) has been applied to the identified Mixed Use Districts' supply of buildable land.

Exhibit 20: Employment Districts, Gresham Buildable Employment Lands Inventory

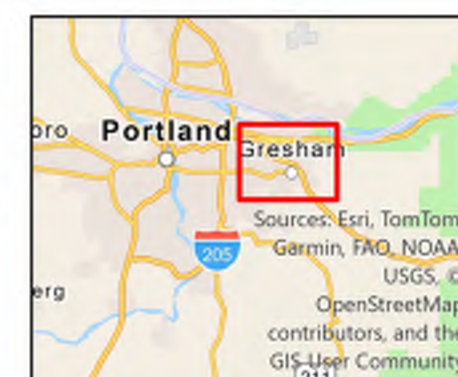
Gresham, Oregon



0 1,800 3,600 7,200 Feet

1 inch = 3,600 feet

N



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Development Status

To identify tax lots which may be available for employment development, Mackenzie utilized GIS software to determine which sites in the Commercial, Mixed Use, or Industrial districts were vacant, partially vacant, exempt, or developed, designated as follows:

<u>Vacant Land (Using Metro 2024 Buildable Land Inventory as the starting point):</u>

1. Vacant tax lots are those that have no building, improvements, or identifiable land use. This includes tax lots that are 95% or more vacant from the GIS vacant land inventory per the 2024 Metro BLI.
2. Tax lots with less than 2,000 square feet (SF) developed AND where the developed portion is under 10% of the entire tax lot area.

Vacant Land approach is intended to comply with OAR 660-009-0005(15).

<u>Partially Vacant Land:</u>

1. Tax lots between one and five acres occupied by a use with a minimum quarter-acre vacant portion that could still be further developed based on zoning; or
2. Tax lots equal to or larger than five acres occupied by a use with a minimum one-acre vacant portion that could still be further developed based on zoning.

Partially Vacant Land approach is based on project experience and is not defined in Statute or Oregon Administrative Rules.

<u>Exempt Land:</u>

Exempt land is excluded from the buildable employment land inventory because it is not considered available for employment development during the planning period.

1. Tax exempt with property codes for city, state, federal and Native American designations.
2. Schools.
3. Private streets.
4. Rail Properties.
5. Tax lots under 1,000 SF.
6. Parks, Open spaces, and private common areas.

Exempt Land approach is based on project experience and is not defined in Statute or Oregon Administrative Rules.

Developed Land (Using Metro BLI as the starting point):

Developed Land approach is intended to comply with OAR 660-009-0005(1), which defines developed land as "non-vacant land that is likely to be redeveloped during the planning period."

1. Lands not classified as vacant, partially vacant, or exempt are considered developed. A subset of the developed land includes potentially redevelopable land. City staff has provided input on redevelopable sites, including some publicly owned sites that would otherwise be classified as Exempt Land, as provided in Appendix A.

Following GIS analysis to identify sites in each of the categories, Mackenzie refined the results as follows:

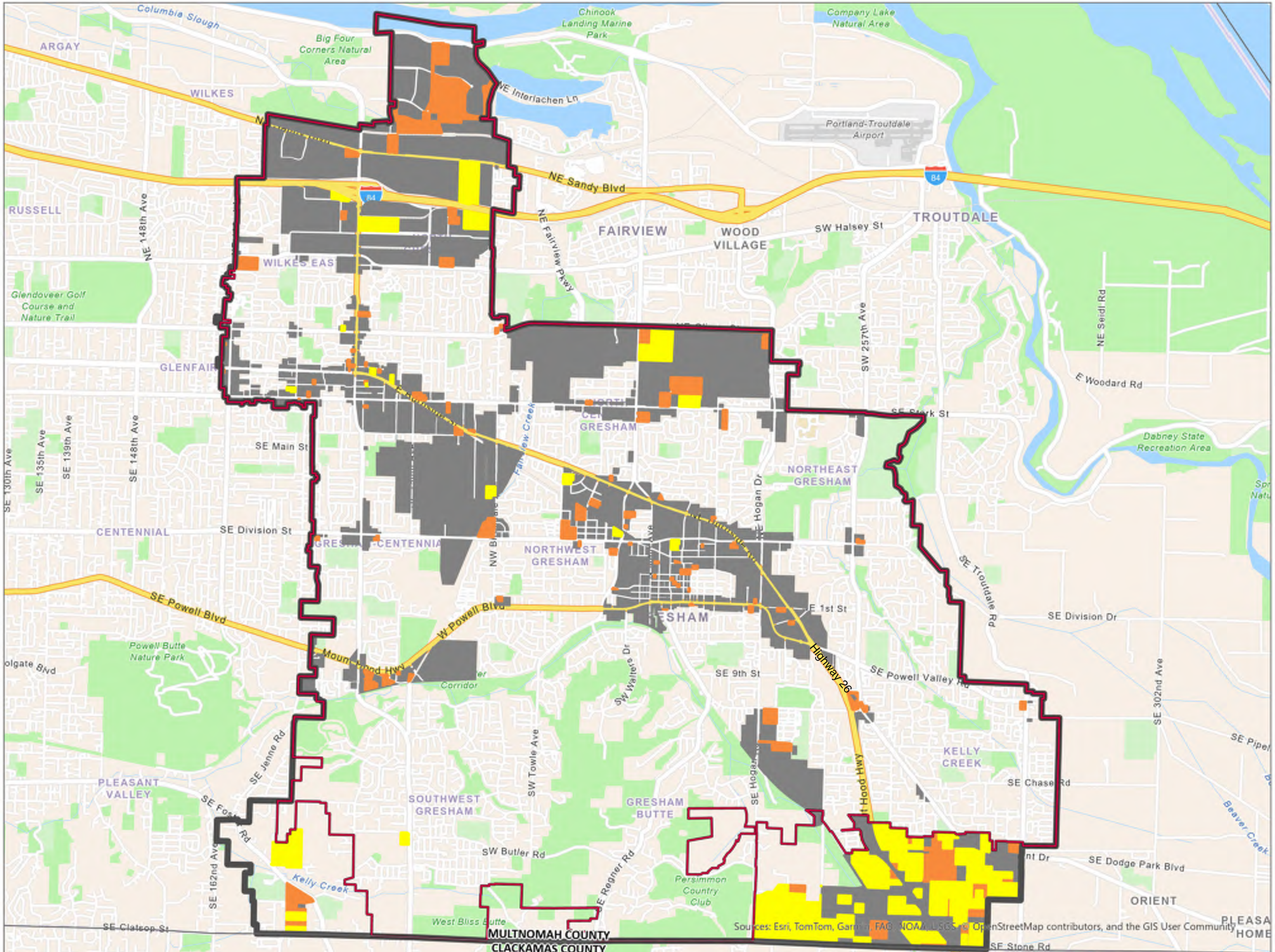
- To incorporate direction provided by the City staff for specific tax lots where staff had institutional knowledge of the employment land inventory and redevelopable sites, as explained in the Manual Adjustment Log included as Appendix A.[32]
- To remove GIS irregularities such as small slivers of land that are likely a result of misaligned data sets provided by multiple sources.
- To manually update tax lots identified as vacant in the Metro 2024 BLI, but which have since been developed.

A map of the Development Status is presented as **Exhibit 21**.

[32] Please note, at the request of City staff, some redevelopable sites have not been mapped due to confidentiality, but the potential redevelopment acreage is included in Exhibit 23 and Exhibit 25.

Exhibit 21: Development Status, Gresham Buildable Employment Lands Inventory

Gresham, Oregon



LEGEND

- City Limits
- Urban Service Boundary
- County Boundary

Development Status

- Vacant
- Partially Vacant
- Developed

0 1,800 3,600 7,200 Feet

1 inch = 3,600 feet

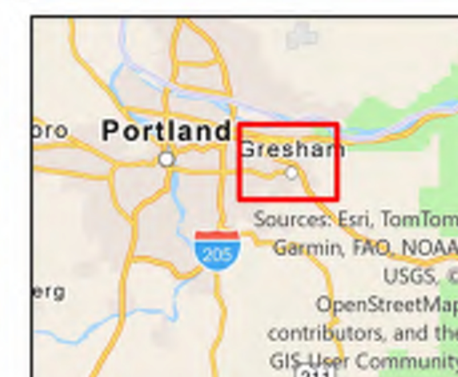
N

SOURCE DATA:
Metro RLIS Lite Base Data,
City of Gresham
Dec 2025

GEOGRAPHIC PROJECTION:
NAD 83 HARN, Oregon North
Lambert Conformal Conic

Date: 3/11/2026
File: Basemap

Map Created By: SH
Project No: 2240411.01



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Development Constraints

OAR 660, Division 9 allows for reduction of buildable area in an employment lands BLI based on site development constraints, as defined in OAR 660-009-0005(2):

> *'Development Constraints' means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.*

Based on this definition, for the Gresham employment lands BLI, development constraints that render land undevelopable for employment uses were identified as land with any of the following characteristics:

- Property within the 1% annual chance (100-year) floodplain.
- Areas with slopes of 25% or greater in Commercial or Mixed Use Districts.[33]
- Areas with slopes of 10% or greater in Industrial districts.[3]
- City of Gresham Natural Resource Overlay – Resource Area (RA) and High Value Resource Area (HVRA). All the HVRA is considered undevelopable, and 25% of the remaining RA is accounted for as developable area.

These development constraints are depicted in **Exhibit 22**.

[33] Note, Exhibit 22 shows 10%-25% slopes and slopes greater than 25% City-wide to indicate the presence of steep slopes on areas that may be contemplated for potential further zoning studies.

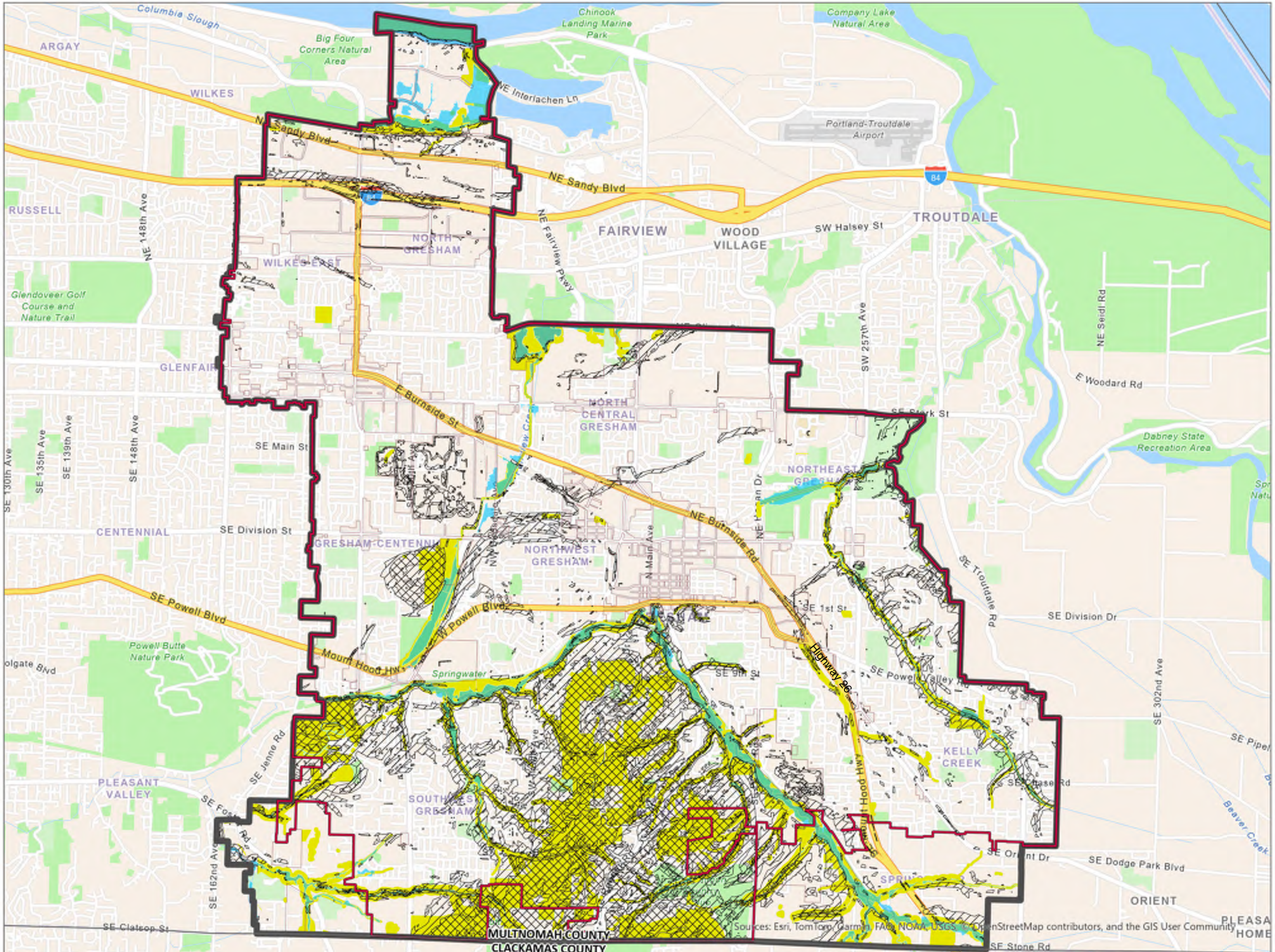


Exhibit 22: Constraints, Gresham Buildable Employment Lands Inventory

Gresham, Oregon

LEGEND

- City Limits
- Urban Service Boundary
- County Boundary
- Inventory Area
- 10%-25% Slopes
- 25% Slope or steeper
- High Value Resource Area
- Resource Area
- Floodway and 1% Annual Chance Flood Hazard

0 1,800 3,600 7,200 Feet

1 inch = 3,600 feet

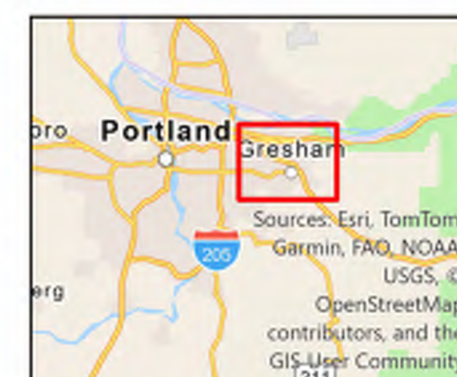
N

SOURCE DATA:
Metro RLIS Lite Base Data, FEMA
City of Gresham
Dec 2025

GEOGRAPHIC PROJECTION:
NAD 83 HARN, Oregon North
Lambert Conformal Conic

Date: 3/11/2026
File: Basemap

Map Created By: SH
Project No: 2240411.01



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Net Employment Buildable Lands

The areas with constraints **(Exhibit 22)** were then deducted from the vacant, partially vacant, and redevelopment employment land **(Exhibit 21)** to determine the net buildable portions of the vacant, partially vacant, and redevelopment sites. Sites resulting in less than 0.10 acres (Commercial and Mixed-Use Districts) and less than 1 acre (Industrial Districts) of net buildable land were removed since development of these smaller sites is infeasible. The results of this analysis are summarized in **Exhibit 23** and shown graphically in **Exhibit 24**.

