



Staff Report

To: Planning Commission

Through: Chris Kerr, AICP, Community Development Director

From: Renata Wakeley, Special Projects Director

Meeting Date: November 9, 2023 (Prepared November 2, 2023)

Item: Legislative Amendment 23-02 for adoption of Employment Buildable Land Inventory (BLI), 2023-2043 Economic Opportunities Analysis (EOA), and Comprehensive Plan Goal and Policy updates

Tax Lot(s): n/a

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Issue before the Planning Commission

Legislative Amendment LA 23-02 (Type V) for adoption of Employment Buildable Land Inventory (BLI), 2023-2043 Economic Opportunities Analysis (EOA), and Comprehensive Plan goal and policy updates: Commission is to hold a public hearing and make a recommendation to the City Council.

Executive Summary

Background

Oregon Revised Statute (ORS) 197 and Oregon Administrative Rule (OAR) 660-009 (Economic Development) provide the statutes and rules that guide local governments in how they prepare, plan, adopt, amend, and revise their comprehensive plans in compliance with the Statewide Planning Goals, including but not limited to sufficiency of employment land, and to ensure comprehensive plans and land use regulations are updated to provide adequate opportunities for a variety of economic activities throughout the state¹. The analysis may be commenced if a City suspects it has a shortage of employment land to accommodate its 20-year land need. The need analysis is also subject to criteria in administrative rule and statute.

Following a request for proposals (RFP) for planning consulting services, the Council authorized the City to enter into contract with Johnson Economics LLC in January 2023. To support the consultant, the City created a Technical Advisory Group (TAG) comprised of representatives from the City Council and Planning Commission, as well as Public Works, Community Development, and Economic Development Directors; Marion County, Business Oregon, traded sector, and local utility representatives; and staff from the Oregon State Department of Land Conservation and Development (DLCD). The TAG met with the consultant and city staff three times between April to August 2023.

Following guidance from the consultant and review of consultant draft materials, the TAG recommended advancement of the draft materials for adoption by the City following its final meeting in August 2023. On October 9, 2023, the City Council via Resolution No. 3232 directed staff to initiate the legislative amendment process for public review and adoption of the proposed materials. Staff also provided for work session meetings with both the Planning Commission and City Council.

Amendment Goals & Objectives

The goals and objectives are to:

- Inventory suitable vacant and development-ready employment land designated for industrial or other employment use inside the Woodburn Urban Growth Boundary (UGB) in accordance with OAR 660-009-0015 (Economic Opportunities Analysis) regarding buildable land inventory (BLI);
- Determine whether there is adequate development capacity to accommodate the City's 20-year needs in compliance with OAR 660-009-0015, 024-0040 (Economic Opportunities Analysis, Urban Growth Boundary: Land Need); and
- Review Statewide Land Use Planning Goal 9 (Economic Development) through Woodburn Comprehensive Plan goals and policies and update policies and economic

¹ Oregon Administrative Rule (OAR) 660-009 Intent and Purpose (October 2023)

development objectives in compliance with OAR 660-009-0020 (Industrial and Other Employment Development Policies).

Guide to the Draft

- Proposed Comprehensive Plan edits apply only to a fraction of the hundreds of pages of the Comprehensive Plan. Specifically, amendments to Sections E, F, & G that contain goals and policies applicable to the economic element of the Woodburn Comprehensive Plan. Proposed updates and edits are included in a ~~striketrough~~-and-underline format (Exhibit A).
- The prepared Buildable Land Inventory (Exhibit C) and Economic Opportunities Analysis (Exhibit D) are considered new, updated components of the Comprehensive Plan and are therefore not shown in a ~~striketrough~~-and-underline format but rather are separate, new elements to be adopted.
- If the Commission notices any remaining scrivener’s errors regarding grammar, spelling, and/or typos, please do draw staff attention to them.
- As a legislative amendment, commissioners may contact staff directly with questions any time before the hearing at (503) 980-2415 or <renata.wakeley@ci.woodburn.or.us>.

Recommendation

Approval: Staff recommends that the Planning Commission consider the staff report and attachments and recommend City Council adoption of the Economic Opportunities Analysis, the Buildable Land Inventory, and updated Goals and Policies as part of a Comprehensive Plan amendment, based on the Analyses and Findings (Exhibit B) in the staff report, as presented.

Actions

Recommend Approval of the Comprehensive Plan Amendment as outlined above; or the Planning Commission may instead recommend:

1. Approval with revisions; or
2. That staff revise and return to a later hearing for further deliberation by the Planning Commission.

If the Planning Commission were to act upon the recommendation, staff would proceed to a City Council public hearing, tentatively scheduled for December 11, 2023, and ordinance adoption on either January 8 or 22, 2024.

Attachment List

- Exhibit A. Comprehensive Plan Goal and Policy updates (19 pages)
- Exhibit B. Analyses & Findings (16 pages)
- Exhibit C. Buildable Land Inventory 2023-2043 (10 pages)
- Exhibit D. Economic Opportunities Analysis 2023-2043 (65 pages with appendices)

E. Industrial Land Development and Employment

The ~~2023~~ Woodburn Economic Opportunities Analysis (EOA) and Economic Development Strategy provide the basis and policy direction for Woodburn's economic development efforts. Since the last EOA, adopted in 2001, the City has successfully implemented changes through strategies such as:

- Reversing previous trends that saw Woodburn becoming a bedroom community, with residents commuting to the Portland and Salem areas for employment.
- Making the most of its key comparative advantage- location along the Interstate 5 (I-5) corridor.
- Reserving several large parcels along the I-5 corridor exclusively for industrial uses and targeted industries.
- Adoption of stringent policies to prevent the re-designation of industrial sites in the Southwest Industrial Reserve (SWIR) overlay to commercial or residential uses.

~~Generally, Woodburn is committed to providing the infrastructure and land base necessary to attract higher paying, non-polluting jobs. This change is necessary to reverse recent trends that saw Woodburn becoming a bedroom community, with residents commuting to the Portland and Salem areas for employment. For Woodburn to be competitive, it must make the most of its key comparative advantage—location along the Interstate 5 Corridor. Woodburn is surrounded by agricultural resource land, and in keeping with Statewide Planning Goal 9 for economic development, therefore the City cannot avoid using agricultural land to provide for suitable industrial sites future employment land that meets the needs of the growing population. Generally, the City is committed to providing the infrastructure and land base necessary to attract higher-paying employment opportunities while ensuring that development occurs in an orderly fashion that is coordinated with the provision of public services and population growth, with mitigation of traffic, pollution, and other harms resulting from growth and mitigating in compliance with statewide planning goals.~~

~~Consequently, in order to meet the City's economic development objectives, several large parcels along the I-5 corridor have been reserved exclusively for industrial use. To ensure that these industrial sites along I-5 are used solely for targeted industrial uses, Woodburn has adopted stringent policies to prevent the re-designation of industrial sites in the Southwest Industrial Reserve overlay (SWIR) to commercial or residential uses. In addition, large minimum parcel sizes will ensure needed large industrial sites are preserved.~~

Industrial Land Designations

Location of industrial lands poses more of a problem than any other use in urban areas. They are essential for the City, and in Woodburn's case, must be expanded to accommodate future needs. In general, this type of land use requires good transportation access, served preferably, but not necessarily, by both railroad and highway facilities. Reserving industrial sites with direct access to Interstate 5 is critical to the ~~City's~~ economic development efforts of the City. Generally, industrial land should not be located adjacent to residential areas without ~~some type of~~ buffering such as use in between the industrial use and the residential areas; either green space, ~~or~~ a major road, or other similar buffer.

There are ~~five-four~~ areas that have been established for industrial use in Woodburn. They meet all of the above criteria. They are:

1. In the southeast quadrant of the City, along Highway 99E;
- ~~2.~~ In the northeast quadrant of the City; the Woodburn Industrial Park and surrounding development, and;
- ~~3.~~ The area between North Front Street and Mill Creek, north of the Woodburn High School;
- ~~4.~~ The southwest quadrant of the I-5 interchange area, specifically the Southwest Industrial Reserve (SWIR) and Interchange Management Area (IMA) overlays; and which shall be expanded as a result of the 2003 plan amendment process.
- ~~5.~~ The Downtown Woodburn, mostly east/northeast across the railroad and near Commerce Way and Hardcastle Avenue area.

Each of these areas serves a different purpose in the City's long-range industrial development plans. The majority of the development in the Southeast Industrial area is either in the City limits or closely adjacent ~~to it~~ and is primarily used for food processing and associated spray irrigation or processing associated with food processing. ~~The majority of land in this Southeast area is being used for spray irrigation of industrial wastes from the food processing plant.~~ As it has been zoned industrial in the County for some time, the City proposed, and the County agreed, that it would be best to have this area in the Urban Growth Boundary so future expansion of the food processing facility on the industrial land would be controlled and regulated by the City. This industrial area could realize additional development.

The northeast Front Street Industrial ~~p~~Park area was really the beginning of Woodburn's industrial expansion in the 1970s. It has been very successful and now covers a large amount of land east and west of both ~~between~~ the Southern Pacific Railroad and Highway 99E north of State Highway 214. ~~However~~ While important for the economy of Woodburn, almost all of the developable land in this area is currently used by industries that require large undeveloped areas for storage of equipment (i.e. contractors or sales of large equipment). While the land may appear to be unimproved or redevelopable, these industries could not be sustained or exist without large areas for storage of associated equipment. ~~has either been sold to industries that intend to locate in Woodburn or is under development.~~ It is expected that full build-out will be realized within the next several years. This area is well served by

~~The industrial area on North Front Street north of the Woodburn High School was selected for of several reasons. First of all, it is close to State Highway 214 and therefore has with good highway access and. Second,~~ a spur line from the Southern Pacific Railroad that could be developed to serve industries locating in this area. ~~Third, a~~ An excellent buffer also exists in the ~~along~~ Mill Creek ~~area to buffer the separate~~ industrial uses from the adjacent residential uses. It should be pointed out, however, that industrial uses should not be located in or near the floodplain and extensive buffering or screening must be out to be em ~~deployed~~ for by industrial uses.