Exhibit 23. Gresham Net Employment Buildable Lands Inventory[1]

	Vacant		Partially Vacant		Redevelopable		Totals		
Category	Number of Sites	Acreage	Number of Sites	Acreage	Number of Sites	Acreage	Number of Sites	Acreage	Adjusted Acreage[2]
Commercial									
Neighborhood Commercial (NC)	4	2.0	0	0.0	0	0.0	4	2.0	**2.0**
Community Commercial (CC)	5	10.5	1	0.6	0	0.0	6	11.2	**11.2**
Moderate Commercial (MC)	29	28	1	0.7	2	1.7	32	30.4	**30.4**
Mixed Use[2]									
Rockwood Town Center (RTC)	14	5.6	3	2.1	6	6.2	23	13.9	**7.0**
Station Centers (SC)	5	2.8	0	0.0	0	0.0	5	2.8	**1.4**
Corridor Mixed Use (CMU)	20	31.7	2	8.2	1	0.7	23	40.6	**20.3**
Station Center Ruby Junction (SC-RJ)	0	0.0	0	0.0	0	0.0	0	0	**0.0**
Downtown Commercial Core (DCC)	6	1.2	0	0.0	24	24.8	30	26.0	**13.0**
Downtown Mixed Use (DMU)	2	0.3	0	0.0	2	8.6	4	8.9	**4.5**
Downtown Transit Mid-Rise (DTM)	15	4.7	1	2.8	1	0.5	17	8.1	**4.1**
Downtown Employment Mid-Rise (DEM)	4	0.8	0	0.0	3	11.1	7	12.0	**6.0**
Downtown Commercial Low-Rise (DCL)	4	1.7	0	0.0	4	8.6	8	10.3	**5.2**
Civic Neighborhood Residential Mid-Rise (CNRM)	1	7.4	1	2.6	0	0.0	2	10.6	**5.3**

Civic Neighborhood Transit Moderate Density (CNTM)	1	1.3	0	0.0	0	0.0	1	1.3	**0.7**
Civic Neighborhood Transit High Density (CNTH)	3	6.3	1	1.9	4	23.4	8	31.6	**15.8**
Town Center – Pleasant Valley (TC- PV)	0	0.0	3	26.9	0	0.0	3	26.9	**13.5**
Neighborhood Commercial – Pleasant Valley (NC-PV)	2	7.3	1	2.4	0	0.0	3	9.7	**4.9**
Mixed Employment – Pleasant Valley (ME-PV)	2	8.4	2	4.9	0	0.0	4	13.3	**6.7**
Village Center – Springwater (VC-SW)	1	4.2	3	27.2	0	0.0	4	31.4	**15.7**
Neighborhood Commercial (NC-SW)	1	5.2	2	5.6	0	0.0	3	10.8	**5.4**
Residential									
Office/Residential (OFR)	0	0.0	0	0.0	2	1.5	2	1.5	**0.8**
Industrial									
Heavy Industrial (HI)	0	0.0	1	1.2	24	119.7	25	120.8	**120.8**
General Industrial (GI)	13	76.0	4	38.7	7	29.6	24	144.2	**144.2**
Research/Technology Industrial – Springwater (RTI-SW)	1	7.4	14	64.8	0	0.0	15	72.2	**72.2**
Industrial – Springwater (IND– SW)	14	65.2	67	134.4	0	0.0	81	199.7	**199.7**
Totals:	147	278.1	107	325.1	80	236.4	334	839.5	710.4
Totals with adjusted acreage[2]:	**147**	**233.6**	**107**	**282.7**	**80**	**193.7**	**334**	**710.4**	**710.4**

Table Notes:
[1] Due to rounding, some totals may not correspond with the sum of separate figures.
[2] Since the Mixed Use Districts can accommodate either commercial or residential development, Mackenzie used Metro Regional Land Information System (RLIS) data to calculate the percentage of commercial development in Gresham Mixed Use Districts over the last 10 years. This rate (approximately 50%) has been applied to the identified Mixed Use Districts' supply of buildable land.

Source: Gresham Buildable Lands Inventory, analysis by Mackenzie

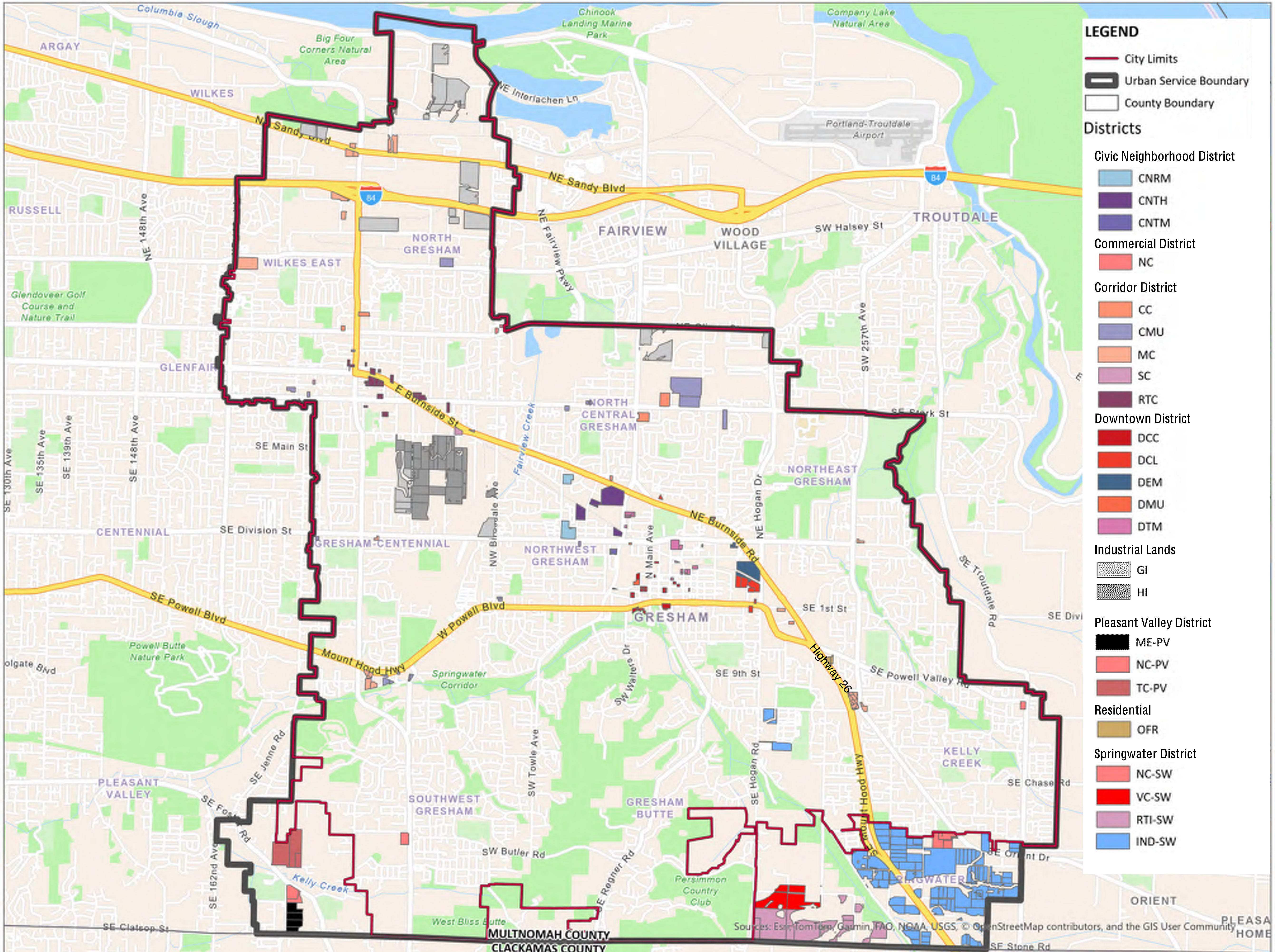


Exhibit 24: Unconstrained Buildable Area by District, Gresham Buildable Employment Lands Inventory

Gresham, Oregon

0 1,800 3,600 7,200 Feet

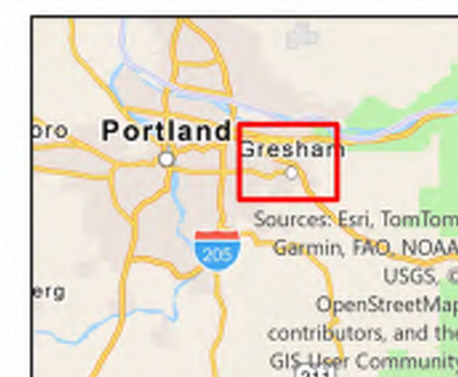
1 inch = 3,600 feet

N

SOURCE DATA:
Metro RLIS Lite Base Data, FEMA
City of Gresham
Dec 2025

GEOGRAPHIC PROJECTION:
NAD 83 HARN, Oregon North
Lambert Conformal Conic

Date: 3/16/2026
Map Created By: SH
Project No: 2240411.01



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After adjusting for the Mixed Used Districts:

- The Commercial and Mixed Use Districts have approximately 125 acres (24%) of vacant and partially vacant buildable land, and the Industrial Districts have approximately 390 acres (76%) of vacant and partially vacant buildable land, for a total of approximately 515 net acres of vacant and partially vacant buildable employment land.
- The Commercial and Mixed Use Districts[34] have approximately 45 acres (23%) of redevelopable land, and the Industrial Districts have approximately 150 acres (77%) of redevelopable land, for a total of approximately 195 net acres of redevelopable buildable employment land. Key redevelopment opportunities include:
    - JW Underground site. The approximately 100-acre site in the Heavy Industrial zone includes sand and gravel pits and material storage areas. The owners have indicated interest in repositioning the property during the planning period, making it one of Gresham's largest industrial redevelopment opportunities.
    - Former Kmart site. The approximately 13-acre site in the Civic Neighborhood provides an opportunity for high-density mixed-use development, with redevelopment potential of the largely vacant site at the corner of NW Eastman Parkway and NW Burnside Road.
- In total, the Commercial and Mixed Use Districts[4] have approximately 170 acres (24%) of buildable land and the Industrial Districts have approximately 540 acres (76%) of buildable land, for a total of approximately 710 net acres of buildable employment land.

[34] Buildable area within the Office/Residential (OFR) District is included as part of the Mixed Use District acreage.

Buildable Employment Lands Site Sizes

Based on the buildable sites within the USB shown in **Exhibit 24** and tabulated in Exhibit 23, Mackenzie sorted the net buildable land supply by site size for each District, the results of which are in **Exhibit 25**. The majority (75%) of Commercial sites are smaller than 1 acre in size. The majority (66%) of Mixed Use sites are smaller than 5 acres in size. The majority (90%) of Industrial sites are smaller than 10 acres in size. There are no sites with buildable areas of 30 acres or larger.

Exhibit 25. Gresham Employment Net Buildable Lands Inventory Site Sizes

Districts	*0 to 0.99 acres*	*1 to 4.99 acres*	*5 to 9.99 acres*	*10 to 19.99 acres*	*20 to 29.99 acres*	*30 to 49.99 acres*	*50 to 99.99 acres*	*100+ acres*	*TOTAL*
Commercial Districts									
Neighborhood Commercial (NC)	3	1	0	0	0	0	0	0	4
Community Commercial (CC)	3	3	0	0	0	0	0	0	6
Moderate Commercial (MC)	27	4	1	0	0	0	0	0	32
Mixed Use Districts									
Rockwood Town Center (RTC)	18	5	0	0	0	0	0	0	23
Station Centers (SC)	4	1	0	0	0	0	0	0	5
Corridor Mixed Use (CMU)	18	3	1	1	0	0	0	0	23
Station Center Ruby Junction (SC-RJ)	0	0	0	0	0	0	0	0	0
Downtown Commercial Core (DCC)	26	3	1	0	0	0	0	0	30
Downtown Mixed Use (DMU)	3	0	1	0	0	0	0	0	4
Downtown Transit Mid-Rise (DTM)	16	1	0	0	0	0	0	0	17
Downtown Employment Mid-Rise (DEM)	5	1	1	0	0	0	0	0	7
Downtown Commercial Low-Rise (DCL)	5	3	0	0	0	0	0	0	8
Civic Neighborhood Residential Mid-Rise (CNRM)	0	1	1	0	0	0	0	0	2
Civic Neighborhood Transit Moderate Density (CNTM)	0	1	0	0	0	0	0	0	1

Civic Neighborhood Transit High Density (CNTH)	1	6	0	1	0	0	0	0	8
Town Center – Pleasant Valley (TC- PV)	0	1	0	2	0	0	0	0	3
Neighborhood Commercial – Pleasant Valley (NC-PV)	0	3	0	0	0	0	0	0	3
Mixed Employment – Pleasant Valley (ME-PV)	0	4	0	0	0	0	0	0	4
Village Center - Springwater (VC- SW)	0	2	0	2	0	0	0	0	4
Neighborhood Commercial (NC-SW)	0	2	1	0	0	0	0	0	3
Residential									
Office/ Residential (OFR)	2	0	0	0	0	0	0	0	2
Industrial									
Heavy Industrial (HI)	2	13	9	1	0	0	0	0	25
General Industrial (GI)	2	12	5	5	0	0	0	0	24
Research/Technology Industrial – Springwater (RTI-SW)	5	7	1	1	1	0	0	0	15
Industrial – Springwater (IND – SW)	17	56	7	0	1	0	0	0	81
Commercial, Mixed Use, Residential, and Industrial Total									
Totals	**157**	**133**	**29**	**13**	**2**	**0**	**0**	**0**	**334**

Source: Gresham Buildable Lands Inventory, analysis by Mackenzie

Short-term Land Supply

This section reviews Gresham's short-term supply of employment land within the context of state policy requirements.

Policy Context

The Goal 9 Administrative Rule (OAR 660-009) includes provisions that require certain cities to ensure an adequate short-term supply of industrial and other employment lands. OAR 660-009- 005(10) defines short term supply as follows:

> "…means suitable land that is ready for construction within one year of an application for a building permit or request for service extension. Engineering feasibility is sufficient to qualify land for the short-term supply of land. Funding availability is not required. "Competitive Short-term Supply" means the short-term supply of land provides a range of site sizes and locations to accommodate the market needs of a variety of industrial and other employment uses."

The Goal 9 rule also requires cities in a Metropolitan Planning Organization (MPO), which includes Gresham, to make a commitment to provide a competitive short-term supply of land and establishes targets for the short-term supply of land. Specifically, OAR 660-009-0020(1)(b) states:

> "Cities and counties within a Metropolitan Planning Organization must adopt a policy stating that a competitive short-term supply of land as a community economic development objective for the industrial and other employment uses selected through the economic opportunities analysis pursuant to OAR 660-009-0015."

The rule goes on to clarify short-term land supply targets for cities in an MPO (OAR 660-009- 0025):

> (3) Short-Term Supply of Land. Plans for cities and counties within a Metropolitan Planning Organization or cities and counties that adopt policies relating to the short-term supply of land must designate suitable land to respond to economic development opportunities as they arise. Cities and counties may maintain the short-term supply of land according to the strategies adopted pursuant to OAR 660-009-0020(2).
>
> (a) Except as provided for in subsections (b) and (c), cities and counties subject to this section must provide at least 25% of the total land supply within the urban growth boundary designated for industrial and other employment uses as short-term supply.

(b) Affected cities and counties that are unable to achieve the target in subsection (a) above may set an alternative target based on their economic opportunities analysis.

(c) A planning area with 10% or more of the total land supply enrolled in Oregon's industrial site certification program pursuant to ORS 284.565 satisfies the requirements of this section.

In summary, the rule requires Gresham to assess the short-term supply of employment land based on the criteria that land can be ready for construction within one year. The determination is based on “engineering feasibility.”

Analysis of Short-term Supply of Land

City of Gresham staff used the results of the buildable lands inventory to identify commercial, industrial, and mixed-use parcels that meet the definition of short-term supply. Short-term land supply includes all sites within city limits.

Areas within the city's Urban Service Boundary but outside of city limits were excluded given the timeline associated with annexation, which in combination with land use review and permit review is anticipated to extend the development timeframe beyond one year.

Exhibit 26 shows that Gresham has 38 acres of commercial land, 36 acres of mixed use land, and 110 acres of industrial land in the short-term supply. In comparison to all unconstrained vacant and partially vacant commercial, mixed use, and industrial land (710 acres), 26% of Gresham's employment land is in the short-term supply.

Exhibit 27 shows a map of Gresham's short-term land supply.

Exhibit 26. Short-term Supply of Employment Land, Gresham Urban Service Boundary, 2026

SHORT TERM SUPPLY OF EMPLOYMENT LAND, GRESHAM CITY LIMITS AND URBAN SERVICE AREA, 2026[1]					
District	**Unconstrained Land**		**Short-Term Land Supply**		
	Acres	Parcels	Acres	Parcels	Share of Unconstrained Acres
Commercial	44	42	38	31	85%
Mixed Use	130	147	36	101	28%
Industrial	537	145	110	25	21%
Total	**710**	**334**	**184**	**157**	**26%**

Table Note:
[1] Due to rounding, some totals may not correspond with the sum of separate figures.

Source: Gresham Buildable Lands Inventory, analysis by Mackenzie and City of Gresham staff

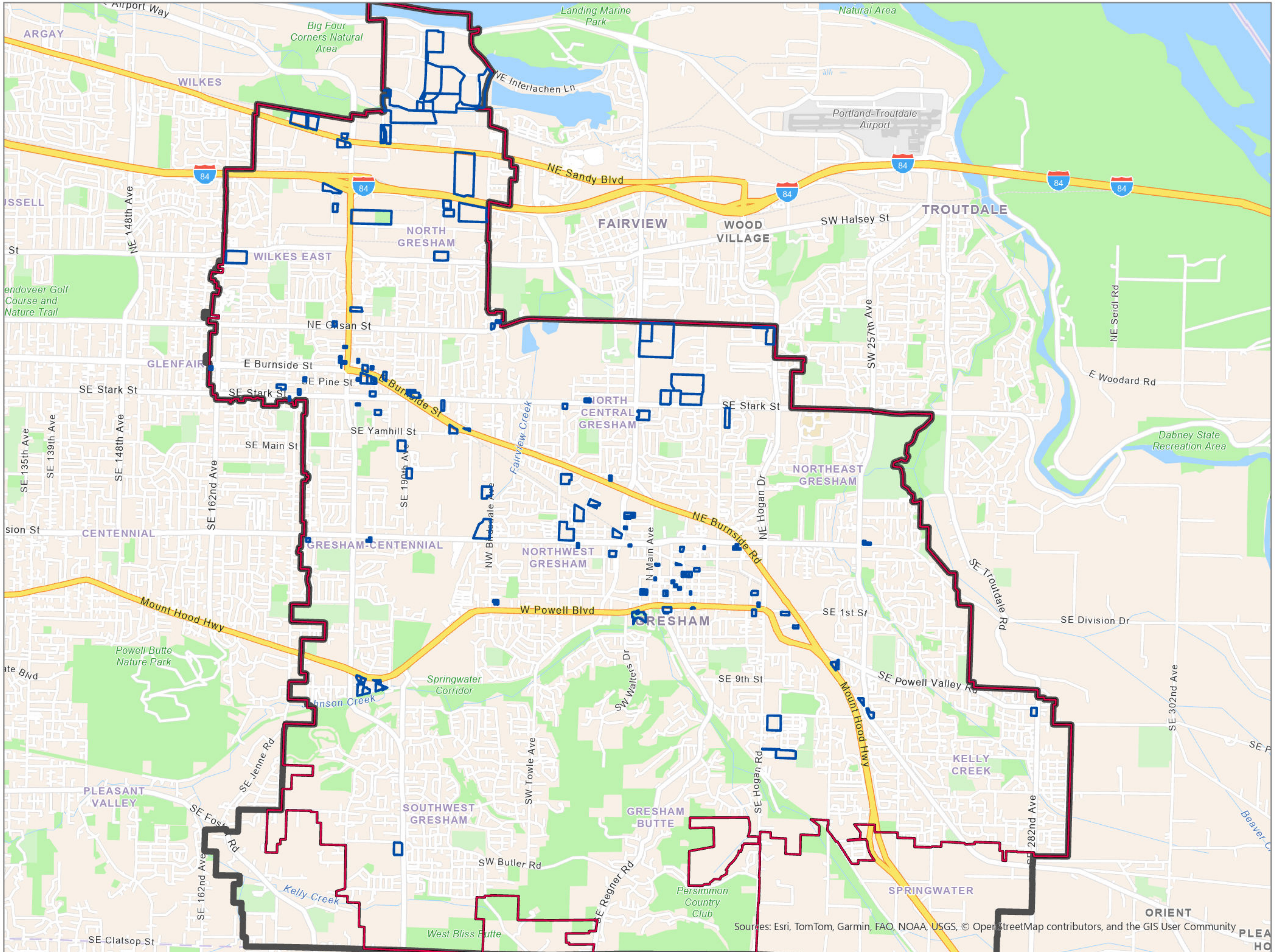


Exhibit 27: Short Term Supply of Employment Land

Gresham, Oregon

LEGEND

- City Limits
- Urban Service Boundary
- Short-Term Land Supply Parcels

0 3,500 7,000 Feet

1 inch = 3,500 feet

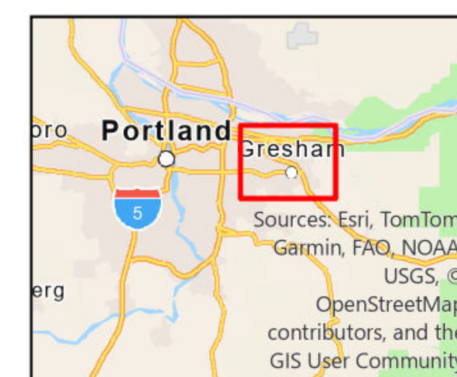
N

SOURCE DATA:
Metro RLIS Lite Base Data, FEMA
City of Gresham
Dec 2025

GEOGRAPHIC PROJECTION:
NAD 83 HARN, Oregon North
Lambert Conformal Conic

Date: 6/25/2026
File: Basemap

Map Created By: SHARIHARANGODT
Project No: 2240411.01



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5. Land Sufficiency and Conclusions

This chapter presents conclusions regarding Gresham's employment land sufficiency for the 2026–2046 planning period and identifies considerations and recommendations for supporting future economic growth.

Land Sufficiency

This section evaluates Gresham's supply of employment land relative to forecasted demand over the 2026 to 2046 planning period. It also considers whether the City's buildable land supply includes sites that are suitable for the industries Gresham is trying to retain, grow, and attract.

Exhibit 28 compares Gresham's supply of buildable employment land with forecasted land demand by comprehensive plan designation. The analysis indicates the following:

- **Industrial land supply.** Gresham's Industrial Districts have approximately 537 acres of unconstrained buildable industrial land. About 388 acres (72%) are vacant or partially vacant and about 149 acres (28%) are identified as redevelopable. About 272 acres of industrial land (51% of unconstrained buildable industrial land) is in the Springwater Plan area.
- **Commercial land supply.** Commercial and Mixed-Use Districts contain approximately 174 acres of buildable commercial land, after adjusting mixed-use districts to account for likely residential development patterns.[35] About 129 acres (74%) are vacant or partially vacant and about 45 acres (26%) are identified as redevelopable.
- **Land demand.** Gresham is forecasted to require approximately 200 gross acres of industrial land and 194 gross acres of commercial land to accommodate employment growth between 2026 and 2046.
- **Land sufficiency.** Based on the comparison of supply and demand, Gresham has an estimated surplus of approximately 337 acres of industrial land and a deficit of approximately 20 acres of commercial land.

[35] Because Mixed Use Districts can accommodate either commercial or residential development, the analysis assumes that approximately 50% of this land will develop as commercial, based on development patterns observed over the past 10 years.

The 20-acre commercial land deficit is relatively small in the context of the overall land supply. Under Statewide Planning Goal 9, the City is not required to take additional action to address this deficit in order to adopt the EOA. Rather, this finding highlights the importance of supporting redevelopment, infill, and efficient use of existing commercial areas to accommodate future growth.

Exhibit 28. Comparison of the Capacity of Buildable Land with Employment Land Demand by Comprehensive Plan Designation, Gresham, 2026-2046

Comprehensive Plan Designation	Land Supply (Gross Acres)	Land Demand (Gross Acres)	Land Sufficiency (Gross Acres)
Industrial	537	200	337
without land in the Springwater Plan area	265	200	65
Commercial	174	194	(20)

Source: ECOnorthwest

While the analysis shows a surplus of industrial land, a large share of this land (approximately 272 acres) is located in the Springwater Plan area, where development is limited by natural constraints, limited infrastructure and transportation access, and fragmented ownership patterns. As a result, the availability of suitable sites for industrial users is more limited than total acreage suggests.

Excluding the Springwater Plan Area, Gresham has approximately 265 acres of buildable industrial land, compared with forecasted demand for approximately 200 acres. This indicates that the city can accommodate forecasted industrial growth without relying on Springwater. However, the remaining surplus is relatively small, and much of the available land is distributed across smaller sites. Accommodating future industrial growth will therefore depend more heavily on redevelopment, infill, site assembly, and reinvestment in existing industrial areas. One notable opportunity is the approximately 100-acre JW Underground site, which consists of multiple parcels under common ownership in the Heavy Industrial district. The property owner has indicated interest in repositioning the site during the planning period.

The buildable lands inventory shows that most of Gresham's employment sites have fewer than five net buildable acres, meaning the portion of a site that remains available for development after removing land affected by environmental and other development constraints:

- **157 sites** have less than one net buildable acre. Of these, 131, or approximately 83%, are in commercial or mixed-use districts.
- **133 sites** have between one and five net buildable acres. Of these, 88 are in industrial districts and 45 are in commercial or mixed-use districts.

- **42 sites** have between five and 20 net buildable acres. Of these, 28 are in industrial districts and 14 are in commercial or mixed-use districts.
- **Two industrial sites** have between 20 and 30 net buildable acres. Both are in the Springwater Plan Area. Gresham has no vacant industrial sites with more than 30 net buildable acres.

This distribution generally supports the needs of small and mid-sized industrial users, including specialty manufacturers, construction-related businesses, suppliers, and smaller distribution firms. These businesses can often locate on sites of less than 20 acres, depending on their building, circulation, storage, and infrastructure needs.

Large industrial sites are more limited. Larger manufacturing, warehousing, and distribution users often need more than 20 contiguous acres for buildings, truck circulation, outdoor storage, separation from sensitive uses, and access to major freight routes. Because Gresham has only two vacant industrial sites with between 20 and 30 net buildable acres, both in Springwater, accommodating larger industrial users elsewhere in the city will likely require redevelopment or assembly of multiple parcels. The JW Underground site, which consists of multiple parcels under common ownership totaling approximately 100 acres, represents one of Gresham's most significant redevelopment opportunities for accommodating a larger traded-sector employer on a contiguous site with access to existing infrastructure.

Commercial site needs differ from industrial site needs. Much of Gresham's future commercial growth will likely consist of locally serving businesses, including restaurants, small retailers, personal services, medical and dental offices, childcare providers, and other uses that can locate on smaller parcels, in mixed-use areas, or within existing commercial buildings.

Gresham also has some capacity for larger commercial development. The buildable lands inventory identifies 14 commercial or mixed-use sites between five and 20 net buildable acres, which could support uses such as shopping centers, regional-serving retail, or expanded medical facilities that require larger building footprints, parking, visibility, and access. However, Gresham has an estimated commercial land deficit of approximately 20 acres. Accommodating forecasted commercial growth will therefore require a combination of development on vacant sites, redevelopment, infill, reuse of existing buildings, and more intensive use of existing commercial and mixed-use areas.

Overall, Gresham's employment land supply is sufficient to accommodate forecasted employment growth under Goal 9 requirements. The primary issue is not the total amount of land, but whether available sites have the size, configuration, infrastructure, and readiness needed by future employers. Supporting redevelopment, infill, site assembly, infrastructure readiness, and efficient use of existing employment land will be central to accommodating Gresham's target industries over the planning period.

Conclusions

- **Gresham is forecast to experience continued employment growth in both industrial and commercial sectors.** Gresham is projected to add approximately 5,457 jobs between 2026 and 2046, including about 1,536 industrial jobs, 2,691 office and commercial service jobs, and 645 retail jobs. This growth is forecast to generate demand for approximately 200 gross acres of industrial land and 194 gross acres of commercial land.
- **Gresham has sufficient industrial land capacity to accommodate forecasted employment growth.** The city has approximately 537 acres of buildable industrial land, compared to forecasted demand for approximately 200 acres, resulting in an estimated surplus of approximately 337 acres.
    - **Even without the industrial land in Springwater, Gresham maintains sufficient industrial land capacity to accommodate projected growth.** About 272 acres of Gresham's vacant industrial land supply is in the Springwater Plan Area, which is not competitive for many industrial uses because its land is in small parcels, fragmented ownership and has limited freight and interstate access, environmental constraints, and unmet infrastructure needs. Excluding the Springwater area, the remaining industrial land supply is approximately 265 acres, which exceeds the estimated demand of 200 acres.
    - **As a largely built-out city, future industrial growth will depend on redevelopment, infill, and site assembly rather than greenfield development.** Gresham has a significant large-scale redevelopment opportunity within the Heavy Industrial district (about 100 acres in size) that could accommodate large-scale industrial uses within Gresham's target industries.
- **Gresham has a small shortfall of commercial land capacity, making redevelopment and infill important to accommodating future commercial growth.** The city has approximately 129 acres of vacant or partially vacant commercial and mixed-use land and approximately 45 acres of redevelopable commercial land, for a total of 174 acres of buildable commercial land. This compares to forecast demand for 194 acres, resulting in an estimated shortfall of approximately 20 acres.
    - **This shortfall could likely be accommodated through additional redevelopment, infill development, and intensification not fully captured in this analysis.** Future commercial growth will likely rely on reuse of existing buildings, **redevelopment**, and infill in areas such as downtown

and existing commercial corridors, as well as commercial development in Pleasant Valley and the Springwater Districts.

- **Gresham has about 157 acres of buildable land in its short-term supply of land.** These are areas that can be ready for construction within one year of an application for a building permit or request for service extension. Gresham has 38 acres of commercial land, 36 acres of mixed use land, and 110 acres of industrial land in the short-term supply. In comparison to all unconstrained vacant and partially vacant commercial, mixed use, and industrial land (710 acres), 26% of Gresham's employment land is in the short-term supply.
- **Gresham is well positioned for continued employment growth if City policy supports redevelopment, infill, and reinvestment in existing employment areas.** The city has strong transportation access, connection to the regional workforce, an established manufacturing base, and opportunities to reuse and redevelop industrial and commercial land. Continued attention to infrastructure, site readiness, redevelopment tools, and business support will help Gresham retain and grow jobs in East Multnomah County and the broader Portland region.

Recommendations

- **Update Comprehensive Plan goals and policies to reflect Gresham's current economic development priorities and existing land base.** Gresham's existing economic development policies reflect an earlier period when the City was focused on growing from a bedroom community into a more balanced employment center, with an emphasis on expanding the employment land base and planning for greenfield industrial development. The updated policies should reflect Gresham's current position as an established employment center and better align with the City's Economic Development Strategy.
  - **Industrial policies** should shift emphasis from greenfield industrial expansion to redevelopment, infill, intensification of uses, site readiness, and reinvestment within existing industrial areas, particularly where infrastructure is already in place.
  - **Commercial policies** should move beyond broad support for attractive commercial centers and focus more specifically on reinvestment in legacy shopping centers, underutilized commercial properties, downtown, and existing commercial corridors.