The ~~fourth~~ third industrial area, the southwest quadrant of the interchange was selected because it is an excellent site for target industries identified in previous economic planning

~~efforts~~the ~~Economic Opportunities Analysis~~. Not all industries desire to or have the ability to locate adjacent to on-rail linesroads. Indeed, some cannot because vibration from the railroad upsets sensitive instruments used in some industrial processes. The key locational factor desired by some targeted industries ~~identified in the EOA~~ is access to, and visibility from, Interstate 5. ~~Therefore~~As a result of these planning efforts, the Southwest Industrial Reserve (SWIR) industrial areawas adopted along Interstate 5 and provides the primary location for targeted industries in Woodburn. It also affords excellent visibility for industries that wish to maintain good visibility, ~~and high corporate image~~.

The ~~fifth~~fourth Industrial area is ~~the~~Downtown ~~area~~Woodburn. This area is the old downtown industrial center. ~~It is and was~~ the first and the original iIndustrial area in Woodburn, which was platted in 1871 and incorporated in 1889. This Industrial area is located along the Union Pacific Railroad (USPRR) in ~~d~~Downtown ~~Woodburn~~. ~~The and historically used the railroad line was utilized~~for transportation. This sector has historical significance when considering the path Woodburn has taken and many of these industries have. ~~This Industrial area can realized~~ additional development and ~~possible~~ redevelopment opportunities in recent years. The City wishes to continue to support these historically significant industries and their connection to the rail line into the future.

It should be noted that of the ~~five~~four industrial areas in Woodburn, only two, the (1) nNortheast Front Street area and (2) the southwest quadrant of the Interstate 5 interchange and SWIR area are available for future large-scale industrial expansion.

Industrial Development Goals and Policies

Goal

- E-1. Woodburn shall provide and maintain an adequate supply of suitable industrial sites to attract targeted firms consistent with Statewide Planning Goal 9 (Economy of the State), the recommendations of the ~~2004~~23 Woodburn Economic Opportunities Analysis and the Woodburn Economic Development Strategyiesy.

Policies

- E-1.1 It is the policy of the City to provide for developments that, whenever possible, will allow residents of the City of Woodburn to work in Woodburn and not have to seek employment in other areas. To accomplish this, the City should encourage a healthy, diversified, and sustainable job market within the City through fostering growth and recruitment of employers of a range of sizes, industries, and pay scales, and enough available industrial land for industrial growth to accommodate the residential growth expected in the City.
- E-1.2 Industrial land should be located to take advantage of Interstate 5 access or rail transportation.
- E-1.3 To minimize impacts on Marion County's agricultural land base, Class I agricultural soils shall be preserved outside the Woodburn urban growth boundary (UGB). At the same

time, it is important that industrial lands be located in relatively flat areas, ~~which that~~ have suitable soils and that are free from flooding ~~risk~~dangers.

- E-1.4 Industrial areas that are located adjacent to arterial streets or to residential areas should be controlled through site plan review and buffer zones to minimize the impact of industrial uses.
- E-1.5 Industries that, through their operating nature, would contribute significantly to a deterioration of the environmental quality of air, land, or water resources of the cCity should ~~be forbidden to locate~~ not be allowed within the cCity limits.
- E-1.6 The city deems the industrial park concept ~~the most a~~ desirable form of industrial development. Whenever possible, the industrial park concept will be encouraged in an attractive and functional design. Master planning of industrial areas shall be required prior to annexation of industrial land to the City. Master plans shall reserve parcels of sufficient size to meet the needs of targeted industries identified in the EOA.
- E-1.7 Nonconforming industries shall be encouraged to find other areas in which to locate.
- E-1.8 Industrial lands shall be protected from encroachment by commercial or other uses that will either increase the price of industrial land or ~~cause~~ generate traffic ~~generation~~ that will interfere with ~~the~~ normal industrial practices.
- E-1.9 The industries attracted and encouraged by the City to locate in Woodburn should generate jobs that would upgrade the skills of the local labor pool.

Goal

- E-2. Woodburn shall reserve suitable sites in the Southwest Industrial Area (SWIR) for targeted industrial firms, as directed by the ~~202304~~ Woodburn Economic Opportunities Analysis.

Policies

- E-2.1 ~~Woodburn shall designate industrial land near Interstate 5 with a Land within the SWIR (Southwest Industrial Reserve overlay) designation. Land within this designation shall be reserved exclusively for industrial uses identified in the EOA, and shall not be converted to another commercial or residential~~ plan land use map designation.
- E-2.2 ~~A master development plan shall be approved by~~ The City Council shall approve a master development plan prior to annexation to the cCity limits. The master plan shall show how streets, sanitary sewer, water and stormwater services ~~will~~ can be sized and located to serve the entire SWIR area. The master plan shall show how arterial, collector, ~~and~~ local, ~~and~~ other classes of street access ~~will~~ can be provided to each lot if land division is proposed. The proposed master plan shall be referred to Marion County for comment prior to consideration by the City Council.

E-2.3 This SWIR master plan shall demonstrate how sites with the size and access characteristics identified in the EOA will be maintained, ~~consistent with Policy Table 3, below:~~

~~Policy Table 3: Site Sizes That Must be Maintained on Specific Parcels Through the Master Planning Process~~

Sites (by assessor tax lot number)	Buildable Acres	Required Lot Sizes (ranges shown in acre)	Conceptual Lot Sizes (in acres)	Special Standards
52W11 TL 300	88	25-50 10-25 10-25 5-10 5-10 2-5 2-5	35 15 15 8 8 4 3	Land division permitted with master plan approval
Subtotal:			88	
52W14 TL 200 52W14 TL 600	22	10-25 5-10	15 7	Land division not permitted
Subtotal:			22	
52W13 TL 1100 52W14 TL 1500 52W14 TL 1600	96	96	96	Land division not permitted Shall be developed with a use with at least 300 employees
52W14 TL 800 52W14 TL 900 52W14 TL 1000 52W14 TL 1100	106	50-100 25-50 2-5 2-5	65 33 4 4	Land division permitted with master plan approval 50-100 acre lot shall be developed with a use with at least 200 employees
Subtotal:			106	
52W4 TL 1200	4	2-5	4	Land division not permitted
52W23 TL 100	46	25-50 5-10 2-5	35 8 3	Land division permitted with master plan approval
TOTAL SWIR	362		362	

~~Marion County Economic Coordination Goals and Policies~~

Goal

~~Marion County's economic development goals address the importance of maintaining a diverse employment base with living wage jobs. The goals include:~~

- E-3. ~~Encourage diversity and balance of job types (e.g., service and industry jobs); promote economic opportunity for all segments of society; encourage a sustainable local and regional economy; and tailor economic development to the unique assets and needs of the county and the City of Woodburn.~~ Coordinate with Marion County regarding shared economic development goals and policies, future urban growth boundary (UGB) expansion, and other shared land use issues and processes.

Policies

- E-3.1 ~~Consistent with Marion County Framework Plan policies,~~ ~~t~~The City of Woodburn has conducted an Economic Opportunities Analysis (EOA) consistent with the Goal 9 Rule (OAR Chapter 660, Division 9) that:
- (a) Inventories lands suitable for employment use by parcel size;
 - (b) Calculates the capacity for jobs in existing Commercial and Industrial plan designations;
 - (c) Forecasts future employment by sector;
 - (d) Identifies industries that are likely to locate in Woodburn;
 - (e) Determines the siting needs of targeted industries;
 - (f) Determines whether there are existing sites within the UGB that meet site suitability criteria and are not needed for other land uses; and
 - (g) Identifies sites outside the UGB that meet site suitability criteria if there are inadequate sites within the UGB.
- E-3.2 Expand the Woodburn UGB, as needed, to meet ~~identified~~ the industrial siting needs identified through an updated ~~in the 2001~~ Woodburn EOA analyses, consistent with the Statewide Planning Goals and other County guidelines adopted as part of this section.
- E-3.3 Review plans and implementing ordinances to ensure an adequate supply of suitable sites to meet the needs of targeted industries, as required by ORS 197.212 et. seq.
- E-3.4 Work with Marion County, economic development agencies, area economic development groups, and major institutions to provide information to support development of a region-wide strategy promoting a sustainable economy.

F. Commercial Land Development and Employment

Commercial Land Designations

Commercial lands also pose difficulty in deciding their proper location because of the high traffic ~~that is commercial uses~~ generated by commercial uses and the necessity for good transportation facilities improvements. They also can impact quite severely on adjacent residential uses, and this must be considered in their location, and especially in their zoning. The commercial areas of the City should to develop at higher densities instead of a

sprawling or strip type of development. There are basically five major commercial areas in Woodburn, and they should serve the City for the foreseeable future.

The first commercial area that the City developed was the historic downtown. It is located on both sides of a railroad track and ~~despite problems in the recent past, it has~~ remained an essential part of the City's economy. ~~It is in a transitional stage at present as it no longer serves as the center of retailing for Woodburn. However, The d~~Downtown area Woodburn has experienced a renaissance of new investment from the Latino community. Downtown Woodburn is becoming known throughout the state for its authentic Mexican cultural amenities, shops, and restaurants. Although some buildings ~~suffer from a lack of~~ maintenance and might be outmoded ~~buildings, some others~~ have been remodeled ~~and updated~~ to provide a greater share of Woodburn's services in the future. The City Urban Renewal District and programs include the downtown core, and the City has initiated numerous programs to support the vitality of the downtown core and community.

The second largest commercial area that developed in the City is the commercial strip along Highway 99E. A history of commercial strip zoning along 99E has caused many problems in the City of Woodburn. This is because this type of strip development is the least efficient use of commercial land and highway-road frontage. To improve the efficiency of the commercial land and enhance the appearance and vitality of this important commercial area, the City undertook the development of a plan for the highway corridor. The resulting Highway 99E Corridor Plan, adopted via Ordinance 2492 in July 2012, will guides future development and redevelopment in the Highway 99E corridor. The City will continue to work with property owners towards redeveloping this area in the future in line with the vision established in the Corridor Plan. By limiting the supply of vacant “green field” commercial land within the UGB, redevelopment and urbanization of ~~underutilized~~ strip commercial lands is more likely ~~to occur~~. Highway ~~a~~Access management control policies, which the Corridor Plan addresses, shall be observed when development, redevelopment, and street improvements occur, and the City of Woodburn notes that the Oregon Department of Transportation (ODOT), not the City, controls and maintains this important transportation corridor that bisects eastern Woodburn.