- **Update employment zoning and development standards to respond to changing market needs.** City should periodically evaluate permitted uses and development standards in industrial, commercial, and mixed-use districts to ensure they continue to support target industries, business expansion, redevelopment, infill, and evolving market demand. These updates should preserve an adequate supply of employment land while allowing sufficient flexibility for reinvestment, reuse, and new development. This evaluation should include the Heavy Industrial and General Industrial districts, where refinements to permitted uses or development standards may better support future industrial investment and redevelopment. It should also specifically address the Springwater Plan Area, where existing industrial zoning may not align with current market conditions or the types of development the area can realistically support.
- **Evaluate rezoning portions of the Heavy Industrial district to support future redevelopment.** The Heavy Industrial district includes a major redevelopment opportunity that could accommodate a future large industrial user. The City should engage property owners in the Heavy Industrial district to better understand redevelopment timing, site constraints, infrastructure needs, and market opportunities. This work should also evaluate whether rezoning portions of the district to General Industrial would better position the area for future redevelopment.
- **Align infrastructure planning and investment with employment land readiness.** Gresham's public facilities are generally sufficient to support expected employment growth, but location-specific improvements will affect when and where development can occur. About 157 acres or 26% of Gresham's buildable employment land is in the short-term land supply, indicating that these areas could be ready for construction within one year of an application for a building permit or request for service extension.
    - Gresham's water system is sufficient to support employment growth, with plans for water service improvements in areas where water must be pumped uphill, as development is proposed and occurs. Businesses with high water demand (above 100,000 gallons per day) would require careful review.
    - Gresham's wastewater system is largely sufficient to support expected employment growth. Gresham is planning for upgrades to its wastewater system, including increasing capacity to process waste solids and improvements to the wastewater collection system, particularly in the northeast side of the City. In the Springwater area, the lack of wastewater service is a current barrier to development, with significant improvements needed to make Springwater developable.

- Gresham's stormwater system is sufficient to support growth in most parts of the City, with a need for system improvements in areas like Springwater and Pleasant Valley, where there is not a comprehensive existing stormwater system.
- Gresham's transportation system is sufficient to support expected employment growth. The City's Capital Improvement Program includes improvements to enhance safety, reduce congestion, and improve access to employment areas. Significant transportation improvements in Pleasant Valley and Springwater will be important to supporting future development and will influence when these areas are ready for business and employment growth.

- **Use public finance and incentive tools to support redevelopment where appropriate**. Redevelopment and site assembly can be more complex and costly than greenfield development. The City should consider how existing tools can support employment land redevelopment, site readiness, and reinvestment. Gresham's Enterprise Zone covers the large Heavy Industrial redevelopment opportunity and several other industrial redevelopment sites. The Downtown-Civic Urban Renewal Area similarly covers commercial and mixed-use redevelopment opportunities. These tools can help support targeted reinvestment, site preparation, infrastructure improvements, and private development.
- **Continue evaluating the long-term role of the Springwater Plan Area.** The City is already evaluating future land use options for Springwater. Future policy should reflect what Springwater can reasonably support, rather than relying on prior assumptions about large-scale greenfield industrial growth.
- **Monitor development and consumption of employment land.** The City should monitor the development of employment land. As land develops, the City should understand where there may be opportunities for redevelopment or other intensification of uses.
- **Implement the Economic Development Strategy.** The Economic Development Strategy provides the City's primary framework for advancing economic development goals. Actions related to site readiness, redevelopment, infill, infrastructure, and business support will be particularly important to addressing the employment land findings identified in this EOA. Stakeholder engagement conducted for this EOA suggests that the City should continue its strong support for industrial and traded-sector projects while also improving how smaller businesses and entrepreneurs, particularly smaller commercial businesses, access information, navigate City processes, and connect with available resources and assistance.

Appendix A. National, State, and Local Economic Trends

The economic trends discussed in this appendix are based on long-term trends that are generally expected to continue at national, state, and regional scales.

National and State Trends

Economic development in Gresham over the next 20 years will occur in the context of long-run national and state trends. The most important of these trends are as follows:

- **Slower labor force growth will be offset by increased productivity gains.** According to the Oregon Office of Economic Analysis (OEA), long-term economic growth is shaped by two primary factors: the number of workers and their productivity. Oregon's labor force growth is slowing due to persistently low birth rates and ongoing shifts in migration trends—factors that have led to downward revisions in the state's population growth outlook. OEA anticipates that economic growth will be increasingly driven by gains in productivity as employers adapt to a tight labor market.

  Employment is still expected to grow, but at a slower pace than previously forecasted. Total nonfarm employment is projected to grow at an average annual rate of 0.6% through 2034, down from higher rates seen in prior decades. Productivity, meanwhile, is expected to rebound, supported by rising capital investment and the adoption of technologies like generative artificial intelligence (AI). These forces are expected to help businesses operate more efficiently and maintain economic momentum despite a slower-growing workforce.[36]

- **Manufacturing remains vital to Oregon's economy but faces near-term employment declines.** Manufacturing accounts for a slightly larger share of employment in Oregon compared to the national average, with 9.9% of jobs in the sector versus 8.4% nationally.[37] Over the long term, Oregon's manufacturing sector has experienced stronger growth than the nation. Since

[36] Oregon Economic Analysis, Oregon Economic and Revenue Forecast, March 2025. Vol. XLV, No. 1. Release date February 2025, https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0325.pdf

[37] Oregon Employment Department, Made in Oregon: A profile of the State's Manufacturing Sector, May 2024.

reaching its lowest employment level in 2010, manufacturing employment in Oregon increased by 15% through 2023, compared to 13% nationally.[38]

Despite this long-term growth, recent trends have been less favorable. While most of the jobs lost during the pandemic were recovered, manufacturing employment in Oregon remains below 2019 levels and declined throughout much of 2023. Since January 2019, Oregon's manufacturing employment has decreased by 6%, while national manufacturing employment has increased by 1%.[39] Rising costs, particularly in housing and taxes, coupled with recent policy shifts, may be outweighing Oregon's traditional quality-of-life benefits for manufacturers. The lack of development-ready land is also frequently cited as a primary obstacle for manufacturers looking to expand in or relocate to Oregon, potentially driving businesses to other states.[40]

These recent setbacks are notable given the state's historical strength in manufacturing and stand in contrast to national trends, where the sector has been more resilient. Although federal investments like the CHIPS Act may offer long-term opportunities, their impacts have yet to materialize in job growth.[41] Overall, Oregon's manufacturing sector continues to reflect a broader statewide shift toward increased productivity and capital investment, rather than labor-driven expansion. It remains an essential part of the economy, but its contribution to short-term job growth is likely to be limited.[42]

- **Rising trade tensions increase risks to Oregon's export-dependent economy.** Oregon's economy is particularly sensitive to changes in national trade policy due to its high reliance on exports and manufacturing, which together account for a significant share of the state's GDP.[43] Core export sectors, including semiconductors, machinery, transportation equipment, and agricultural products, are especially vulnerable to global market disruptions.

  The state's exposure is further heightened by the concentration of its exports. More than 50% are destined for just three countries: Mexico, China, and Canada.[44] This creates a heightened risk that disruptions with any one

[38] Oregon Employment Department, Made in Oregon: A profile of the State's Manufacturing Sector, May 2024.
[39] Oregon Employment Department, Made in Oregon: A profile of the State's Manufacturing Sector, May 2024.
[40] Oregon Business & Industry. *The Condition of Oregon's Manufacturing Sector*. October 2024. https://oregonbusinessindustry.com/wp-content/uploads/The-Condition-of-Oregons-Manufacturing-Sector_October-2024.pdf.
[41] Oregon Economic Analysis, Oregon Economic and Revenue Forecast, March 2025. Vol. XLV, No. 1. Release date February 2025, https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0325.pdf
[42] Ibid
[43] Ibid
[44] Ibid

trading partner could have broad economic impacts. Recent tariff policies introduced by the Trump Administration in early 2025 have added to these concerns.

Oregon's elevated export share of GDP places the state in a vulnerable position should trade tensions escalate. Policymakers often reference the 2018–2019 trade war as a cautionary example. During that period, rising tariffs and retaliatory measures contributed to a 2.5 percentage point decline in state economic growth.[45] A similar slowdown remains a risk if current disputes continue to intensify.

- **Tighter immigration policies may constrain Oregon's labor supply in key industries.** Stricter immigration policies initiated by the Trump Administration are expected to reduce labor availability in several key sectors that rely heavily on foreign-born workers, including construction, agriculture, food processing, and hospitality. The Oregon Office of Economic Analysis notes that immigration policies will remain a critical variable shaping the state's labor market flexibility and long-term growth prospects. Given Oregon's reliance on net in-migration for workforce growth, federal immigration restrictions may exacerbate hiring challenges, limit productivity, and increase wage inflation in affected sectors.[46]

- **Increases in automation across sectors reshapes workforce demands.** Automation has been a long-running trend in employment, leading to productivity gains across sectors. The U.S. Government Accountability Office (GAO) reports that automation could be widespread, with anywhere from 9% to 47% of jobs being automated in the future according to academic research.[47]

  The GAO identified that jobs requiring a blend of soft skills (management, interpersonal), process skills, and technical expertise face lower automation risks. Most of the top 20 in-demand jobs share this mixed skill set trait, including nurse practitioners, statisticians, occupational therapy assistants, home health aides, physical therapist assistants, medical managers, physician assistants, information security analysts, and data scientists, among others.[48] Lower-wage jobs are the most likely to be automated. The GAO reported that over 80% of jobs paying less than $20 per hour are susceptible to automation over the next two decades. About 30% of jobs

[45] Oregon Economic Analysis, Oregon Economic and Revenue Forecast, March 2025. Vol. XLV, No. 1. Release date February 2025, https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0325.pdf
[46] Ibid
[47] Government Accountability Office, Workforce Automation, August 2023, https://www.gao.gov/assets/gao-22-105159.pdf
[48] Government Accountability Office, Workforce Automation, August 2023.

paying $20 to $40 per hour and 4% of jobs paying $40 or more per hour were also identified as at risk.[49] Oregon's automation trajectory mirrors national trends, with lower and middle-wage jobs facing higher automation potential.

- **Emerging application of artificial intelligence (AI) and robotics.** Advances in AI and robotics are affecting both routine and higher-skill tasks across a wide range of occupations. These technologies are increasingly used to support activities such as data processing, customer interaction, scheduling, coding, document review, and basic analysis across many industries, including journalism, computer programming, legal services, and transportation.[50]

  Rather than fully replacing jobs, AI and robotics are more likely to change how work is performed by automating specific tasks within occupations. This can improve productivity and efficiency while shifting demand toward workers with digital, technical, and analytical skills, as well as interpersonal and communication skills that are less easily automated. At the same time, roles that rely heavily on routine cognitive or administrative tasks may be restructured or reduced.

  Evidence from the U.S. Bureau of Labor Statistics suggests that occupations with a high share of automatable tasks may experience slower employment growth, while those requiring more complex, nonroutine, or interpersonal work are expected to be more resilient. In Oregon, where labor force growth is expected to remain constrained, these technologies may help employers address workforce shortages by increasing productivity, particularly in manufacturing and administrative functions. However, the pace and distribution of adoption, as well as the extent of workforce impacts, remain uncertain and will vary across industries and occupations.

- **Shifts in the national commercial and industrial real estate markets:** Following the COVID-19 pandemic, commercial and industrial real estate markets face challenging development conditions. The increased cost of capital has made many projects economically infeasible, especially speculative projects that rely on debt financing and those with longer loan payback periods.[51] Higher interest rates have also reduced property valuations, complicating the ability of developers to secure construction

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[49] Executive Office of the President. (2016). Artificial Intelligence, Automation, and the Economy.
[50] BLS, Growth Trends for Selected Occupations Considered at Risk from Automation, July 2023, https://www.bls.gov/opub/mlr/2023/article/growth-trends-for-selected-occupations-considered-at-risk-from-automation.htm.
[51] If developers take on debt to finance a project, the longer they take to repay the loan, the more interest will accrue.

financing and attract equity investments.[52] Additionally, rising construction costs have further complicated development efforts across these sectors.

- **Demand for office space remains soft.** The U.S. office market is in decline, driven largely by the shift to remote and hybrid work. The share of employees working from home rose from 24% in 2019 to 33% in 2024.[53] This trend has contributed to ten consecutive quarters of negative net absorption and a national reduction of 18.2 million square feet in occupied office space.[54] Office construction has slowed substantially with the development pipeline down 67% since early 2020.[55] While high-quality office spaces in prime locations continue to attract tenants, older and mid-tier properties face uncertainty, with some being repurposed.

  The office sector continues to recalibrate to hybrid work with attendance stabilizing in the 60-70% range on peak attendance days, setting a new baseline for space requirements. Cushman & Wakefield projects that overall occupancy will begin to stabilize in late 2025 as demand gradually returns, supported by headcount growth and new business formation.[56] Investment interest in traditional office properties remains weak, though medical office space shows strong prospects.[57]

- **Demand for retail space remains stable:** The U.S. retail market ended 2024 on a strong note, with 1.4 million square feet of net absorption in Q4 (the highest quarterly total of the year) and a steady shopping center vacancy rate of 5.4%. While total annual absorption declined substantially from 2023, and store closures reached their highest level since 2020, retail fundamentals remain resilient. Limited new construction and solid consumer spending have helped keep vacancy rates and rents stable. Looking ahead, retail growth is expected to continue at a slower, more strategic pace, with demand increasingly concentrated among top-performing brands.[58]

- **Strong and sustained demand for industrial space.** The industrial real estate market experienced strong growth over the past decade, with investment prospects improving significantly between 2014 and 2021. Historically, fulfillment and warehouse space have been the most

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52 In addition to loans, developers will typically finance projects in part with equity investments, in which investors become shareholders in the project.
53 BLS, American Time Use Survey, 2025; does not differentiate between part- and full-time workers
54 Cushman & Wakefield, U.S. Office Marketbeat Q2 2024
55 Ibid
56 Cushman & Wakefield, U.S. Office Marketbeat Q2 2024
57 Urban Land Institute 2024 Emerging Trends in Real Estate, United States and Canada
58 Cushman & Wakefield Q4 2024 U.S. Retail MarketBeat report

attractive investment options, outperforming research and development, manufacturing, and flex space. However, in recent years, these distinctions have blurred, with all industrial subtypes now holding similar investment ratings just below "good."[59]

While the market remained strong in 2022 and 2023, 2024 saw signs of a slowdown. Vacancy rates rose to 6.1% but remained below historical averages, with a peak of 6.7% in early 2025 before declining.[60] Despite slowing, rent growth continues at 3.7% year-over-year.[61] An increase in new supply (1.2 billion square feet in 2022-2023) contributed to rising vacancies, but construction has since dropped 46%, tightening future inventory.[62] Looking ahead, the sector is expected to stabilize, with sustained demand driven by reshoring, e-commerce, and evolving supply chain strategies.[63] The impact of recent trade policies and tariffs on industrial real estate demand remains uncertain, as they can both stimulate reshoring and new investment while also increasing costs and risking business contraction.