The third large area of commercial development in the City is the I-5 Interchange. This contains one small shopping center, a large retail use (Wal-Mart), a ~~developing premium~~ outlet mall, restaurants, and other highway related uses. In general, commercial uses ~~on~~ in West Woodburn, which is the west side of the freeway, should be limited to highway related interchange type uses, while on the east side, a more general commercial nature should be encouraged. ~~There are approximately 60 acres available for development located southwest of Evergreen Road. This L~~and should be available for ~~development located west and southwest of Evergreen Road should be developed~~ as a large commercial retail node integrated shopping center when Woodburn's population makes it economically feasible justifies it. Access ~~management control~~ in the I-5 interchange area is extremely important, because the traffic capacity limit of the improved interchange in turn limits commercial growth in West Woodburn. ~~congestion is the limiting factor for growth west~~

~~of the freeway.~~—This issue is addressed ~~extensively further~~ in the 20~~19~~05 Woodburn Transportation Systems Plan.

The fourth commercial area is the Highway 214/211/99E "Four Corners" intersection in the northeast of Woodburn. This area has become an important commercial district within the City but also serves as a regional. ~~This "Four Corners" area serves as a more local~~ retail service center with larger chain retailers and several regional grocery retailers. This commercial district could realize more development in the future. In this area redevelopment and infill should be intensified so as to ~~not create another avoid perpetuating~~ commercial strip development.

The fifth commercial center serves the Nodal Development Overlay area near Parr Road, east of I-5 and in the southwest of Woodburn. Of the area that the land use map designates Nodal Neighborhood overlay, a 10-acre rectangular subarea is zoned the Nodal Neighborhood Commercial (NNC) overlay district. It is along the north side of Parr Road and the east side of a future Evergreen Road extension and is site has been reserved for neighborhood commercial uses that will serve the higher density development elsewhere within the Nodal residential Development Overlay that is higher density residential and within walking and cycling distance (generally one-half mile or less) of the NNC district center. The center will be it is to be designed and developed as an urban commercial node with primacy for with a pedestrians, cyclists, and bus transit and focus, with limited consolidated and shared off-street parking. The City shall adopt a new NNC (Nodal Neighborhood Commercial) District to implement this concept.

In addition to these five major areas, there are three other minor commercial areas, two of which are set aside for office uses. One is founds at the S-Curve near North Cascade Drive and State Highway 214, and one is located at the northwest quadrant of the intersection of North Settlemier Avenue and State Highway 214. To minimize the traffic impact along State Highway 214, only low traffic generating uses such as offices and other professional service centers should be located along those streets. Large retail uses are not consistent with the overall plan concept for these two areas, although neighborhood-serving retail uses such as delicatessens and coffee shops are allowed. The third small commercial area will be located along Boones Ferry Road, along a drainageway and west just north of a tributary to of Mill Creek, near the northern edge of the UGB. This two2-acre area will serve the day-to-day retail and service needs of recent and planned residential development in the North Boones Ferry Road area.

Commercial Lands Goals and Policies

During the 1990s, Woodburn experienced large-scale commercial growth near Interstate 5. Although commercial development has provided jobs for many Woodburn residents, this growth has contributed to congestion at the I-5/Highway 214 Interchange, which has constrained the City's ability to attract basic industrial employment that requires I-5 access. ~~Therefore, Woodburn should discourage additional land for "big box" or large-scale auto-dependent commercial development.~~—Woodburn will encourage infill and redevelopment of existing commercial sites, and will encourage neighborhood-serving commercial developments in Nodal Development areas.

Goal

- F-1. ~~Encourage~~ Identify, promote, and regulate to bring about urban infill and redevelopment of existing commercial areas within the community, as well as development of nodal neighborhood ~~centers~~ nodes, to meet future ~~commercial~~ development needs, support potential additional housing, and reduce traffic congestion and reliance on motor vehicles for basic commercial services.

Policies

- F-1.1 The City should at all times have sufficient land to accommodate the retail needs of the City and the surrounding market area while encouraging commercial infill and redevelopment. The City presently has five major commercial areas: Highway 99E, 1-5 Interchange, the downtown area, the ~~Parr Road~~ Nodal Neighborhood Commercial area (along Parr Road), and the 214/211/99E ~~Four~~ Four ~~C~~ corners intersection area. No new areas should be established.
- F-1.2 Lands for high traffic generating uses (shopping centers, malls, restaurants, etc.) should be located on well improved arterials. The uses should provide the necessary access management and traffic control devices needed to ameliorate their impact on the arterial streets.
- F-1.3 Strip zoning and strip development should be discouraged. ~~as a most unproductive form of commercial land development. Strip zoning is~~ These are characterized by the use of small parcels, often for retail uses, with access mostly or solely to and from a major street, of less than one acre, with lot depths of less than 150 feet and parcels containing multiple driveway access points, having much surface parking mostly or all between buildings and streets, and with deep setbacks abutting streets. Whenever possible, the City should encourage or require commercial developments which are designed to allow pedestrians to shop without relying on the private automobile to go from shop to shop – a “park once” environment. Therefore, ~~acreage site lots~~ developments should be encouraged to develop constitute urban districts “mall-type” developments that allow a one-stop dining, shopping, and recreation and shop opportunity and, to the extent feasible, additional residences. Commercial developments or commercial development patterns that necessitate ~~require~~ the predominate use of the private automobile shall be discouraged or regulated to not come about in certain areas of the city.
- F-1.4 Architectural design of commercial areas should be attractive with a spacious feeling and enough landscaping to reduce the visual impact of large expanses of asphalt parking areas. Nodal commercial and Mixed Use Village (MUV) ~~commercial~~ areas should be neighborhood and pedestrian oriented, with off-street parking to the rear or side of commercial buildings; any off-street parking that is provided should be consolidated and shared; and, with publicly accessible off-street bicycle/pedestrian connections through superblocks and to neighboring residential areas.

F-1.5 It would be of benefit to the entire City to have the Woodburn's Downtown Development Design and Conservation District (DDC) function as an active, healthy commercial area. Historic preservation and conservation as well as— Downtown redevelopment of dilapidated facades, vacant lots, and parking lots should be emphasized, and the City should support and promote encourage property owners to form a local improvement district (LID) to help finance downtown improvements. The City may fund planned improvements with uUrban renewal district funds—may also be used to fund planned improvements.

F-1.6 Commercial office and other low traffic generating commercial retail uses can be located on collectors or in close proximity to residential areas if care in architecture and site planning is exercised. The City should ensure by proper regulations that any commercial uses located close to residential areas have the proper architectural and landscaping buffer zones or good architecture and urban design allowing for adjacency or an integrated or seamless boundary condition.

F-1.7 The Downtown Goals and Policies are included in Section K of this Comprehensive Plan and are intended as general guidelines to help the City and its Woodburn residents reshape the downtown into a vital part of the community. Generally, development goals are broken into four categories; short-term goals, intermediate term goals, long-term goals, and continual goals. Whenever development is proposed within the CBD—downtown, these goals should be reviewed and applied as necessary so as to maintain balance and uniformity over time. Although not part of the Downtown Plan or Woodburn Comprehensive Plan, Urban Renewal funding can help to realize the goals and policies embodied in these land use plans.

F-1.8 Ensure that existing commercial sites are used efficiently. Consider the potential for reuse, re-tenanting, or redevelopment of existing commercial sites and modifications to zoning regulations that intensify-urbanize development to attract new investment.

F-1.9 ~~Adopt a new NNC (Nodal Neighborhood The Gateway Commercial General) Overlay zoning dDistrict, to be applied in two Nodal Development Overlays:~~

~~(a) Near the intersection of Parr Road and the Evergreen Road extension (approximately 10 acres); and~~

~~(b) At the north boundary of the UGB along Boones Ferry Road, north of the Mill Creek tributary (2-5 acres).~~

~~F-1.10 The Downtown Gateway sub-district of the CG zoning district is an area which extends along the eastside eastward from Highway 99E towards downtown of the downtown railway. Special use provisions within the overlaysub-district shall allow multi-family residential development either as a stand-alone use or as part of a vertical mixed use project. The intent of allowing multi-family residential development in this area is to provide more consumers living within an area of commercial development and to provide 24-hour a day life into the eastern entrance to the downtown.~~

F-1.1~~01~~ The Highway 99E commercial corridor south of Lincoln should be redeveloped over time with more intense mixed use development. The Mixed Use Village Overlay (MUVO) designates an area that is intended to promote efficient use of land and urban services; create a mixture of land uses that encourages employment and housing options in close proximity to one another; restricts land extensive commercial, storage, and industrial uses; and brings about encourage pedestrian-oriented development; with off-street parking being consolidated or shared; and, with pedestrian connections through large city blocks and to neighboring residential areas-

F-1.1~~12~~ ~~In order to spur desired development and redevelopment within the MUVO, and consistent with the recommendations of the Highway 99E Corridor Plan, the City will apply the Mixed Use Village zone in a strategic area in the vicinity of the Young Street intersection.~~

~~F-1.13 The city shall initiate a legislative zone change to designate remaining land within the area designated MUVO and within the City limits as MUV at such time as ODOT includes a project to improve Highway 99E south of Lincoln in the Development Statewide Transportation Improvement Program (DSTIP).~~

~~F-1.14 Property owners within the MUVO and within the City limits may petition the City to initiate a legislative zone change to MUV for their property at any time. Land outside City limits within the MUVO shall be zoned MUV upon annexation.~~

F-1.1~~24~~ The City ~~intends~~ will continue to work to beautify the Highway 99E commercial corridor through measures such as replacement of overhead power and telephone lines with underground utilities, enhancing street lighting in the corridor, providing for non-conforming sign amortization, replacing curb-tight sidewalk with landscape strips, providing enhanced streetscape furnishings in key pedestrian areas, and establishing a storefront improvement program. The City will explore options to fund such improvements, including its Capital Improvement Program (CIP), formation of a Local Improvement District (LID), and Urban Renewal funds, and in partnership and with support from ODOT.

Workforce and Target Industry Development

Goal

F-2 Enhance the quality of the city workforce and support development of target industries.

Policies

F-2.1 The City shall support the development of a skilled, versatile workforce that meets the needs of current and prospective employers through coordination with and support of the local schools and colleges.

F-2.2 The City shall encourage educational institutions, vocational training, and workforce development to meet the needs of regional industries.

F-2.3 The City shall prioritize the development and improvement of necessary infrastructure to support the establishment and growth of a major medical center.

F-2.4 The City shall provide for a range of incentive options to attract targeted industries.

G. Growth Management and Annexation

Growth Management

~~Woodburn has learned from both its successes and mistakes during the last 20 years since the Woodburn Comprehensive Plan was first acknowledged in 1982. Woodburn has used the annexation process effectively to ensure that new development has adequate levels of public facilities and services. Woodburn has provided relatively affordable housing during a period of rapid growth. Most importantly, Woodburn is proud of its ability to accommodate new residents from diverse economic, social and ethnic backgrounds by ensuring a variety of housing choices and adequate levels of public facilities and services are available.~~

~~As part of its periodic review planning process, Woodburn incorporated growth management measures to increase efficiency of land use and improved livability, Woodburn is committed to:~~

- ~~Reserving land near Interstate 5 for basic and local employment, rather than freeway oriented commercial development. Woodburn has adopted stringent master planning standards for iIndustrial development, that ensures efficient land use and retention of scarce industrial sites in the Southwest Industrial Reserve overlay-(SWIR) area.~~
- ~~Integrating its stream corridors and wetlands into the design of neighborhoods and commercial developments. Accordingly, Woodburn has inventoried its locally significant wetlands and riparian corridors, and protected them from conflicting use by applying the “safe harbor provisions” of the Statewide Planning Goal 5 administrative rule (OAR 660-023-0020) and continues to work toward full build out of the Mill Creek Greenway trail system to provide multi-modal connectivity options and expanded green space areas for residents.~~
- ~~Using the master planning process as a pre-condition-requisite to annexation or development in Nodal Development Overlay and SWIR areas, to ensure that land is used more wisely and more efficiently.~~
- ~~Finally, Woodburn is committed to working closely with Marion County in joint efforts to manage growth within and immediately adjacent to the Woodburn UGB.~~

~~Finally, Woodburn is committed to working closely with Marion County in joint efforts to manage growth within and immediately adjacent to the Woodburn UGB. Towards this end, Woodburn has~~

~~incorporated important goals, policies and guidelines found in the Marion County Urban Growth Management Framework. In particular, Woodburn (as part of the 2003 code update process) has:~~

- ~~▪ Zoned land to provide the opportunity for housing to develop at over 10 units per net buildable acre (8 units per gross acre) under clear and objective standards;~~
- ~~▪ Made substantial amendments to the Woodburn Development Ordinance, as discussed in Section D, Housing; and~~
- ~~▪ Adopted minimum density standards that ensure that actual development occurs at 80% or more of the allowable density in each of its residential zoning districts.~~

Growth Management Goals and Policies

Goal

G-1.1 The City's goal is to manage growth in a balanced, orderly and efficient manner, consistent with the City's coordinated population projection.

~~G-1.2 The City's goal is to have developments construct or fund street improvements, and other proportional share of improvements for the public, to lessen the cost of land development to the City in order to taxpayer burden for landowners in the context of Ballot Measures 5 (1990) and 50 (1997).~~

Policies

G-1.1 Woodburn will assure that all expansion areas of the City are served by public facilities and services with adequate capacity to support future development. Consideration of proposals that vary from City capacity standards and facility master plans shall include mitigating measures determined to be appropriate the Public Works Department and the Transit Department. Other public service providers such as the Woodburn School District and Woodburn Fire District shall also address capacity considerations.

G-1.2 Woodburn will encourage the optimum use of the residential land inventory by providing opportunities for infill lots, intensifying development along transit corridors, and ~~applying~~reduction of minimum densities.

G-1.3 The City shall provide an interconnected street system to improve the efficiency of movement by providing direct linkages between origins and destinations and to shrink existing superblocks and prevent new ones, excepting blocks that the land use map designates industrial where (a) The Transportation System Plan (TSP) does not require a street extension or new street, or (b) industrial parcel minimum areas, necessitated by state law or Woodburn Comprehensive Plan industrial goals and policies, would be compromised.

G-1.4 The City shall assure the provision of major streets as shown in the Transportation Systems Plan (TSP). The City shall hold development accountable for streets within and abutting

the development by having developments upgrade nonconforming streets and construct extended and new streets and off-street bicycle/pedestrian facilities. In addition, the policy of the City is to emphasize development outward in successive steps and phases that avoid unnecessary gaps in the development and improvement of ~~the streets~~ or in an otherwise interconnected street system.

G-1.5 The City's policy is to consider the Capital Improvement Program (CIP) when investing public funds or leveraging private investment.

G-1.6 The City shall encourage high standards of design and flexibility that are enabled by the planned unit development (PUD) zone ordinance.

G-1.7 The City's policy is to accommodate industrial and commercial growth consistent with the ~~202301~~ Woodburn Economic Opportunities Analysis (EOA).

G-1.8 Woodburn's policy is to diversify the local economy. Woodburn seeks to diversify the local economy so that the community will prosper and can weather swings in the business cycle, seasonal fluctuations, and other economic variables. The intent is to provide a broad spectrum of commercial and industrial enterprises. The variety of enterprises will not only provide insulation from negative business factors, but a choice in employment opportunities that in turn allows for the diversification in income types.

G-1.9 To ensure that growth is orderly and efficient, the City shall phase the needed public services in accordance with the expected growth. Extensions of the existing public services should be in accordance with the facility master plans and Public Facility Plan in this Comprehensive Plan.

G-1.10 Woodburn will ensure that land is efficiently used within the Urban Growth Boundary (UGB) by requiring master development plans for land within Nodal Development Overlay and Southwest Industrial Reserve ~~overlay~~ designations. Master plans shall address street connectivity and access, efficient provision of public facilities, and retention of large parcels for their intended purpose(s).

G-1.11 The City shall pay for public facilities with system development charges (SDCs) from anticipated growth.

G-1.12 The County shall retain responsibility for regulating land use on lands within the urban growth area (unincorporated land inside the UGB) until such lands are annexed by the City. The urban growth area has been identified by the City as urbanizable and is considered to be available, over time, for urban development.

G-1.13 The City and County shall maintain a process providing for an exchange of information and recommendations relating to land use proposals in the urban growth area. Land use activities being considered within the urban growth area by the County shall be forwarded by the County to the City for comments and recommendations. ~~The City shall respond within twenty days, unless the City requests and the County grants an extension.~~

G-1.14 All land use actions within the urban growth area and outside the City limits shall be consistent with the City's Comprehensive Plan and the County's land use regulations.

G-1.15 In order to promote consistency and coordination between the City and County, both the City and County shall review and approve amendments to the City's Comprehensive Plan Map which apply to the portion of the urban growth area outside the City limits. Such changes shall be considered first by the City and referred to the County prior to final adoption. If the County approves a proposed amendment to the City's plan map, the change shall be adopted by ordinance, and made a part of the County's plan.

G-1.16 The area outside the urban growth boundary, including ~~the any~~ areas within the Urban Reserve Area (URA) designation, shall be maintained in rural and resource uses consistent with the Statewide Land Use Planning Goals until urban growth boundary expansion and annexation.

G-1.17 The City and County shall strive to enhance the livability and promote logical and orderly development of the urban growth area in a cost effective manner. The County shall not allow urban uses within the Urban Growth Boundary prior to annexation to the City unless agreed to in writing by the City. City sewer and water facilities shall not be extended beyond the City limits, except as may be agreed to in writing by the City and the property owner and the owner consents to annex. The City shall be responsible for preparing the public facilities plan.

G-1.18 Conversion of land within the boundary to urban uses shall be based on a consideration of:

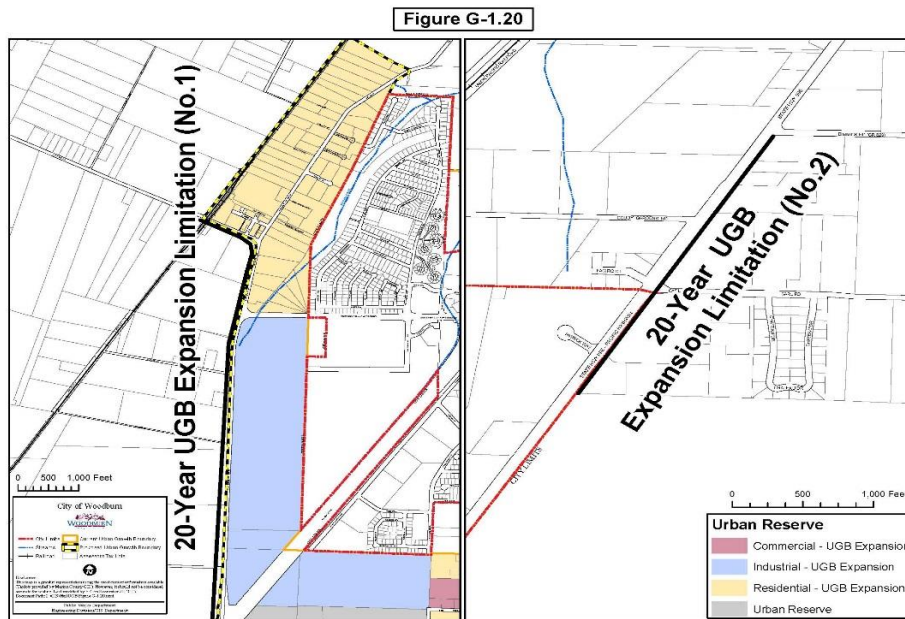
- (a) Orderly, economic provision for public facilities and services;
- (b) Availability of sufficient land for the various uses to ensure choices in the market place;
- (c) LCDC Goals;
- (d) Further development of vacant and under-utilized residential land within the City's buildable land inventory before annexing additional territory for conversion to residential use at urban densities; and
- (e) Applicable provisions of the Marion County and City Comprehensive Plans.