- **The aging of the baby boomer generation and the need for replacement workers.** As the baby boomer generation continues to retire, the number of Social Security recipients is expected to increase from over 65 million in 2023 to over 86 million in 2045, a 32% increase. In 2023, there were 36 Social Security beneficiaries per 100 covered workers, but by 2045, there is expected to be 45 beneficiaries per 100 covered workers. This will increase the percent of the federal budget dedicated to Social Security and Medicare.[64]

  While the Bureau of Labor Statistics projects total U.S. employment to grow by 4.7 million jobs from 2023 to 2032, this job growth is unlikely to be sufficient to replace all the baby boomer retirees leaving the workforce during that period. The BLS estimates there will be 18.6 million annual job openings arising from the need to replace retiring workers and workers changing occupations, in addition to openings from newly created positions.[65] The sectors expected to grow the fastest are health care support,

[59] Urban Land Institute 2024 Emerging Trends in Real Estate, United States and Canada
[60] Cushman & Wakefield, Industrial Marketbeat Q2 2024 U.S. National Industrial Report
[61] Ibid
[62] Ibid
[63] JLL, Q1 2024 Industrial Outlook
[64] The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2023 https://www.ssa.gov/oact/TR/2023/tr2023.pdf
[65] Bureau of Labor Force Occupational Separations and Openings, 2023-2032 https://www.bls.gov/emp/tables/occupational-separations-and-openings.htm

computer and mathematical occupations, health care practitioners, and community and social service.[66]

- **Growth of entrepreneurship and small businesses.** The creation of new businesses plays a vital role in driving Oregon's economic growth. Start-ups generate employment opportunities, introduce innovative products and services, and help better serve local communities. According to the 2023 Small Business Profile from the U.S. Small Business Administration Office of Advocacy, small businesses (defined as having between zero and 500 employees) account for 99.9% of total businesses in the United States and employ 46% of the American workforce. Oregon's performance in early-stage entrepreneurship activity, as measured by the Kauffman Early-Stage Entrepreneurship (KESE) Index, ranked 25th in the country in 2020. [67,68]

  Start-up activity had been trending down for decades in Oregon and across the nation leading up to the pandemic, but since the pandemic, new business formation has increased and appears to be maintaining this higher rate.[69] In terms of outlook for start-ups, several key factors are at play. High inflation, rising interest rates, and recession risks, along with tighter venture capital and banking lending conditions, will likely slow new business formation. However, several favorable factors could mitigate these impacts and support continued strength in entrepreneurship and small business formation in Oregon. These include increased personal savings and home equity levels, which are common funding sources for new businesses, along with the large millennial generation entering their prime entrepreneurial years (late 30s and early 40s, according to Census Bureau research).[70]

- **Continued transformation of retail.** In the last two decades, retail sales by e-commerce and warehouse clubs/supercenters (a lower-cost model to the traditional department store) have increased steadily. Online retail purchases increased from about 6% of all retail purchases in 2014 to about 16% of retail purchases in 2023.[71] Ultimately, the growth in online shopping and the increasing dominance of large supercenters has made it difficult for small

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[66] Bureau of Labor Statistics Employment Projections – 2023-2032, September 2023 https://www.bls.gov/news.release/pdf/ecopro.pdf
[67] Kauffman Foundation. *Kauffman Indicators of Entrepreneurship*. Early-Stage Entrepreneurship. The Kauffman Index, Oregon. https://indicators.kauffman.org/.
[68] This index comprises four statistics: the rate of new entrepreneurs, the opportunity share of new entrepreneurs, start-up density, and start-up early survival rate.
[69] Josh Lehner. "Strong Startup Activity Continues" Oregon Office of Economic Analysis, May 3, 2023. Retrieved from https://oregoneconomicanalysis.com/2023/05/03/strong-start-up-activity-continues/
[70] Josh Lehner. "Strong Startup Activity Continues" Oregon Office of Economic Analysis, May 3, 2023. Retrieved from https://oregoneconomicanalysis.com/2023/05/03/strong-start-up-activity-continues/
[71] U.S. Census Bureau News, Quarterly Retail E-Commerce Sales, 4th Quarter 2023 https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf

and medium-sized retail firms (offering a narrower selection of goods) to compete. Declining net profits and increased competitive pressures have led many well-known retailers (e.g., JCPenney, Macy's, Sears) to declare bankruptcy or to scale back their operations.

In the future, the importance of e-commerce will likely continue to grow. However, despite the highly publicized closures of brick-and-mortar stores, physical retail is likely to remain an important part of the retail sector as well. Since modern consumers are increasingly price sensitive, less brand loyal, and (since the advent of internet) able to substitute between retailers easily, retailers must be nimble and able to adjust to the changing needs of their customers if they are to remain competitive.

The types of brick-and-mortar retail and related services that are likely to remain viable are those offering goods that consumers prefer to purchase in person or goods that are difficult to ship and return, such as large furniture items. Additionally, retailers specializing in groceries, personal goods that are needed immediately, restaurants, and experiential offerings like entertainment or social activities are expected to maintain their presence. According to the Urban Land Institute, large retailers such as Macy's, Nordstrom, Kohl's, and Ikea are experimenting with downsizing storefronts to operate spaces that can be flexible to changing consumer needs. These locally scaled shops feature in-person merchandise and services that are in demand for modern consumers: curated inventory, tailored services, and e-commerce fulfillment.[72]

- **Changing places where work is being done.** The COVID-19 pandemic accelerated the shift to remote work, with the share of employees working from home increasing from 24% in 2019 to 33% in 2024, according to the Bureau of Labor Statistics' American Time Use Survey.[73] However, the ability to work remotely is not equally distributed. Those most likely to have remote work opportunities tend to have higher educational attainment, be white or Asian, and be over 25 years old.[74] This uneven access to remote work raises equity concerns, as certain demographic groups may be disadvantaged in accessing these flexible work arrangements.

  Remote work trends have consequences for downtown health and recovery. OEA found that downtown recoveries are not driven by regional economic

[72] Holly Dutton. "More Retailers Are Rolling out Small-Format Stores" *Urban Land Institute*, January 8, 2024. https://urbanland.uli.org/economy-markets-trends/more-retailers-are-rolling-out-small-format-stores

[73] BLS, American Time Use Survey, 2025; does not differentiate between part- and full-time workers

[74] Ben Casselman, Emma Goldberg, and Ella Koeze. "Who still works from home?" *New York Times,* March 8, 2024.

changes but rather are impacted by the strength of three components: workers, residents, and visitors.[75] If a significant portion of previous downtown workers are now working remotely from other locations, downtowns need to capture or bolster resident and visitor spending to counteract this shift.

In 2025, major employers like Amazon, Dell, Walmart, and federal agencies have issued full-time return-to-office (RTO) mandates to justify office costs, boost perceived productivity, and reassert control—often in response to stock declines. Yet remote work remains far more common than before the pandemic, with over one in four U.S. workdays in 2024 done from home, up from one in fourteen pre-pandemic. Remote job postings are down, but demand remains high: just 20% of LinkedIn listings are remote or hybrid, yet they attract 60% of applications. While the current labor market favors employers, experts expect that retirements and an aging workforce will tighten labor supply, prompting a renewed need for flexibility. Smaller firms are already using remote options to attract talent, pointing to a future where workplace flexibility is a competitive necessity.[76]

- **Continued increase in demand for energy even as the sources supplying that energy shifts.** The 2023 Inflation Reduction Act aimed to drive increased investments in climate and energy projects across the United States.[77] As a result of the renewable energy investments and subsidies, the nation's energy consumption pattern is anticipated to undergo a shift over the coming years. There is an expected move away from traditional fossil fuels like crude oil and natural gas toward renewable energy sources.[78]

  However, this shift is not expected to reduce overall energy consumption. From 2023 to 2050, the U.S. Energy Information Administration (EIA) estimates that total energy consumption will rise due to population growth and economic expansion outpacing efficiency gains. This increasing demand is anticipated to be driven primarily by the industrial sector and, to a lesser extent, transportation.

- **Impact of rising energy prices on commuting patterns.** As energy prices increase over the planning period, transportation energy consumption is

[75] Oregon Office of Economic Analysis, Downtown Recoveries 2023 Update, https://oregoneconomicanalysis.com/2023/07/18/downtown-recoveries-2023-update/

[76] Jennifer Liu, "5 Years into the Remote Work Boom, the Return-to-Office Push Is Stronger than Ever—Here's Why," *CNBC*, March 23, 2025. https://www.cnbc.com/2025/03/23/5-years-into-the-remote-work-boom-the-return-to-office-push-is-stronger-than-everheres-why.html.

[77] Energy Information Administration, Inflation Reduction Act of 2023

[78] Energy Information Administration, Inflation Reduction Act of 2023

expected to shift to electric or fuel-efficient vehicles.[79] The share of electric vehicles is expected to grow from less than 6% in 2023 to 19% in 2050.[80] The Energy Information Administration estimates an 8% increase in transportation energy consumption, partially attributable to increasing vehicle miles traveled (VMT) that offset efficiency upgrades. With expected increases in fuel economy, people may commute farther while consuming less energy. VMT for passenger vehicles is forecasted to increase between 12% and 33% through 2050.[81] Lower-income households may face financial barriers to efficiency upgrades and tend to have longer commutes, which may force them to face the brunt of rising energy prices.

- **Rising costs and inflation.** For the last several decades, inflation rates have generally stayed below 3% in the United States. Inflation started to increase in 2021, reaching 9.1% in June 2022 year-over-year, the largest annual increase in about 40 years.[82] Inflation has since returned closer to pre-Pandemic levels. Since mid-2024, the annual inflation rate has generally remained at or below 3% and, in January 2026, was 2.4%.[83] Although inflation has slowed, price levels remain elevated relative to pre-pandemic levels, affecting household purchasing power.[84] Recent tariff policies and trade tensions may lead to new increases in inflation in 2026 and beyond. Persistent inflation may slow economic growth, further erode purchasing power, discourage savings, and lead to a national recession.
- **Income gains in Oregon.** Oregon's economic growth in the past decade has led to improvements in the state's income and wage levels relative to the rest of the nation. Notably, Oregon's median household income has surpassed the national level for the first time in over 50 years.[85] Higher incomes can have positive impacts on an economy through improved standards of living and higher consumer spending, increased tax revenue potential, and talent attraction and retention, among others.

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79 Energy Information Administration, 2023, *Annual Energy Outlook 2023 with Projections to 2050*, U.S. Department of Energy, March 2023.
80 Energy Information Administration, 2019, *Annual Energy Outlook 2019 with Projections to 2050*, U.S. Department of Energy, January 2019.
81 Federal Highway Administration. *2024 Vehicle Miles Traveled (VMT) Forecast Summary*. U.S. Department of Transportation, 2024. https://www.fhwa.dot.gov/policyinformation/tables/vmt/2024_vmt_forecast_sum.pdf.
82 Bureau of Labor Statistics, U.S. Department of Labor, *The Economics Daily*, Consumer prices up 9.1% over the year ended June 2023, largest increase in 40 years at https://www.bls.gov/opub/ted/2023/consumer-prices-up-9-1-percent-over-the-year-ended-june-2023-largest-increase-in-40-years.htm (visited *July 25, 2023*).
83 Bureau of Labor Statistics, U.S. Department of Labor, Consumer Price Index for All Urban Consumers (CPI-U), https://data.bls.gov/PDQWeb/cu, retrieved 2 March 2026.
84 Federal Reserve Bank of St. Louis, Consumer Price Index for All Urban Consumers (CPIAUCSL), 2021–2024.
85 Oregon Economic Analysis, Oregon Economic and Revenue Forecast, March 2024. Vol. XLIV, No. 1.

- **Potential impacts of global climate change.** Oregon and the Pacific Northwest has been experiencing the impacts of global climate change over the past 30 years, exacerbated by extreme events such as the 2020 Labor Day fires that burned over 840,000 acres in Oregon, and the June 2021 heat dome that caused temperatures to soar to 111°F in Eugene and 116°F in Portland.[86] According to the National Oceanic and Atmospheric Administration (NOAA), between 1980 and 2023 the U.S. experienced an average of 8.5 weather-related disasters per year where overall damages/costs reached or exceeded $1 billion (adjusted for inflation). However, the number of such events has increased in the last five years, with an average of 20.4 events per year.[87] The Pacific Northwest is not only experiencing an increased frequency and severity of extreme weather events but also long-term climatic changes. These long-term changes include:
  - **Increased average annual day and nighttime temperatures.** If greenhouse gas (GHG) emissions continue at the current rate, temperatures in Oregon are projected to rise approximately 5°F by the 2050s and 8.2°F by the 2080s.[88] These higher overall temperatures can have consequences, including increased mortality rates, the spread of diseases, and the forced migration of plants and animals as ecosystems undergo changes. Vegetation may become stressed and die, leading to an accumulation of fuel loads that heighten the risk of wildfires. Some areas that were once forestlands are transitioning into shrublands after being affected by forest fires.
  - **Reduced snowpack and increased drought conditions.** As temperatures increase, snowpack is anticipated to decrease, reducing stream levels and water availability in the summer months. Drought conditions can reduce surface water availability, reduce hydropower generation, and reduce recreational activities.[89]
  - **Increased risk of high heat events.** Climate change increases the likelihood of experiencing high heat events like the June 2021 extreme heat wave that resulted in temperatures ranging from 110 to 120

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[86] National Centers for Environmental Information. *National Climate Report - June 2021: Supplemental Page 6.* June 2021. https://www.ncei.noaa.gov/access/monitoring/monthly-report/national/202106/supplemental/page-6.

[87] National Centers for Environmental Information. *U.S. Billion-Dollar Weather and Climate Disasters. Accessed October 2024.* https://www.ncei.noaa.gov/access/billions/

[88] Fleishman, E., editor. 2023. Sixth Oregon Climate Assessment. Oregon Climate Change Research Institute, Oregon State University, Corvallis, Oregon. https://blogs.oregonstate.edu/occri/oregon-climate-assessments.

[89] Bumbaco, K.A., C.L. Raymond, L.W. O'Neill, A. Mehta, D.J. Hoekema. 2023. *2022 Pacific Northwest Water Year Impacts Assessment*. A collaboration between the Office of the Washington State Climatologist, Climate Impacts Group, Oregon State Climatologist, Idaho Department of Water Resources, and NOAA National Integrated Drought Information System. https://doi.org/10.6069/T5Q5-TT59

degrees Fahrenheit in Oregon and Washington. This heat event caused approximately 159 deaths in Washington and more than 100 deaths in Oregon.[90] [91]

- **Increased risk of wildfire.** Changing precipitation patterns and drought conditions are increasing fuel loads in wildland areas, increasing the risk of wildfires throughout the Pacific Northwest. Wildfire intensity, duration, and size have increased.
- **More days of poor air quality from wildfire smoke.** In 2021, people in Deschutes County, Klamath County, and Jackson County experienced 83 days of air quality at or above unhealthy levels for sensitive groups due to wildfire smoke.[92]
- **More floods and atmospheric rivers.** The University of Washington's Climate Impact Group forecasts that the Pacific Northwest will experience slightly more precipitation in the fall, winter, and spring and less in the summer.[93] Extreme precipitation events are more likely to produce flooding, erosion, and landslides. These changes can threaten salmon and other species. Adaptation to extreme events could require expensive upgrades to stormwater systems.

Climate change will have a wide range of impacts on industries and communities throughout the Pacific Northwest. While some industries are more resilient to climate change, others that require predictable delivery of water, such as agriculture and hydropower, are more vulnerable to climate change. Climate change and extreme weather events also impact human health and disrupt travel. Land use planning, in part, determines the risk that homes, businesses, schools, hospitals, and other buildings face from climate change. Development patterns in at-risk areas like tsunami zones, floodplains, wetlands, wildland-urban interfaces, and other hazardous locations will impact the economic vitality and resilience of communities as climate change accelerates.

- **Agriculture.** Climate change impacts the quality and quantity of agricultural products. For example, exposure to cold weather during

[90] Joan A. Casey, Robbie M. Parks, Tim A. Bruckner, Alison Gemmill, and Ralph Catalano*, 2023: Excess Injury Mortality in Washington State During the 2021 Heat Wave*. American Journal of Public Health 113, 657_660, https://doi.org/10.2105/AJPH.2023.307269

[91] Vital Statistics Report. Oregon: Oregon Health Authority, Public Health Division, Center for Health Statistics. Prepared September 2021; data are preliminary and subject to change.