~~G-1.19 Woodburn is committed to working with Marion County to minimize conversion of farm and forest lands, by achieving a compact urban growth form. The City shall zone buildable land such that the private sector can achieve 8 units per gross acre, consistent with the City's housing needs analysis. This efficiency standard represents the average density for new housing that will be zoned and allowed under clear and objective standards by the City. Through a combination of infill, redevelopment, vertical mixed-use development and provision for smaller lot sizes and a greater variety of housing types, Woodburn provides the opportunity for the private sector to achieve at least 8 dwelling units per gross buildable acre (after removing protected natural areas and land needed for parks, schools and~~

religious institutions). ~~Housing through infill and redevelopment counts as new units, but no new land consumption, effectively increasing the density measurement.~~

G-1.1920 In 2015, Woodburn designateds and establisheds two 20-year UGB Expansion Limitations as depicted in Figure G-1.20, which ~~was~~ adopted as part of the Woodburn Comprehensive Plan update via Ordinance No. 2530 in December 2015. For 20 years from the date the UGB amendment decision is acknowledged, the City shall not seek, consider, or approve an expansion of the Woodburn UGB in the following areas:

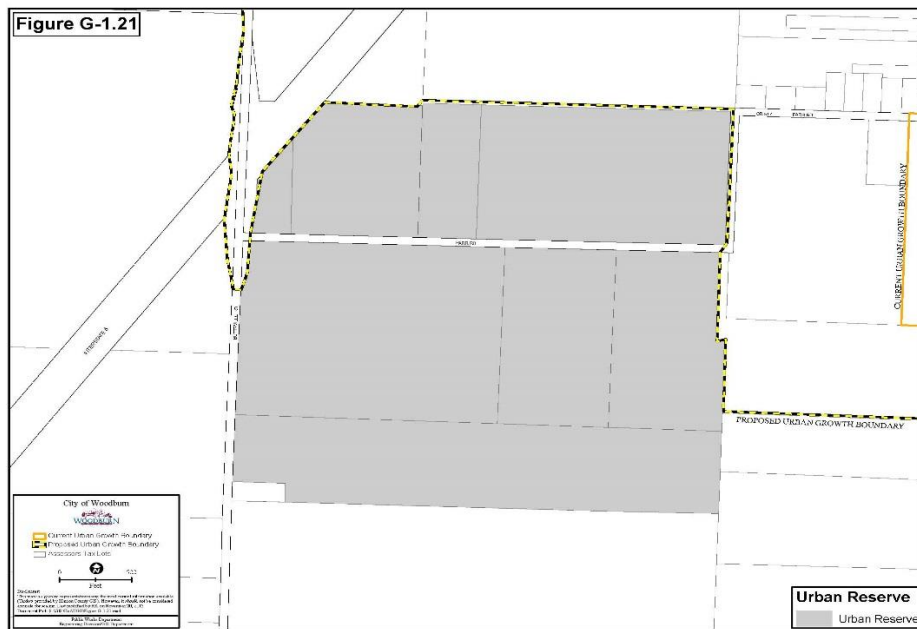
- West of the portion of Butteville Road NE, as depicted in Figure G-1.20.
- Northeast of Highway 99E located at the northeast edge of the existing UGB, as depicted in Figure G-1.20:



To further the mutual objective of the City and County to enhance livability and promote logical and orderly development in a cost effective manner, both UGB Expansion Limitations shall function as boundaries that shall not be crossed by any UGB expansion for a period of 20 years.

G-1.201 In 2015, ~~t~~The City and Marion County have jointly agreed to establish an Urban Reserve Area (URA) consistent with state law. The URA is designated and established west and south of Parr Road as specified in Figure G-1.21, which is adopted as part of the Woodburn Comprehensive Plan. Designating a URA achieves the following objectives: ~~(a)~~ It identifies appropriate lands to be reserved for eventual inclusion in the UGB; ~~(b)~~ In conjunction with Marion County’s adoption of policies and regulations for the URA, it protects this land from development patterns that would impede long-term urbanization; and ~~(c)~~ it provides more certainty for jurisdictions, service districts and property owners

to undertake longer-term planning for public facilities and services such as transportation, sewer and water, schools and parks.



~~G-1.22 Woodburn shall apply a minimum density standard for new subdivisions and planned unit developments of approximately 80% of the allowed density in each residential zone.~~

~~G-1.213 As specified in the Marion County Framework Plan, the County's preliminary employment land use needs for Woodburn's are replaced by the more detailed employment forecasts and buildable lands analysis site suitability analysis found in the 2001 Woodburn EOA.~~

G-1.224 Woodburn will consider residential and commercial redevelopment and infill potential for purposes of calculating UGB capacity, prior to expanding the UGB. Woodburn will also constrain the supply of commercial land to encourage redevelopment along Highway 214 west of Interstate 5, and along Highway 99W.

G-1.235 Woodburn has identified two areas for mixed-use development – Downtown Woodburn and the Nodal Development District along Parr Road. The UGB Justification Report includes specific estimates of the number of new housing units and commercial jobs that can be accommodated in these overlay districts.

~~G-1.246 Woodburn intends the UGB expansion area known as the Southwest Industrial Reserve comprising approximately 190 acres, located east of Butteville Road and north of Parr Road to be used for larger industrial users.~~ Consistent with other provisions contained in the Woodburn Comprehensive Plan, all land within the Southwest Industrial Reserve shall be reserved exclusively for industrial uses identified in the EOA and shall not be converted to another commercial or residential plan designation. Specific lot size standards shall be established limiting the size and number of future lots for these properties.

G-1.257 Woodburn recognizes that residential uses present the most adverse conflicts with both agricultural practices and with many industrial uses, especially those that use trucks as part of their regular business practice. Woodburn and Marion County recognize that the land to the west of Butteville Road NE is a critical part of the irreplaceable land base of the region's agricultural industry. Therefore, to minimize conflicts between urban and agricultural uses and to minimize conflicts between the industrial uses in Southwest Industrial Reserve and other urban uses, the City and County will:

- Ensure that the design of any improvements to the portion of Butteville Road NE serving the Southwest Industrial Reserve not encourage any urban traffic unrelated to the industrial use in the immediate area and unrelated to agricultural uses west of Butteville Road.
- As industrial development is planned for in the Southwest Industrial Reserve consideration shall be given to methods that mitigate impacts from development and adjacent agricultural activities. This can include buffers or increased setbacks along Butteville Road, provided that any buffers needed to reduce conflicts between the industrial uses and agricultural activity west of Butteville Road NE are located inside the UGB.

G-1.26 The City will collaborate with regional transportation agencies, including ODOT, to monitor, and update as needed, a coordinated approach to maintaining circulation and mobility in the I-5 interchange area.

G-1.27 The City will coordinate with other agencies to encourage improvement of the regional transportation system, including highways, rail, and air, to accommodate residential and employment growth expected in the City.

G-1.28 The City will factor into growth management the Transit Development Plan adopted via Resolution No. 2213 in June 2013.

Annexation Goals and Policies

Goal

- G-2. The goal is to guide the shape and geographic area of the City within the urban growth boundary so the City limits:
- (a) Define a compact service area for the City;
 - (b) Reflect a cohesive land area that is all contained within the City; and
 - (c) Provide the opportunity for growth in keeping with the City's goals and capacity to serve urban development.

Policies

G-2.1 For each proposed expansion of the City, Woodburn shall assess the proposal's conformance with the City's plans, and facility capacity and assess its impact on the community.

G-2.2 Woodburn will achieve more efficient utilization of land within the City by:

- (a) Incorporating all of the territory within the City limits that will be of benefit to the City.
- (b) Providing an opportunity for the urban in-fill of vacant and under-utilized property.
- (c) Fostering an efficient pattern of urban development in the City, maximizing the use of existing City facilities and services, and balancing the costs of City services among all benefited residents and development.
- (d) Requiring master development plans for land within Nodal Development Overlay or Southwest Industrial Reserve ~~overlay~~ designations prior to annexation. Master plans shall address street connectivity and access, efficient provision of public facilities, and retention of large parcels for their intended purpose(s).

~~G-2.3 Woodburn will use annexation as a tool to guide:~~

- ~~(a) The direction, shape and pattern of urban development;~~
- ~~(b) Smooth transitions in the physical identity and the development pattern of the community; and~~
- ~~(c) The efficient use and extension of City facilities and services.~~

Introduction

The City of Woodburn Development Code (WDO) does not include specific approval criteria for legislative amendments, beyond initiation per WDO 4.01.09, processing, and notification requirements.

However, per state law, amendments to a Comprehensive Plan, including the adoption of implementing documents such as an Economic Opportunities Analysis (EOA), are required to be consistent with:

- Statewide Planning Goals
- Oregon Administrative Rules (OAR)
- Woodburn Comprehensive Plan goals and policies

The findings for adoption of the EOA and associated Comprehensive Plan amendments address these same criteria.

The present version of the Comprehensive Plan was last amended through Legislative Amendment LA 21-02 as Ordinance No. 2603 on June 13, 2022 (Goals and Policies relating to “Middle Housing”).

Statewide Planning Goals

There are a total of 19 Statewide Planning Goals. Staff finds Statewide Planning Goals 3 through 8, 10 through 13, and 15 through 19 are not applicable to the adoption of the EOA and identified updates to the Woodburn Comprehensive Plan goals and policies.

The EOA does not contain regulations that pertain to these goals and is not proposing changes to existing associated regulations. Applicable goals include Goal 1 (Citizen Involvement), Goal 2 (Land Use Planning), Goal 9 (Economic Development), and Goal 14 (Urbanization).

Of these, Goal 9, titled Economic Development, is the primary goal of consideration in review of this proposal. The fundamental purpose of Goal 9 is to make sure that a local government plans for economic development. This proposal is for the adoption of the Economic Opportunities Analysis (EOA), which contains information pertaining to Goal 9 and for findings in support of adoption. Rules that implement Goal 9 are described in Chapter 660, Division 9 of the Oregon Administrative Rules (OAR) and EOAs are specifically mentioned in OAR 660-009-0015. The proposed EOA was produced to meet the requirements of Goal 9 and all implementing administrative rules.

The EOA provides a factual basis for updating Woodburn Comprehensive Plan Sections E (Industrial Land Development and Employment), F (Commercial Land Development and Employment), & G (Growth Management and Annexation). The City of Woodburn created these existing policies in concert with the adoption of the previous EOA and other economic-related planning efforts. The proposed amendments establish a new 20-year forecast period and

include new and modified policies for the City to support economic growth, particularly for identified target industries.

Goal 1 – Citizen Involvement

Statewide Planning Goal 1 requires cities to involve community members in planning processes and decisions. The City and its consultants have done this in a variety of ways as part of the planning process.

- **Advisory Group.** The City formed and conducted meetings with a technical advisory group (TAG) for the EOA. The committee met three times to review materials and provide direction at key milestones.
- **Planning Commission and City Council Meetings.** Staff provided for public meetings before the Planning Commission and City Council to present information. The City followed State and Local public notice procedures to inform members of the public about these meetings.
- **Notification to the Department of Land Conservation and Development (DLCD).** Staff provided notice to DLCD of the proposed Comprehensive Plan amendments on October 4, 2023, in compliance with OAR 660-018-0020 and notified affected government agencies in conformance with WDO 4.01.14D.
- **Online Access to Draft Materials.** Staff made draft copies of the EOA, BLI, and the proposed Comprehensive Plan Economic Goals and Policies available on the City’s website for public review and comment on October 12, 2023.

Based on the above findings, the EOA is consistent with Statewide Planning Goal 1.

Goal 2 – Land Use Planning

Goal 2 requires each local government in Oregon to establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions. Goal 2 also includes requirements for coordination with other jurisdictions and government agencies, requires that plans include implementation measures, and that plans be reviewed periodically and amended as needed.

The City last updated and adopted its Economic Opportunities Analysis (EOA) via Ordinance No. 2391 on October 31, 2005. To ensure that the City has an accurate measure for its 20-year employment land needs, the City Council initiated a Type V legislative process to review the City’s draft EOA, BLI, and correlating updates to the Comprehensive Plan Goals and Policies.

The City formed and conducted meetings with a technical advisory group (TAG) during its preparation of a new EOA. The committee met three times to review materials and provide direction at key milestones. Included on that committee were representatives from Marion County, Business Oregon, staff from the Oregon State Department of Land Conservation and Development, local elected officials and representatives from local employment industries. One purpose of the committee meetings was to ensure that there was a forum for affected

government agencies to express concerns with proposed updates to the plan and provide the City with the opportunity to consider and accommodate modifications to the plan during the preparation phase of work. These meetings also provided a venue for coordination discussions with Marion County staff as needed.

The proposed EOA was finalized based on quantitative data and qualitative information based on national, state, regional, and local economic trends required by OAR 660-009-0015.

The proposed EOA is now being reviewed for adoption under the City's Type V legislative procedure as outlined in the Woodburn Development Ordinance. That procedure includes the City undertaking the following steps, which includes additional opportunities for review and comment by citizens and affected governmental units:

- The City notified affected government agencies in conformance with WDO 4.01.14.D. on October 19, 2023, and published notice of both the Planning Commission and City Council hearings in the *Woodburn Independent* newspaper on November 1, 2023.
- Public work sessions with both Planning Commission on October 12, 2023, and City Council on October 23, 2023;
- The Planning Commission hearing scheduled for November 9, 2023;
- The City Council hearing is tentatively scheduled for December 9, 2023;
- On October 4, 2023, staff sent a Post-Acknowledgement Plan Amendment (PAPA) to the Department of Land Conversation and Development (DLCD) in compliance with OAR 660-018-0020.

Based on the above findings, the EOA is consistent with Statewide Planning Goal 2.

Goal 9 – Economy

Goal 9 requires the City to maintain and plan for an adequate land supply to accommodate at least 20 years of future growth, ensuring residents have adequate opportunities for a variety of economic activities vital to the health, welfare, and prosperity of Oregon.

Comprehensive plans are required to include an analysis of a community's economy related to state and national trends, an assessment of economic development potential, an inventory of employment land, policies for economic opportunities based on that analysis, an adequate supply of a variety of sites supporting employment consistent with identified policies, and designated employment sites and adjacent sites that include compatible uses.

The City has conducted an EOA and is proposing to adopt the findings of the EOA, along with an update to the economic development sections of its Comprehensive Plan, which incorporates updated implementing policies. The EOA describes employment, workforce, and other demographic and economic trends at the local, regional, state, and national level that will influence the Woodburn economy in the coming years. The EOA also identifies a set of target industries for Woodburn that reflect local and regional economic goals, local and regional

locational advantages, the size of Woodburn, its relation to surrounding population and employment, and other factors.

The EOA includes the City's buildable lands inventory (BLI) for employment within the Woodburn urban growth boundary (UGB). The BLI is required by Goal 9 to ensure that current use designations provide an adequate short- and long-term land supply for employment development for meeting existing needs and those of projected growth.

It analyzes existing development patterns and intensity, land and development values, existing land use designations and zoning, and building constraints to determine where there is vacant land and/or land that has a potential to redevelop within the planning horizon and compares the existing supply of land to emerging trends and indicators for future estimates of demand.

The EOA includes the following overall findings and conclusions:

Growing Economy. The City of Woodburn is located in a centralized location between the Portland and Salem metro areas. This provides Woodburn with a locational advantage for people to live while working or doing business in those regional market areas. Woodburn's proximity to the I-5 freeway and other highways serving the mid-valley provides a central point of connectivity for local businesses and the larger market areas. Further, the city has a sizeable regional labor market to support growing businesses and attract new industries. Finally, the City has established economic development tools in place to support employment growth. These include Enterprise Zones, Opportunity Zones, and Urban Renewal Area incentives.

Current Employment and Projected Employment Growth. Woodburn is home to an estimated 11,965 jobs. The largest employment sectors include retail trade, health care and social assistance, agriculture support industries, leisure and hospitality, and manufacturing. Employment is forecasted to grow at approximately 2.3% annually, resulting in roughly 6,830 additional jobs by 2043. The greatest number of jobs are anticipated to be in existing employment sectors along with transportation and warehousing, construction, and education. From a generalized perspective, the 20-year demand for new employment will require more industrial land (~73%) than commercial land (~27%).

Expanding and Target Industries. The city has current advantages in several key industries, including manufacturing of a wide range of product types, construction, retail, shipping and transportation, and tourism. The EOA identifies a range of additional potential target industries for employment growth. These include transportation/warehousing/utilities, health care and social assistance, and education. Supporting growth in a range of industries will contribute to a diverse and sustainable employment and tax base for the future and be more resilient to economic impacts on traditional local industries. The EOA methodology uses specific target "industries" (by the North American Industry Classification System or NAICS) rather than use types, and it ties job growth projections to those specific industries.

Employment Land Need. The EOA analysis finds that the forecasted 20-year job growth by industry translates to a need for 529 total net acres (632 gross acres) of land zoned for employment uses. The distribution of land demand between commercial uses (office, institutional, retail) and industrial uses (industrial, warehouse, business park) leans toward industrial (73% industrial versus 27% commercial). A range of site sizes will also be needed ranging from small to large to accommodate the projected business expansion. Different commercial and industrial uses have different site requirements driven by the specific nature of their business operations, firm size, location and infrastructure requirements, and other factors.

The BLI of employment lands completed in conjunction with the EOA found a total of 143 net buildable acres in commercial and industrial zones within the City's existing UGB.

The projected 20-year need for commercial land trails the supply significantly, with an estimated 65 net acres of commercial land remaining to meet a projected need of 171 gross acres, indicating a deficit of 107 gross acres. Similarly, there is only a projected supply of 77 net acres of industrial land to meet the forecasted need of 461 gross acres, indicating a deficit of 273 gross acres.

The largest remaining contiguous development sites in Woodburn are also all under 20 acres in size, with most being 5 acres or less. Additionally, roughly one third of the remaining buildable land is found in partially vacant parcels where the decision to add further development is subject to the willingness of current property owners and/or occupying tenants to redevelop.

Based on the findings above, the EOA and Comprehensive Plan update are consistent with Oregon Statewide Planning Goal 9.

Goal 14 – Urbanization

Goal 14 provides for orderly development in Woodburn.

The EOA examines the potential development of employment lands within the Woodburn UGB that can meet the development opportunities identified in the EOA. The EOA provides an analysis of 20-year land needs for employment growth, and pursuant to the criteria found in OAR 660-009-015 for ensuring orderly urbanization, the EOA documents an insufficient supply of land.

A subsequent planning effort will be conducted based on the EOA findings that will seek to: (i) assess the capacity of the current UGB area and the Urban Reserve Area, to meet the 20-year land needs for employment growth; (ii) identify potential updates to the WDO; (iii) identify property for possible rezoning or zone change; (iv) and/or expand the UGB to accommodate the identified need, consistent with the requirements of Goal 14, as applicable.

Oregon Administrative Rules

Oregon Administrative Rules (OAR) 660-009-0015 guide preparation of EOAs for cities in Oregon. Following is a summary of consistency with those rules.

(1) Review of National, State, Regional, County and Local Trends. The economic opportunities analysis must 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. This review of trends is the principal basis for estimating future industrial and other employment uses as described in section (4) of this rule. A use or category of use could reasonably be expected to expand or locate in the planning area if the area possesses the appropriate locational factors for the use or category of use. Cities and counties are strongly encouraged to analyze trends and establish employment projections in a geographic area larger than the planning area and to determine the percentage of employment growth reasonably expected to be captured for the planning area based on the assessment of community economic development potential pursuant to section (4) of this rule.

Response: Chapters II and III of the EOA provides a detailed summary of national state, regional, county, and local trends, including information related to employment by sector and firm size; local population and workforce characteristics; and economic conditions and advantages associated with the Woodburn area, including transportation connectivity, labor market conditions, economic partnerships, and economic development tools employed by the City.