[92] Barnack, A. Wildfire Smoke Trends and the Air Quality Index. Oregon: Department of Environmental Quality, Laboratory and Environmental Assessment Division. March 2024. https://www.oregon.gov/deq/wildfires/Documents/WildfireSmokeTrendsReport.pdf.

[93] University of Washington Climate Impact Group. *How Will Climate Change Affect Northwest Water?* N.d. https://express.adobe.com/page/C5CQaxjHUmGQ7/

dormancy is important for fruit set and quality in many perennial crops. Exposure to cold weather may increase in northern areas of the Pacific Northwest and decrease in southern areas.[94] A study by the Washington State Department of Agriculture found that a drought in 2015 caused $633 to $773 million in agricultural losses.[95] Drought and shifting precipitation patterns represent major threats, as drought reduces feed on rangelands for livestock and decreases water available for irrigation.

- **Aquatic/Fishing.** Marine heatwaves impact fresh and saltwater habitats and species. In 2021, algal blooms exacerbated by increased temperatures resulted in a $641.1 million (in 2022 dollars) loss of commercial fishing revenue.[96] Tribes are often disproportionately impacted, accounting for half of fishery loss requests and experiencing losses from Dungeness crab fisheries. [97] [98]
- **Forestry.** Forest plants and animals vulnerable to temperature and drought stresses are undergoing climate-induced die-offs. Five fir species in Oregon, Washington, and Northern California are experiencing severe mortality dubbed "Firmageddon."[99] Species at the edges of their ranges are expected to succumb first and may shift to higher elevations or northward. Die-offs include Douglas fir, a primary commercial timber species. Die-offs and stressed trees face higher risks of pest infestations and increase the risk of wildfires.
- **Human Health.** With many Pacific Northwest households lacking air conditioning, higher summer temperatures and extreme heat events endanger vulnerable groups like older adults, low-income residents, those with disabilities, and individuals living alone who face heightened risks of heat stroke and death.

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[94] Noorazar, H., L. Kalcsits, V.P. Jones, M.S. Jones, and K. Rajagopalan, 2022: Climate change and chill accumulation: Implications for tree fruit production in cold-winter regions. *Climatic Change,* **171** (3), 34. https://doi.org/10.1007/s10584-022-03339-6

[95] Raymond, C.L, T.P. Nadreau, M. Rogers, Z. Kearl. 2022. Biophysical Climate Risks and Economic Impacts for Washington State. Report prepared for the Washington State legislature. Climate Impacts Group, University of Washington, Seattle.

[96] Bellquist, L., V. Saccomanno, B.X. Semmens, M. Gleason, and J. Wilson, 2021: *The rise in climate change-induced federal fishery disasters in the United States*. PeerJ, 9, e11186. https://doi.org/10.7717/peerj.11186

[97] Ibid.

[98] Schlinger, C., O. Conroy-Ben, C. Cooley, N. Cooley, M. Cruz, D. Dotson, J. Doyle, M.J. Eggers, P. Hardison, M. Hatch, C. Hogue, K. Jacobson Hedin, C. Jones, K. Lanphier, D. Marks-Marino, D. Mosley, F. Olsen Jr., and M. Peacock, 2021: Ch. 4.2. Water. In: *Status of Tribes and Climate Change Report.* Marks-Marino, D., Ed. Institute for Tribal Environmental Professionals, Flagstaff, AZ, 98–141. http://nau.edu/stacc2021

99 Nickel, Robert. "Climate Change Is Hastening the Demise of Pacific Northwest Forests." The Seattle Times, October 15, 2023. https://www.seattletimes.com/seattle-news/climate-change-is-hastening-the-demise-of-pacific-northwest-forests/.

- **Tourism, Recreation, and Service Industries.** The Northwest tourism and recreation industry employs about 588,000 people and supports almost $60 billion (in 2022 dollars) in annual expenditures.[100] Climate impacts will vary as decreased snowpack will make trails and camping accessible later in the fall and earlier in the spring, however, increased extreme events from atmospheric rivers may increase maintenance costs due to flooding and erosion. Higher temperatures will increase demand for water-based recreation; however, droughts may decrease lake, reservoir, and river levels during peak recreation season.
- **Infrastructure.** Water, sewer, roads, utilities, and other infrastructure face risks if not designed to withstand climate change and extreme events. During the June 2021 heat dome, roads buckled near Everett, WA and a Portland streetcar cable melted.[101] Damaged power lines can lead to wildfires (a problem utility companies have started to mitigate by preemptively shutting down power when windy and dry conditions occur).[102] Rural communities relying on single water sources may be in jeopardy as droughts reduce groundwater aquifers or surface water availability. Sea level rise and flooding also threaten septic wastewater treatment systems. Atmospheric rivers and flooding can damage highways and streets through inundation and landslides, temporarily halting travel access to jobs, schools, health care, grocery stores, etc., necessitating expensive repairs and long detours. Additionally, the Pacific Northwest's hydropower dependency means the region may see fluctuations in electricity availability and costs as altered snowpack and precipitation patterns make the water supply less predictable.
- **Insurance Premiums.** With the risk of natural disasters increasing, home insurance providers attempt to guard against the risk by raising premiums. Between 2020 and 2023, the U.S. average home insurance costs increased by 13%, after adjusting for inflation, or from $1,902 to $2,530.[103] Homeowners in high disaster risk areas bear the burden of cost more. With a 1 standard deviation increase in disaster risk in a ZIP

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[100] Mojica, J., K. Cousins, and T. Madsen. Economic Analysis of Outdoor Recreation in Oregon. Earth Economics. 2021. https://static1.squarespace.com/static/561dcdc6e4b039470e9afc00/t/5ffe3084ce56a6552b7a3c71/1610494115376/EconomicAnalysisofOutdoorRecreationinOregon_OTC-EarthEconomics_SmallRes.pdf

[101] Fischels, Josie. "The Record-Breaking Heat Wave That's Scorching The Pacific Northwest". National Public Radio. June 29, 2021. https://www.npr.org/2021/06/29/1011269025/photos-the-pacific-northwest-heatwave-is-melting-power-cables-and-buckling-roads

[102] EPI. "Wildfire-Grid Risk, Power Talk". Boise State University, Energy Policy Institute. 2023. https://www.boisestate.edu/epi/upcomingevents/

[103] National Bureau of Economic Research. "Disaster Risk and Rising Home Insurance Premiums." *NBER Digest*, October 2024. https://www.nber.org/digest/202410/disaster-risk-and-rising-home-insurance-premiums.

code, the average insurance premium increases by $500.[104] Oregon ZIP codes show a $2,000 or less premium increase. Home insurance companies face unprofitability with insurance premiums not covering payouts in 18 states in 2023, compared to only 8 in 2013.[105] Oregon has implemented legislation that requires insurers to notify property owners when premium increases are caused by wildfire and prohibits insurers from utilizing the Oregon Statewide Wildfire Hazard Map.[106]

Regional and Local Trends

Throughout this section, Gresham is compared to the Portland region (defined as Multnomah, Clackamas, and Washington Counties) and the State of Oregon. These comparisons are meant to provide context for changes in the city's socioeconomic characteristics.

Availability of Labor

The availability of trained workers in Gresham will impact the development of its economy over the planning period. A skilled and educated populace can attract well-paying employers and spur the benefits that follow from a growing economy. Key trends that will affect the workforce in Gresham over the next 20 years include its growth in its overall population, growth in the senior population, and commuting trends.

POPULATION CHANGE

Population growth in Oregon tends to follow economic cycles. Oregon's population grew from 3.4 million people in 2000 to 4.3 million people in 2024, an increase of around 846,000 people or 0.9% each year. Between 2000 and 2024, Gresham's population increased by 25,075 people at an average annual rate of 1.0% (**Exhibit 29**), on par with the Portland region's and Oregon's growth rates during the same time (1.0% and 0.9%, respectively).

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[104] Ibid.

[105] Flavelle, Christopher. "How Weather Is Changing Home Insurance Costs in the U.S." *New York Times*, May 13, 2024. https://www.nytimes.com/interactive/2024/05/13/climate/home-insurance-profit-us-states-weather.html.

[106] Oregon State Legislature.

Exhibit 29. Population Growth, Gresham, Portland Region, and Oregon, 2000–2024

	Population			Change, 2000 - 2024		
	2000	2010	2024	Number	Percent	AAGR*
Gresham	90,158	105,594	115,233	25,075	28%	1.0%
Portland Region	1,448,857	1,641,036	1,840,009	391,152	27%	1.0%
Oregon	3,421,524	3,831,074	4,267,261	845,737	25%	0.9%

Source: U.S. Census Bureau, 2000, and 2010. Portland State University Population Estimates, 2024.

AGE DISTRIBUTION

The number of people ages 65 and older in the United States is projected to increase from 58 million in 2023 to 82 million by 2050 (a 47% increase).[107] The economic effects of this demographic change include a slowdown of labor force growth, the need for workers to replace retirees, an aging workforce as seniors continue working after age 65, an increased demand for health care services, and a larger portion of the federal budget dedicated to Social Security and Medicare.[108]

Exhibit 30 through **Exhibit 45** show the following trends:

- Median age increased in Gresham but remains lower than the county and state. Gresham's median age rose from 33.6 (2010) to 37.1 (2024) (+3.5 years), and in 2024 it was 2.1 years lower than Multnomah County and 3.6 years lower than Oregon.
- The fastest growing age cohort was older adults (65+), while some younger and mid-life cohorts declined. The 65+ population nearly doubled from 2010 to 2024, and the 25–44 cohort also grew. In contrast the population under 24 declined slightly, consistent with broader regional trends.
- Just over one-quarter of residents were under age 20 in 2024 (a higher share than Oregon and the Portland region), while residents ages 40–59 made up a smaller share than in the Portland region and statewide.

[107] Mather, M. & Scommegna, P. (2024). Fact Sheet: Aging in the United States. https://www.prb.org/aging-unitedstates-fact-sheet/

[108] The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, The Budget and Economic Outlook: Fiscal Years 2024 to 2034, February 2024.

Median age increased in Gresham, Multnomah County, and Oregon between 2010 and 2024. Gresham's median age rose from 33.6 in 2010 to 37.1 in 2024 (+3.5 years).

Despite this increase, Gresham remains relatively younger than both comparison geographies: in 2024, Gresham's median age (37.1) was 2.1 years lower than Multnomah County (39.2) and 3.6 years lower than Oregon (40.7).

Exhibit 30. Median Age, Gresham, Multnomah County, and Oregon, 2010 to 2024

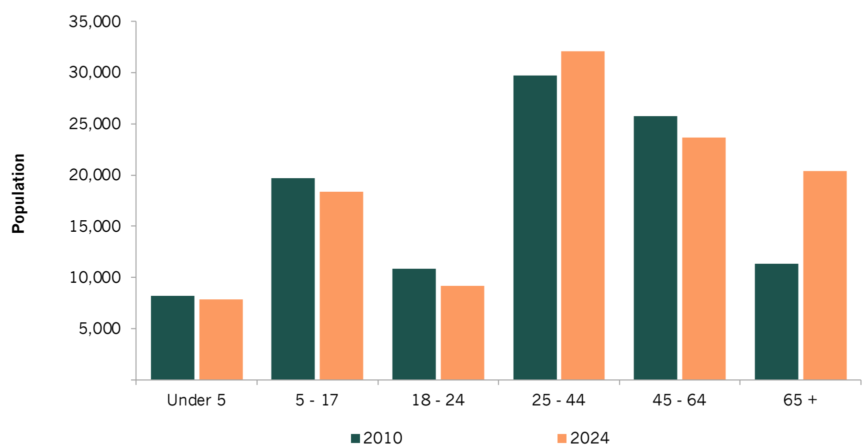
2010	33.6 Gresham	35.7 Multnomah County	38.4 Oregon
2024	37.1 Gresham	39.2 Multnomah County	40.7 Oregon

Source: U.S. Census Bureau, 2010 Decennial Census, Table P13; American Community Survey 2024 1-Year Estimates, Table B01002.

Gresham's 65+ population nearly doubled between 2010 and 2024. The 25–44 age group also increased.

In contrast, the 45-64 age group declined slightly, as did the population under age 24. This is similar to regional trends.

Exhibit 31. Gresham Population Change by Age Group, 2010 to 2024

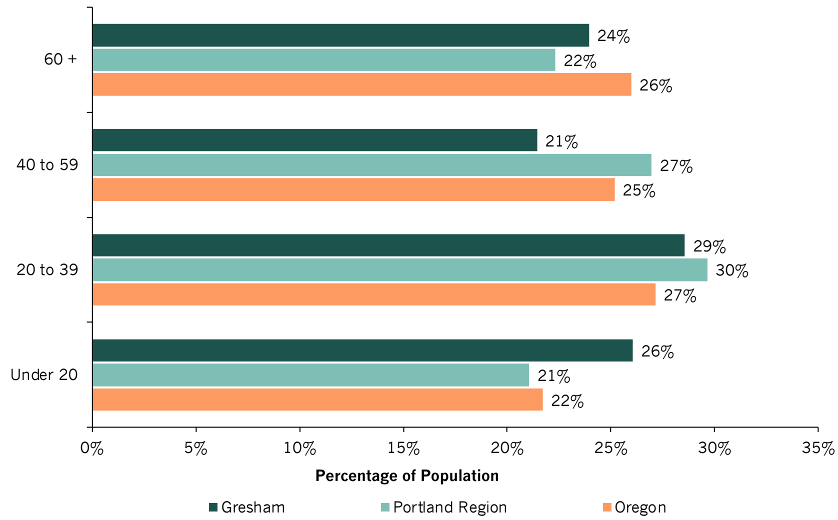


Source: U.S. Census Bureau, 2010 Summary File P12; American Community Survey 2024 1-Year Estimates, Table B01001.

Just over a quarter of Gresham residents are under age 20, which represents a higher share than that of both the regional and statewide averages.

Conversely, the proportion of Gresham residents between 40 and 59 years was lower relative to the Portland region and Oregon.

Exhibit 32. Population Distribution by Age, Gresham, Portland Region, and Oregon, 2024



Source: U.S. Census Bureau, American Community Survey 2024 1-Year Estimates, Table B01001.

RACE AND ETHNICITY

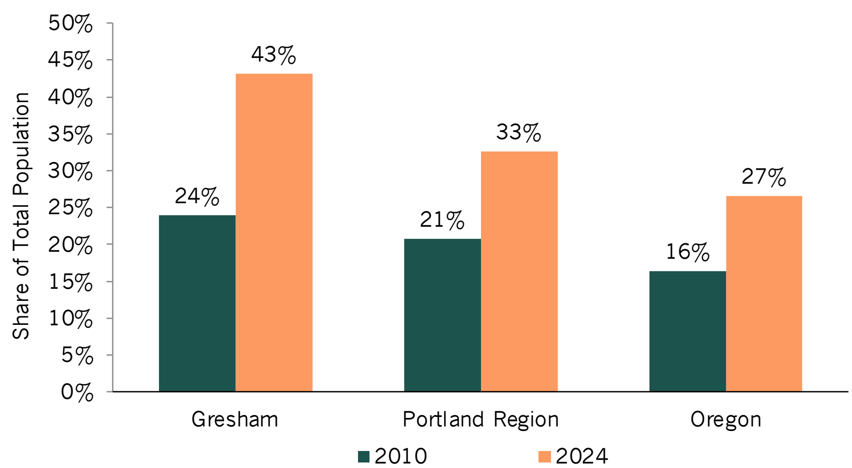
Gresham's population has become more racially and ethnically diverse over time. The share of residents who are People of Color (defined as individuals who identify as a race other than White alone) grew substantially, from 24% in 2010 to 43% in 2024, a faster increase than in both the Portland region and state. In 2024, Gresham's share of People of Color (43%) was higher than the Portland region (33%) and Oregon (27%).