Chapter IV of the EOA includes additional information related to a comparison of the Woodburn economy and its advantages to identify a range of industry types that can be considered targeted economic opportunities over the planning period. This section of the EOA describes economic specialization of the Marion County and Woodburn economy, including how various industrial sectors stack up against similar sectors across the state and nation. This chapter also discusses the economic drivers of a local or regional economy that are critical in informing the character and nature of future employment and includes a shift-share analysis that measures the local effect of economic performance within different industries or occupations in Woodburn and Marion County in comparison to national trends.

Finally, Chapter V summarizes target industries for Woodburn based on the information and analyses in the preceding chapters. The EOA identifies seven target industries for Woodburn that have the potential to build on community economic development characteristics and strengths and achieve economic goals.

This information helps provide the basis for subsequent recommendations in the EOA related to future economic development potential, including for target industries. Highlights from this component of the EOA are included in the findings associated with Statewide Planning Goal 9.

(2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected

employment growth based on the site characteristics typical of expected uses. Cities and counties are encouraged to examine existing firms in the planning area to identify the types of sites that may be needed for expansion. Industrial or other employment uses with compatible site characteristics may be grouped together into common site categories.

Response: Chapter VI of the EOA includes a projection of future employment and associated land needs. This includes projections of future employment by major industrial sector and a translation of these employment figures into a project of needed land by land use category (e.g., industrial, commercial, flex space, etc.). The EOA includes a projection of land need both in the long term (20 years) and in the short term (5 years).

(3) Inventory of Industrial and Other Employment Lands. Comprehensive plans for all areas within urban growth boundaries must include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use.

(a) For sites inventoried under this section, plans must provide the following information:

(A) The description, including site characteristics, of vacant or developed sites within each plan or zoning district;

(B) A description of any development constraints or infrastructure needs that affect the buildable area of sites in the inventory; and

(C) For cities and counties within a Metropolitan Planning Organization, the inventory must also include the approximate total acreage and percentage of sites within each plan or zoning district that comprise the short-term supply of land.

(b) When comparing current land supply to the projected demand, cities and counties may inventory contiguous lots or parcels together that are within a discrete plan or zoning district.

(c) Cities and counties that adopt objectives or policies providing for prime industrial land pursuant to OAR 660-009-0020(6) (Industrial and Other Employment Development Policies) and OAR 660-009-0025(8) must identify and inventory any vacant or developed prime industrial land according to section (3)(a) of this rule.

Response: Chapter VII of the EOA includes a summary of the reconciliation of projected land needs and supply, including a summary of a buildable lands inventory (BLI) conducted as part of the EOA process. The BLI is summarized in a separate, more detailed supporting BLI report. The BLI and EOA describe and evaluate lands zoned for employment uses, including their development status (vacant, partially vacant, and developed); constraints to development associated with natural resources and hazards, as well as other factors; and the resulting net supply of buildable land by zoning categories. The EOA also compares the supply of land with the projected land need by zoning classification and identifies the relative surplus or deficit of land in each classification.

(4) Assessment of Community Economic Development Potential. The economic opportunities analysis must estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. The estimate must be based on information generated in response to sections (1) to (3) of this rule and must consider the planning area's economic advantages and disadvantages. Relevant economic advantages and disadvantages to be considered may include but are not limited to:

(a) Location, size and buying power of markets;

(b) Availability of transportation facilities for access and freight mobility;

(c) Public facilities and public services;

(d) Labor market factors;

(e) Access to suppliers and utilities;

(f) Necessary support services;

(g) Limits on development due to federal and state environmental protection laws; and

(h) Educational and technical training programs.

Response: As noted above, Chapter VII of the EOA estimates the future employment projections and land need associated with specific employment sectors in Woodburn. As noted under previous sections above, it relies on a variety of data and analyses to reach these conclusions, including the factors listed above. In addition, Chapter VIII of the EOA summarizes findings and conclusions from the EOA. This includes a set of recommended EOA Implementation Actions geared towards the following overall goals and objectives:

- Meet industrial and commercial land needs
- Implement policy and code strategies
- Support and expand employment in targeted industries
- Support small business development
- Implement workforce initiatives

(5) Cities and counties are strongly encouraged to assess community economic development potential through a visioning or some other public input-based process in conjunction with state agencies. Cities and counties are strongly encouraged to use the assessment of community economic development potential to form the community economic development objectives pursuant to OAR 660-009-0020 (Industrial and Other Employment Development Policies)(1)(a).

Response: As described in the findings associated with consistency with Statewide Planning Goal 1 (Citizen Involvement), the City and its consultants have met this requirement in a variety of ways as part of the planning process.

- **Advisory Committee Meetings.** The City formed and conducted meetings with a technical advisory group (TAG) for the EOA. The committee met three times to review materials and provide direction at key milestones.
- **Planning Commission and City Council Public Meetings.** The City conducted public meetings before the Planning Commission and City Council to present information. The City followed state and local public notice procedures to inform members of the public about these meetings.

Conclusion: The EOA is consistent with the OAR requirements for preparation of an EOA.

Oregon Administrative Rules (OAR) 660-009-0020 guide preparation of Comprehensive Plan economic development policies and objectives for cities in Oregon. Following is a summary of consistency with those rules.

(1) *Comprehensive plans subject to this division must include policies stating the economic development objectives of the planning area. These policies must be based on the community economic opportunities analysis prepared pursuant to OAR 660-009-0015 and must provide the following:*

- (a) *Community Economic Development Objectives. The plan 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. Policy objectives may identify the level of short-term supply of land the planning area needs. Cities and counties are strongly encouraged to select a competitive short-term supply of land as a policy objective.*
- (b) *Commitment to Provide a Competitive Short-Term Supply. 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.*
- (c) *Commitment to Provide Adequate Sites and Facilities. The plan must include policies committing the city or county to designate an adequate number of suitable sites, types and locations. The plan must also include policies, through public facilities planning and transportation system planning, to provide necessary public facilities and transportation facilities for the planning area.*

Response: The 2023 Comprehensive Plan Goal and Policy updates for Goals and Policies E, F and G (Exhibit A) are consistent with OAR 660-009-0020 as they provide specific goals and policies for ongoing economic development for the community. The Woodburn Comprehensive Plan (WCP) provides overall objectives (goals) and short-term policies committing the City to specific and actionable programs to meet identified objectives. The EOA includes a short-term need and number of sites, types and locations for the City's employment land and the City has a series of recently updated or under update infrastructure master plans, including the 2019 Transportation System Plan (TSP) and water

and wastewater master plans that are currently under review and update, to provide necessary public facilities for current and future employment lands. The City collaborates with county, regional and state agencies, and public and private utility providers, to ensure adequate public facilities are appropriately coordinated and planned.

(2) Plans for cities and counties within a Metropolitan Planning Organization or that adopt policies related to short-term supply of land, must include detailed strategies for preparing the total land supply for development and for replacing the short-term supply of land as it is developed. These policies must describe dates, events or both, that trigger local review of the short-term supply of land.

Response: Woodburn is not within a Metropolitan Planning Organization and this section is not applicable. However, the City is committed to working with DLCD and other state agencies to address any potential deficit in supply in a timely manner, albeit as a separate legislative action requiring Council direction. Goal E-1 states, “Woodburn shall provide and maintain an adequate supply of suitable industrial sites to attract targeted firms consistent with Statewide Planning Goal 9 (Economy of the State), the recommendations of the 2023 Woodburn Economic Opportunities Analysis and the Woodburn Economic Development Strategies”. Most recently, the City was awarded funding assistance to support transportation planning work for the City’s Urban Reserve Area, in compliance with OAR 660-021-0040(6).

(3) Plans may include policies to maintain existing categories or levels of industrial and other employment uses including maintaining downtowns or central business districts.

Response: The WCP supports additional investment in existing employment areas and the historic downtown area and the City’s Urban Renewal District and programs include the downtown core and the City has initiated numerous programs to support the vitality of the downtown core and community. A recent example is the City’s implementation of urban renewal funding to support the Front Street revitalization project in and ongoing business improvement and façade programs in our historic downtown area.

(4) Plan policies may emphasize the expansion of and increased productivity from existing industries and firms as a means to facilitate local economic development.

Response: Woodburn actively seeks to support infill and redevelopment of sites zoned for employment through such plan policies as “Identify, promote, and regulate to bring about urban infill and redevelopment of existing commercial areas within the community...” (Goal F-1) and “The City should at all times have sufficient land to accommodate the retail needs of the City and surrounding market area while encouraging commercial infill and redevelopment” (Policy F-1.1).

(5) Cities and counties are strongly encouraged to adopt plan policies that include brownfield redevelopment strategies for retaining land in industrial use and for qualifying them as part of the local short-term supply of land.

Response: Woodburn actively seeks to support retention of land for industrial uses to support our employment land supply by through redevelopment and infill strategies such as the Highway 99E Corridor Plan, Woodburn Downtown Development Plan, and Woodburn Urban Renewal District. The City successfully partnered with Business Oregon to access brownfield revitalization funding to in our and in the reuse of a recently burned food bank property in our historic downtown area to ensure re-use of the property.

(6) Cities and counties are strongly encouraged to adopt plan policies pertaining to prime industrial land pursuant to OAR-009-0025(8).

Response: Woodburn has taken active steps to preserve and protect our Southwest Industrial Reserve (SWIR) though such policies as “Woodburn shall reserve suitable sites in the SWIR for targeted industrial firms, as directed by the 2023 Woodburn EOA” (Goal E-2) and “SWIR designation shall be reserved exclusively for industrial uses identified in the EOA and shall not be converted to another commercial or residential land use map designation (Policy E-2.1).

(7) Cities and counties are strongly encouraged to adopt plan policies that include additional approaches to implement this division, including but not limited to:

- (a) Tax incentives and disincentives;*
- (b) Land use controls and ordinances;*
- (c) Preferential tax assessments;*
- (d) Capital improvement programming;*
- (e) Property acquisition techniques;*
- (f) Public/private partnerships; and*
- (g) Intergovernmental agreements.*

Response: Woodburn’s adopted Urban Renewal District, established Enterprise Zone, updated development ordinances, and similar economic development tools and strategies allow the City significant opportunity to support existing business firms and attract new strategically targeted industries and employment opportunities for our community. Woodburn also has a proven track record in partnering with local economic development agencies and state partners to augment land productivity in both short and long-term planning horizons to meet the economic development objectives for the planning area.