Gresham also has a higher share of residents identifying as Hispanic or Latino than both comparison geographies. In 2024, 21% of Gresham residents identified as Hispanic or Latino, compared with 15% in the Portland region and 16% statewide.

The share of Gresham residents who are People of Color increased between 2010 and 2024, rising from 24% to 43%.

People of Color also made up a growing share of the population in the Portland region and Oregon over the same period. In 2024, Gresham had a higher share of People of Color than the Portland region (33%) and Oregon (27%).

Exhibit 33. Population of People of Color as a Percentage of the Total Population, Gresham, Portland Region, and Oregon, 2010, 2024



Source: U.S. Census Bureau, 2010 Decennial Census Table P8; American Community Survey 2024 1-Year Estimates, Table B02001.

The largest non-white demographics in Gresham were Asian (9%) and African American (8%) in 2024.

Exhibit 34. Racial Composition, Gresham, Portland Region, and Oregon, 2024

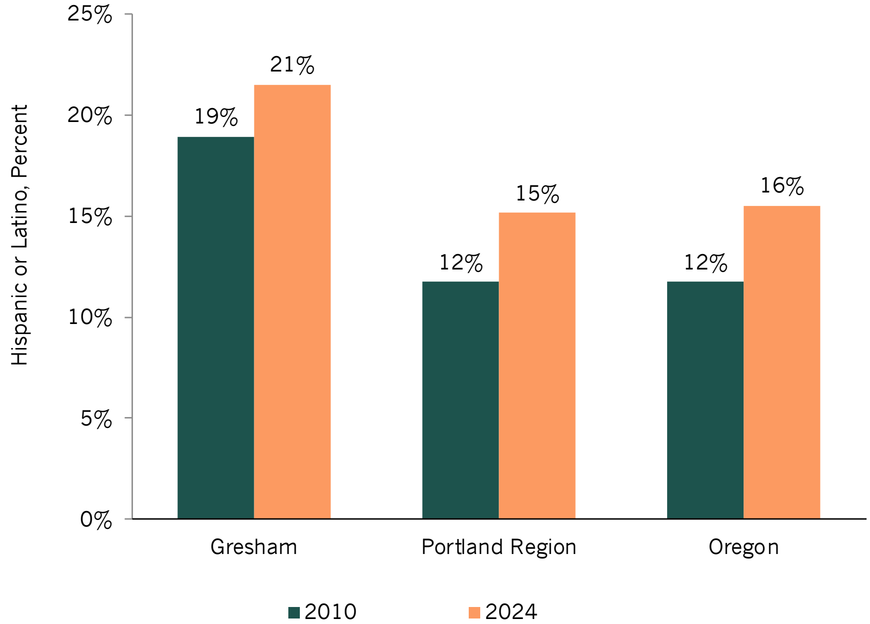
	Gresham	Portland Region	Oregon
White	57%	67%	73%
Asian	9%	9%	5%
African American	8%	3%	2%
Some Other Race	12%	8%	7%
Two or More Races	14%	13%	12%

Source: U.S. Census Bureau, 2010 Decennial Census Table P8; American Community Survey 2024 1-Year Estimates, Table B02001.

Gresham had a higher share of residents identifying as Hispanic/Latino than both the Portland region and Oregon in 2010 and 2024.

The share of Gresham residents identifying as Hispanic/Latino increased slightly from 2010 to 2024, consistent with state and regional trends.

Exhibit 35. Hispanic or Latino Population as a Percentage of the Total Population, Gresham, Portland Region, and Oregon, 2010, 2024



Source: U.S. Census Bureau, 2010 Decennial Census, Table P9; US, American Community Survey 2024 1-Year Table B03002.

INCOME AND WAGES

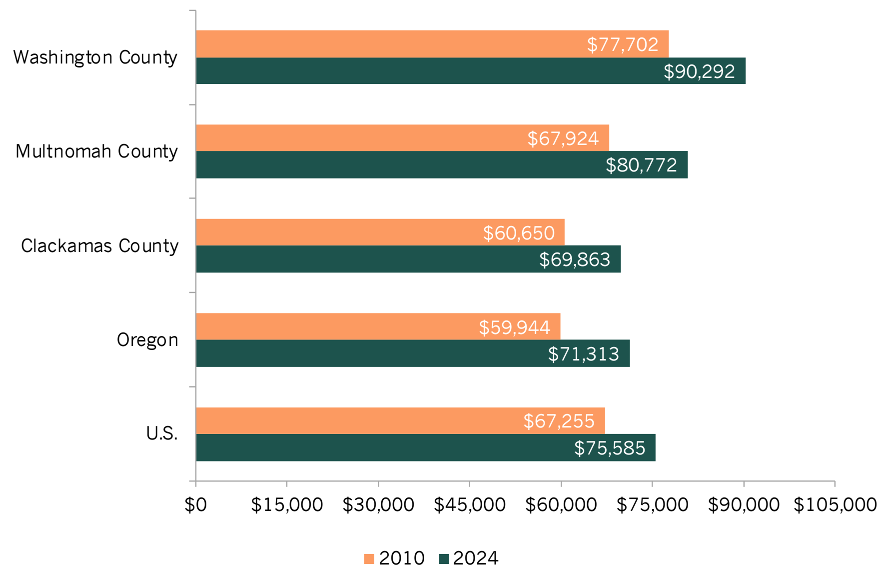
Income and wage levels can influence where businesses choose to locate. Industries that depend on lower-wage labor may be less likely to locate in areas with higher wages. In 2024, average wages at businesses in Washington and Multnomah counties exceeded the Oregon average of $71,000, while Clackamas County's average wage was slightly lower than the state average.

From 2010 to 2024, average annual wages in Oregon and the Portland region grew faster than the national rate.

Average inflation-adjusted wages in Multnomah County and Oregon increased by 19%, Washington County by 15% and Clackamas County by 16%, outpacing the 12% growth nationally.

Yet Oregon's average wage in 2024 was $71,313, below the U.S. average of $75,585. Multnomah and Washington Counties had higher wages ($80,772 and $90,292 respectively) while Clackamas County had a lower average wage of $69,963.

Exhibit 36. Average Annual Wage, Covered Employment, Portland Region, Oregon, and U.S., 2010 and 2024, Inflation-Adjusted 2024 Dollars



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages; State of Oregon Employment Department, Employment and Wages by Industry (QCEW).

The median household income in Gresham was lower than the state and Multnomah County.

Exhibit 37. Median Household Income,[109] 2024

$76,952	$90,740	$85,220
Gresham	Multnomah County	Oregon

Source: U.S. Census Bureau, American Community Survey 2024 1-Year Estimates, Table B19013.

Gresham's median family income was also lower than Multnomah County's, but higher than the state.

Exhibit 38. Median Family Income,[110] 2024

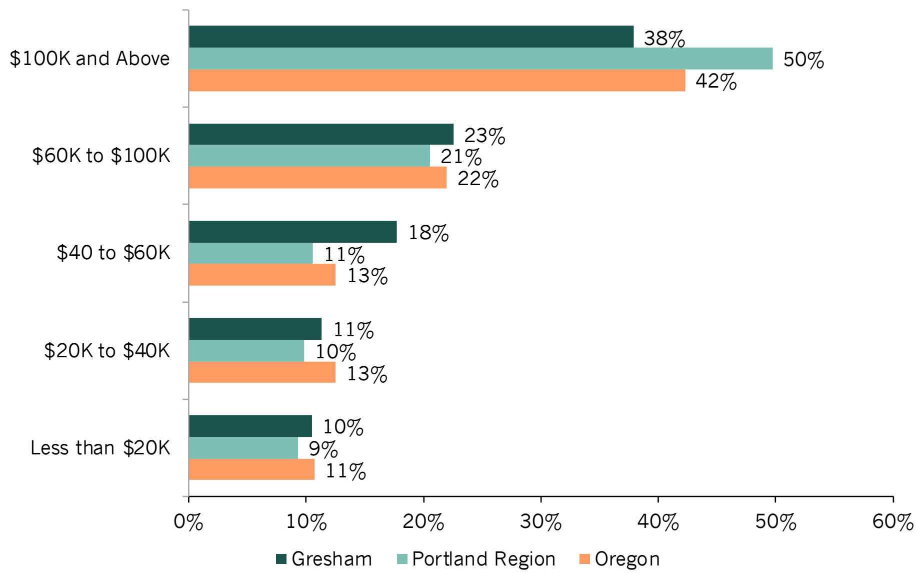
$104,569	$127,434	$97,956
Gresham	Multnomah County	Oregon

Source: U.S. Census Bureau, American Community Survey 2024 1-Year Estimates, Table B19113.

Almost 40% of Gresham households earned more than $100,000 annually, compared to 50% of households in the region.

About 21% of Gresham households earned less than $40,000 annually, roughly similar to households in the state and region.

Exhibit 39. Household Income by Income Group, Gresham, Portland Region, and Oregon, 2024



Source: U.S. Census Bureau, American Community Survey, 2024 1-Year, Table B19001.

[109] The Census calculated household income based on the income of all individuals 15 years old and over in the household, whether they were related or not.

[110] The Census calculated family income based on the income of the head of household, as identified in the response to the Census forms, and income of all individuals 15 years old and over in the household who were related to the head of household by birth, marriage, or adoption.

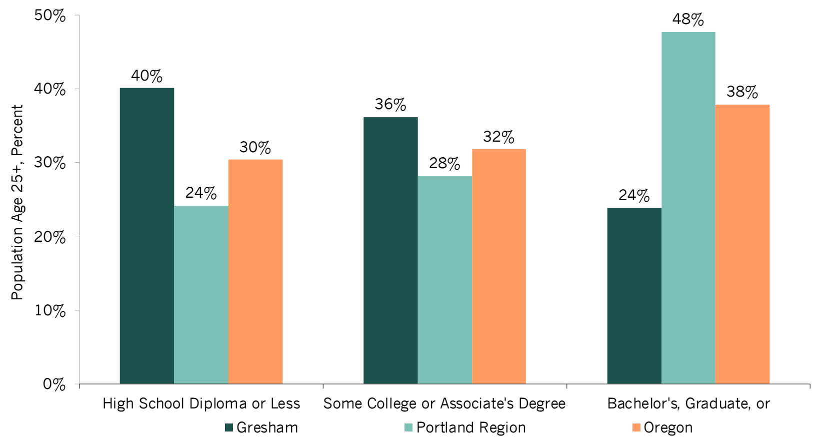
EDUCATIONAL ATTAINMENT

The educational level of a community's workforce is a factor that influences the type of labor available. Businesses require access to employees with relevant education and training to meet their staffing needs. Compared to the broader region, Gresham had a lower share of residents with a bachelor's degree or higher but a higher share of residents with some college or associates degree.

A smaller share of Gresham residents had bachelor's degrees or higher than the regional and statewide averages in 2024.

About 24% of Gresham residents hold a bachelor's, graduate, or professional degree**,** which was half the regional share. Forty percent of Gresham residents had no college experience.

Exhibit 40. Educational Attainment for the Population 25 Years and Over, Gresham, Portland Region, and Oregon, 2024



Source: U.S. Census Bureau, American Community Survey 2024 1-Year Estimates, Table S1501.

LABOR FORCE PARTICIPATION AND UNEMPLOYMENT

Labor force participation is another key factor in assessing workforce availability. The labor force includes adults aged 16 and older who are either employed or actively seeking work. It does not include children, retirees, students, or others not currently looking for work. According to the 2024 American Community Survey, the labor force included just over 1 million people in the Portland region and about 57,000 in Gresham.

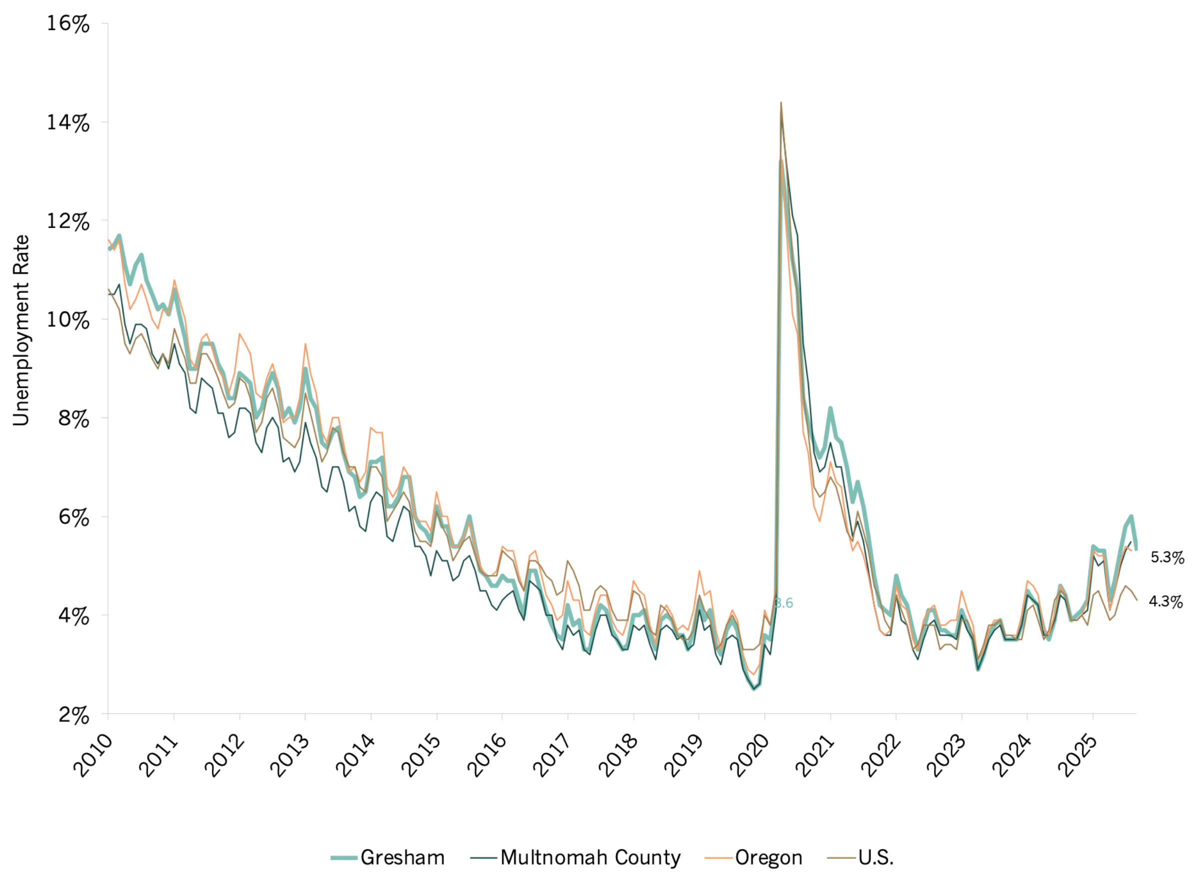
Gresham's labor force participation rate was 64%, which was slightly lower than the Portland region (68%) and similar to Oregon overall.

Exhibit 41. Labor Force Participation Rate, Gresham, Portland Region, and Oregon, 2024

Source: U.S. Census Bureau, American Community Survey 2024 1-Year Estimates, Table S2301.

As of September 2025, the unemployment rate in Gresham was 5.3%, on par with the county and state. Gresham's unemployment rate has slightly increased since 2023, as has the state's and county's unemployment rate although the city's has surpassed both in some recent months. Conversely, the national unemployment rate is around 4.3% and has remained below the city's rate over the last year despite previously being on par for prior years.

Exhibit 42. Unemployment Rate, Gresham, Multnomah County, Washington County, Clackamas County, Oregon, and the U.S., 2000–2025 (as of September)



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, and Labor Force Statistics. Not seasonally adjusted.

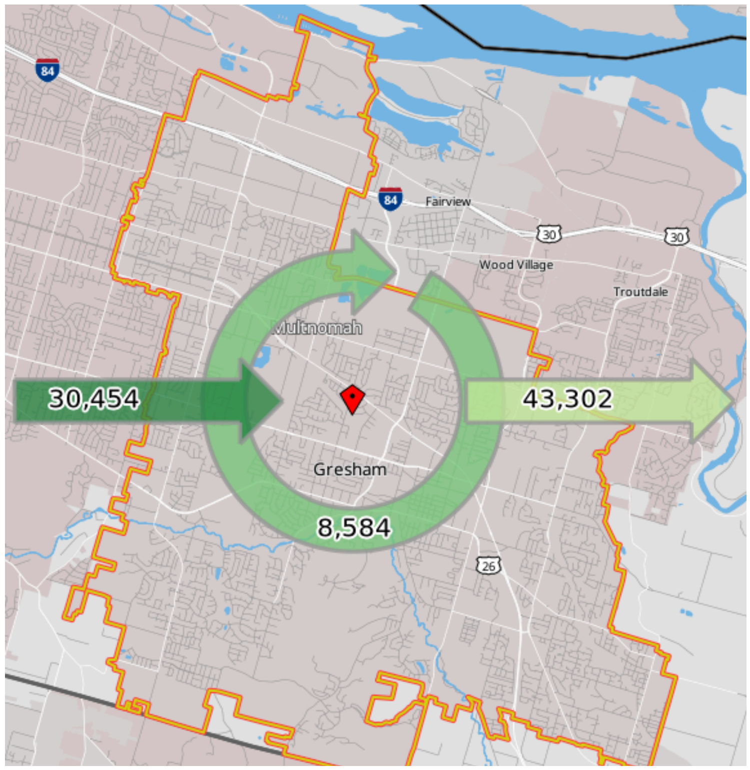
COMMUTING PATTERNS

Employers in Gresham benefit from access to a large labor pool in the Portland region, including southern Washington. This access to a broader workforce through commuting allows businesses in Gresham to find suitable candidates for available positions.

Gresham is part of an interconnected regional economy.

About 30,500 people (79% of the city's workforce) commuted into Gresham for work while 43,300 residents commuted out of the city for work.

Exhibit 43. Commuting Flows, Gresham, 2023



Source: U.S. Census Bureau, Census On the Map.

Around one-quarter of Gresham employees live in Portland. About 22% of workers in Gresham live in Gresham.

Exhibit 44. Top Places Where Gresham Workers Lived, 2023

24%	**22%**	**4%**	**3%**
Portland	Gresham	Vancouver, WA	Troutdale

Source: U.S. Census Bureau, Census On the Map.

Conversely, around 40% of Gresham residents work in Portland.

Exhibit 45. Top Places Where Gresham Residents Were Employed, 2023

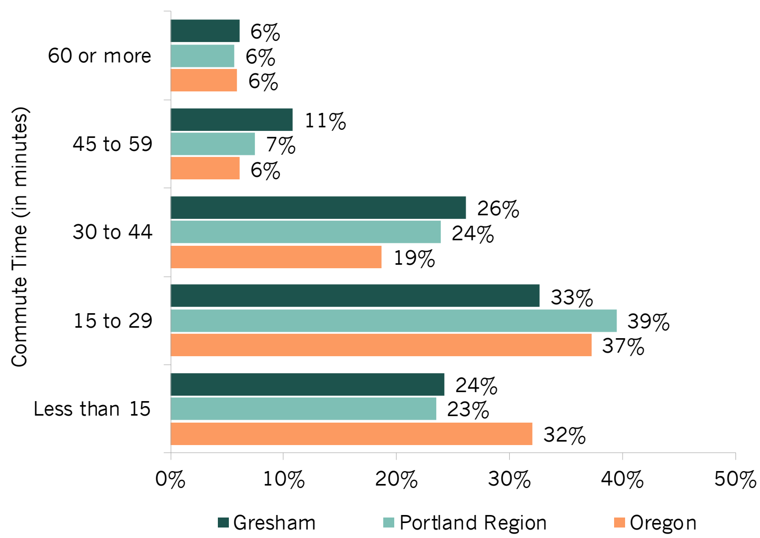
40%	17%	4%	2%
Portland	Gresham	Troutdale	Salem

Source: U.S. Census Bureau, Census On the Map.

Around 57% of Gresham residents had a commute time of less than 30 minutes. This is a smaller share than the Portland region (62%) and the state (69%).

About 26% of residents commuted 30 to 44 minutes to work, while 17% had at least a 45-minute commute.

Exhibit 46. Commute Time by Place of Residence, Gresham, Portland Region, and Oregon, 2024



Source: U.S. Census Bureau, American Community Survey 2024 1-Year Estimates, Table B08303.

Tourism in Multnomah County and the Portland Region

Tourism plays a role in local economies by supporting businesses, creating jobs, and generating tax revenue. Dean Runyan Associates, a travel industry research firm, provides tourism data through Travel Oregon's TravelStats dashboard.[111] According to the dashboard, Multnomah County welcomed around 6.2 million overnight visitors in 2024. That year, visitors in the county spent around $4.25 billion in direct travel spending. This spending generated approximately 21,400 jobs, with accommodation and food service being the top sector.

Direct travel spending in the Portland Region and Multnomah County increased 24% from 2014 to 2024.

Exhibit 47. Direct Travel Spending ($ millions), 2014 and 2024 (not inflation adjusted)

	Portland Region	Multnomah County
2014	$4,417.9	$3,432.5
2024	$5,472.7	$4,249.5

Source: Dean Runyan Associates, Oregon Travel Impacts, 2014-2024.

In 2024, the category with the highest level of visitor spending in Multnomah County was air transportation.

Exhibit 48. Largest Visitor Spending Categories ($ millions), Multnomah County, 2024

Visitor Air Transport	Accommodations	Food service
$784.9	$678.1	$623.7

Source: Dean Runyan Associates, Oregon Travel Impacts, 2024

[111] Travel Oregon. "Oregon Travel Impacts dashboard" Dean Runyan Associates. Retrieved December 9, 2025, from https://www.travelstats.com/impacts/oregon

The industry with the most employment generated by travel spending in Multnomah County in 2024 was accommodations and food services.

Exhibit 49. Largest Industry Employment Generated by Travel Spending, Multnomah County, 2023

12,500 jobs	**3,500 jobs**	**1,200 jobs**
Accommodations & Food Services	Other Travel	Arts, Entertainment, & Recreation

Source: Dean Runyan Associates, Oregon Travel Impacts. 2024

"Other Travel" refers to convention/ trade shows, travel arrangement companies located in Oregon, and air travel by residents who live in Oregon.

Appendix B. Buildable Lands Inventory Manual Adjustment Log

City of Gresham Employment Lands Buildable Lands Inventory (BLI) Adjustment Log
Last Updated: March 19, 2026

Action	Parcel ID	Zoning District	Net Buildable Area	Reason for Action	Date of Action
Add	1S3E04DA -00503	CC	0.4	Staff request.	2/24/2026
Add	1N3E31AD -01700	CC	0.6	Staff request.	2/24/2026
Add	1N3E33DC -05600	CMU	0.2	Staff request.	2/24/2026
Add	1N3E33DC -05500	CMU	0.2	Staff request.	2/24/2026
Add	1N3E33DC -05700	CMU	0.3	Staff request.	2/24/2026
Add	1S3E17BB -00600	CMU	0.4	Staff request.	2/24/2026
Add	1S3E04AB -10400	CMU	0.7	Staff request.	2/24/2026
Add	1S3E17BB -00500	CMU	1.3	Staff request.	2/24/2026
Add	1S3E03AB -00100	CMU	2.2	Staff request.	2/24/2026
Add	1N3E34C -00504	CMU	7.6	Staff request.	2/24/2026
Add	1S3E04DD -02600	CNTH	1.9	Staff request.	2/24/2026
Add	1S3E04DD -01901	CNTH	1.9	Staff request.	2/24/2026
Add	1S3E04DD -01700	CNTH	3.9	Staff request.	2/24/2026
Add	1S3E04DD -01900	CNTH	4.1	Staff request.	2/24/2026
Add	1S3E04DC -00500	CNTH	4.4	Staff request.	2/24/2026
Add	1S3E04DA -00800	CNTH	13.5	Staff request.	2/24/2026
Add	1S3E09A -00300	CNTM	1.3	Staff request.	2/24/2026
Add	1S3E10BC -08500	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10CB -01800	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BC -07400	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BC -06100	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BC -06200	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BC -05500	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BD -08600	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BD -08500	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BC -06300	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BC -08600	DCC	0.1	Staff request.	2/24/2026
Add	1S3E10BC -02200	DCC	0.2	Staff request.	2/24/2026
Add	1S3E10BC -06000	DCC	0.2	Staff request.	2/24/2026
Add	1S3E10BC -05600	DCC	0.2	Staff request.	2/24/2026
Add	1S3E10BC -05400	DCC	0.2	Staff request.	2/24/2026
Add	1S3E10BC -07600	DCC	0.2	Staff request.	2/24/2026
Add	1S3E10BC -08200	DCC	0.3	Staff request.	2/24/2026
Add	1S3E10BC -07700	DCC	0.3	Staff request.	2/24/2026
Add	1S3E10BC -07500	DCC	0.4	Staff request.	2/24/2026
Add	1S3E10BD -11100	DCC	0.5	Staff request.	2/24/2026
Add	1S3E10BC -07000	DCC	0.7	Staff request.	2/24/2026
Add	1S3E10CB -01700	DCC	1.2	Staff request.	2/24/2026
Add	1S3E10BD -12000	DCC	1.4	Staff request.	2/24/2026
Add	1S3E09A -00101	DCC	4.3	Staff request.	2/24/2026
Add	1S3E09A -00102	DCC	13.5	Staff request.	2/24/2026

Action	Parcel ID	Zoning District	Net Buildable Area	Reason for Action	Date of Action
Add	1S3E10AD -00600	DCL	0.9	Staff request.	2/24/2026
Add	1S3E10AD -02800	DCL	2.1	Staff request.	2/24/2026
Add	1S3E10AD -02600	DCL	2.3	Staff request.	2/24/2026
Add	1S3E10AD -00200	DCL	3.3	Staff request.	2/24/2026
Add	1S3E10AD -00300	DEM	0.2	Staff request.	2/24/2026
Add	1S3E10AD -02700	DEM	1.0	Staff request.	2/24/2026
Add	1S3E10AA -01800	DEM	10.0	Staff request.	2/24/2026
Add	1S3E10BC -07100	DMU	1.0	Staff request.	2/24/2026
Add	1S3E09A -00100	DMU	7.6	Staff request.	2/24/2026
Add	1S3E04DD -00300	DTM	0.1	Staff request.	2/24/2026
Add	1S3E04DD -00400	DTM	0.1	Staff request.	2/24/2026
Add	1S3E04DD -00200	DTM	0.3	Staff request.	2/24/2026
Add	1S3E03CC -08600	DTM	0.4	Staff request.	2/24/2026
Add	1S3E10BA -00700	DTM	0.5	Staff request.	2/24/2026
Add	1S3E04DD -00101	DTM	1.0	Staff request.	2/24/2026
Add	1S3E10BA -00800	DTM	2.8	Staff request.	2/24/2026
Add	1S3E05CD -07000	GI	0.4	Staff request.	2/24/2026
Add	1N3E30A -00400	GI	0.7	Staff request.	2/24/2026
Add	1S3E05CD -07100	GI	2.0	Staff request.	2/24/2026
Add	1S3E05CD -07200	GI	3.8	Staff request.	2/24/2026
Add	1N3E30A -00309	GI	4.3	Staff request.	2/24/2026
Add	1N3E19 -00900	GI	6.3	Staff request.	2/24/2026
Add	1S3E05CA -00300	GI	12.1	Staff request.	2/24/2026
Add	1N3E20A -00901	GI	12.2	Staff request.	2/24/2026
Add	1N3E29C -00600	GI	18.2	Staff request.	2/24/2026
Add	1S3E05AC -01700	HI	0.2	Staff request.	2/24/2026
Add	1S3E05AC -01800	HI	0.4	Staff request.	2/24/2026
Add	1S3E05AC -01200	HI	1.1	Staff request.	2/24/2026
Add	1S3E05CA -00200	HI	1.6	Staff request.	2/24/2026
Add	1S3E05AC -01100	HI	1.7	Staff request.	2/24/2026
Add	1S3E05BD -01800	HI	2.7	Staff request.	2/24/2026
Add	1S3E05BD -01600	HI	2.9	Staff request.	2/24/2026
Add	1S3E05AC -01900	HI	3.2	Staff request.	2/24/2026
Add	1S3E05DA -03600	HI	3.7	Staff request.	2/24/2026
Add	1S3E05AD -03600	HI	3.7	Staff request.	2/24/2026
Add	1S3E05BD -01300	HI	4.4	Staff request.	2/24/2026
Add	1S3E05AC -01500	HI	4.6	Staff request.	2/24/2026
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Add	1S3E05D -00400	HI	5.0	Staff request.	2/24/2026
Add	1S3E05AC -00700	HI	5.3	Staff request.	2/24/2026
Add	1S3E05AC -01300	HI	6.3	Staff request.	2/24/2026
Add	1S3E05BD -01400	HI	6.4	Staff request.	2/24/2026
Add	1S3E05CA -00100	HI	7.7	Staff request.	2/24/2026

Action	Parcel ID	Zoning District	Net Buildable Area	Reason for Action	Date of Action
Add	1S3E05CD -00100	HI	9.3	Staff request.	2/24/2026
Add	1S3E05D -00200	HI	9.4	Staff request.	2/24/2026
Add	1S3E05AC -01400	HI	9.5	Staff request.	2/24/2026
Add	1S3E05D -00600	HI	9.9	Staff request.	2/24/2026
Add	1S3E05BD -03100	HI	10.9	Staff request.	2/24/2026
Add	1S3E14AB -02300	MC	0.1	Staff request.	2/24/2026
Add	1S3E14AB -02400	MC	0.1	Staff request.	2/24/2026
Add	1S3E14AB -02200	MC	0.2	Staff request.	2/24/2026
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Add	1S3E14AB -01600	MC	0.3	Staff request.	2/24/2026
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Add	1N3E30AA -00200	MC	1.4	Staff request.	2/24/2026
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Add	1N3E32CC -04200	RTC	0.2	Staff request.	2/24/2026
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Add	1N3E32CC -04500	RTC	0.6	Staff request.	2/24/2026
Add	1N3E32CD -03500	RTC	0.8	Staff request.	2/24/2026
Add	1N3E32CC -01000	RTC	0.9	Staff request.	2/24/2026
Add	1N3E32CC -07600	RTC	0.9	Staff request.	2/24/2026
Add	1S3E05BB -02000	RTC	1.0	Staff request.	2/24/2026
Add	1N3E32CC -02400	RTC	1.1	Staff request.	2/24/2026
Add	1N3E32CC -04400	RTC	1.1	Staff request.	2/24/2026
Add	1N3E32CD -02600	RTC	1.4	Staff request.	2/24/2026
Add	1N3E32CC -04300	RTC	2.1	Staff request.	2/24/2026
Remove	1N3E32CC 06700	RTC	0.2	Staff request.	2/24/2026