Conclusion: The Comprehensive Plan update is consistent with the OAR requirements for economic development objectives and policies.

Consistency with Woodburn Comprehensive Plan Goals and Policies

The proposed Comprehensive Plan update includes a variety of policies to help the City achieve its economic objectives. In many ways, the City's existing policies already provide a strong policy basis and framework to support adoption of the EOA. They center around supporting the growth and expansion of target industries identified in the EOA.

To supplement existing goals and policies, a number of policy amendments are recommended to further strengthen the City's economic policies and ensure they are consistent with state and regional economic objectives and requirements. Recommendations include the following:

Strategic updates to the following sections of the Comprehensive Plan:

- E. Industrial Land Development and Employment
- F. Commercial Land Development and Employment
- G. Growth Management and Annexation

New policies recommended to these sections are intended to help address challenges related to growing target industries identified on the EOA. Generally, the new policies are intended to:

- Support the development of an adequate workforce; and
- Coordinate with ODOT to maintain mobility for the I-5 interchange with Oregon Highways 214 & 219 (Exit 271)

The recommended updates to Comprehensive Plan Sections E, F, and G include clarification of existing policies for consistency with the EOA and current conditions in Woodburn and removal of defunct policies.

In addition, recommended updates to Section F. Commercial Land Development and Employment include a new Goal (Goal F-2) with related policies. Goal F-2 states:

"Enhance the quality of the city workforce and support development of target industries."

Included are four new policies for supporting a versatile workforce, encouraging training and development to support regional industry needs, and prioritizing infrastructure improvements or incentive tools to support development of targeted industries. The policies echo implementation recommendations identified in the EOA.

Further, recommended updates to Section G include one new Goal (Goal G-1.2) and three new policies. Goal G-1.2 states:

"The City's goal is to have development construct or fund their proportionate share of public improvements to the greatest extent legally permissible, to lessen the cost of land of land development to the City in order to lessen taxpayer burden for landowners in the context of Oregon Ballot Measures 5 (1990) and 50 (1997)."

The new policies in Section G are primarily focused on coordinating and collaborating with ODOT to maintain circulation and mobility in the I-5 interchange area, to coordinate with other agencies improve the transportation system to accommodate employment growth, and to factor the City Transit Development Plan (Resolution No. 2213, June 12, 2023) into future growth management activities. (The City runs its own local bus system, and the Salem Area Mass Transit District branded as Cherriots serves the city.)

Conformance with the Woodburn Development Ordinance

WDO 4.01 Decision-Making Procedures

4.01.02E. Type V Decisions (Legislative): Type V decisions involve legislative actions where the City Council enacts or amends the City's land use regulations, comprehensive plan, Official Zoning Map or some component of these documents. Type V decisions may only be initiated by the City Council. The Planning Commission holds an initial public hearing on the proposal before making a recommendation to the City Council. The City Council then holds a final public hearing and renders a decision. Public notice is provided for all public hearings (Section 4.01.14). The City Council's decision is the City's final decision and is appealable to LUBA within 21 days after it becomes final.

The City Council on October 9, 2023, passed Resolution No. 2221 initiating Legislative Amendment 23-02. The Planning Commission hearing was scheduled for November 9, 2023, and the City Council hearing is tentatively scheduled for December 9, 2023, pending a recommendation to the Council by the Planning Commission. On October 4, 2023, staff sent a Post-Acknowledgement Plan Amendment (PAPA) to the Department of Land Conversation and Development (DLCD) in compliance with OAR 660-018-0020. The City notified affected government agencies in conformance with WDO 4.01.14.D. on October 19, 2023, and published notice of both the Planning Commission and City Council hearings in the *Woodburn Independent* newspaper on November 1, 2023.

✓ The provisions are met.

Notice

ORS 227.186 Notice to property owners of hearing on certain zone change; form of notice; ...

(2) All legislative acts relating to comprehensive plans, land use planning or zoning adopted by a city shall be by ordinance.

Pending a decision from the City Council following its public hearing, the Council would be able to direct staff to return with an ordinance for adoption at a subsequent Council meeting.

(3) ... at least 20 days but not more than 40 days before the date of the first hearing on an ordinance that proposes to amend an existing comprehensive plan or any element thereof, or to adopt a new comprehensive plan, a city shall cause a written individual notice of a land use change to be mailed to each owner whose property would have to be rezoned in order to comply with the amended or new comprehensive plan if the ordinance becomes effective.

(4) At least 20 days but not more than 40 days before the date of the first hearing on an ordinance that proposes to rezone property, a city shall cause a written individual notice of a land use change to be mailed to the owner of each lot or parcel of property that the ordinance proposes to rezone. ...

(5) An additional individual notice of land use change required by subsection (3) or (4) of this section shall be approved by the city and shall describe in detail how the proposed ordinance would affect the use of the property. The notice shall: . . .

(6) At least 30 days prior to the adoption or amendment of a comprehensive plan or land use regulation by a city pursuant to a requirement of periodic review of the comprehensive plan under ORS 197.628, 197.633 and 197.636, the city shall cause a written individual notice of the land use change to be mailed to the owner of each lot or parcel that will be rezoned as a result of the adoption or enactment. ...

(7) Notice provided under this section may be included with the tax statement required under ORS 311.250.

(8) Notwithstanding subsection (7) of this section, a city may provide notice of a hearing at any time provided notice is mailed by first class mail or bulk mail to all persons for whom notice is required under subsections (3) and (4) of this section.

(9) For purposes of this section, property is rezoned when the city...

The City proposes no rezoning or WDO amendment at this time.

Because the City is not changing the base zoning classification of property, in other words neither rezoning nor making a zone change, Sections (3), (4) and (5) above are not applicable.

Because the proposed amendment is not pursuant to a requirement of periodic review, Sections (6) & (7) & (8) are not applicable.

(10) The provisions of this section do not apply to legislative acts of the governing body of the city resulting from action of the Legislative Assembly or the Land Conservation and Development Commission for which notice is provided under ORS 197.047 or resulting from an order of a court of competent jurisdiction.

Staff finds the proposed BLI and EOA update and proposed updates to Comprehensive Plan Economic Goals and Policies do not result from actions of the Legislative Assembly or the Land Conservation and Development Commission (LCDC) and that ORS 197.047 is not applicable. As a result, the City of Woodburn is not required for LA 23-02 to do a “Measure 56” notice, the phrase referring to Ballot Measure 56 (1998) that the legislature codified in ORS 227.186, which the legislature later revised via Senate Bill 516 (2003).

Staff issued notices of public hearing pursuant to state law and WDO 4.01.14C & D. Notice of the Planning Commission and published notice of City Council public hearings in the *Woodburn Independent* newspaper on November 1, 2023.

The City last updated and adopted its Economic Opportunities Analysis (EOA) via Ordinance No. 2391 on October 31, 2005.

Staff briefed the Planning Commission on LA-23-02 on October 12, 2023, and the City Council on October 23, 2023. The established Technical Advisory Group (TAG) for the project met on April 13, June 9, and August 11, 2023, and made a recommendation to staff to proceed with adoption.

✓ The provisions are met.



MEMORANDUM

Employment Buildable Lands Inventory (DRAFT) Woodburn Economic Opportunities Analysis

DATE October 31, 2023
TO Renata Wakeley, City of Woodburn Special Projects Director
FROM Matt Hastie, Clinton “CJ” Doxsee, and Sun-gyo Lee, MIG|APG
CC Brendan Buckley, Johnson Economics

INTRODUCTION

This memorandum describes the methodology and updated results of the Buildable Lands Inventory (BLI) for the City of Woodburn’s Economic Opportunities Analysis (EOA).

The draft BLI represents the second phase of an Economic Opportunities Analysis (EOA) for the City. The first phase of the EOA, conducted by Johnson Economics, identified employment conditions and trends, target industries, employment land needs, and draft strategies and actions to achieve the City’s economic objectives. Once the BLI has been further refined as needed by City staff and the Technical Advisory Group (TAG), it will be used to update the City’s recommended economic development strategies and actions. This inventory covers land within the City’s urban growth boundary (UGB), consistent with Oregon statutory and administrative rule requirements.

REGULATORY BASIS

The BLI is conducted consistent with the following requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009) as they pertain to BLIs. The BLI supports an Economic Opportunities Analysis that is currently underway.

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 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.

2. **Industrial and commercial development policies (OAR 660-009-0020).** Cities with a population over 2,500 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 adopted 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.

BLI METHODOLOGY

Consistent with OAR 660-009-0015, the BLI is conducted in several steps, described below.

- **Step 1: Determine Land Type** – This step identifies all land within the UGB as either residential, employment, or other, based on zoning and other characteristics. Because this BLI is in support of an EOA, the inventory is further refined to include only employment and mixed use areas, with residential lands excluded.
- **Step 2: Identify and Calculate Constraints** – This step identifies development constraints and removes them from the inventory to get an accurate measurement of the amount of developable land within the UGB.
- **Step 3: Classify Land by Development Status** – This step classifies land into categories of Vacant, Partially Vacant, Developed, and Committed, based on a series of filters using available data.
- **Step 4: Inventory Results** – This step reports the results of the analysis in various ways, and accounts for land needed for right-of-way and other public uses to arrive at total developable net acreage within the UGB.

The remainder of this memorandum addresses each of the above steps in turn. The BLI data and assumptions described in the memo have undergone extensive review, discussion, and revision with City staff, other team members, state agency staff, and members of the Technical Advisory Committee. The current draft of the memo reflects the results of that process.

Step 1: Determine Land Type

Land in the City of Woodburn is categorized into Residential or Employment. This classification is made primarily by zoning designation as shown in Figure 1. Exceptions were made for cases based on existing land use, property ownership, or other circumstances. Figure 2 illustrates land as either employment based or residential based, depending on the underlying zoning. Employment based land types include zoning that allows for commercial or industrial types of development and are used as the basis of generating BLI information in subsequent steps.

Figure 1: Woodburn Zoning Designations

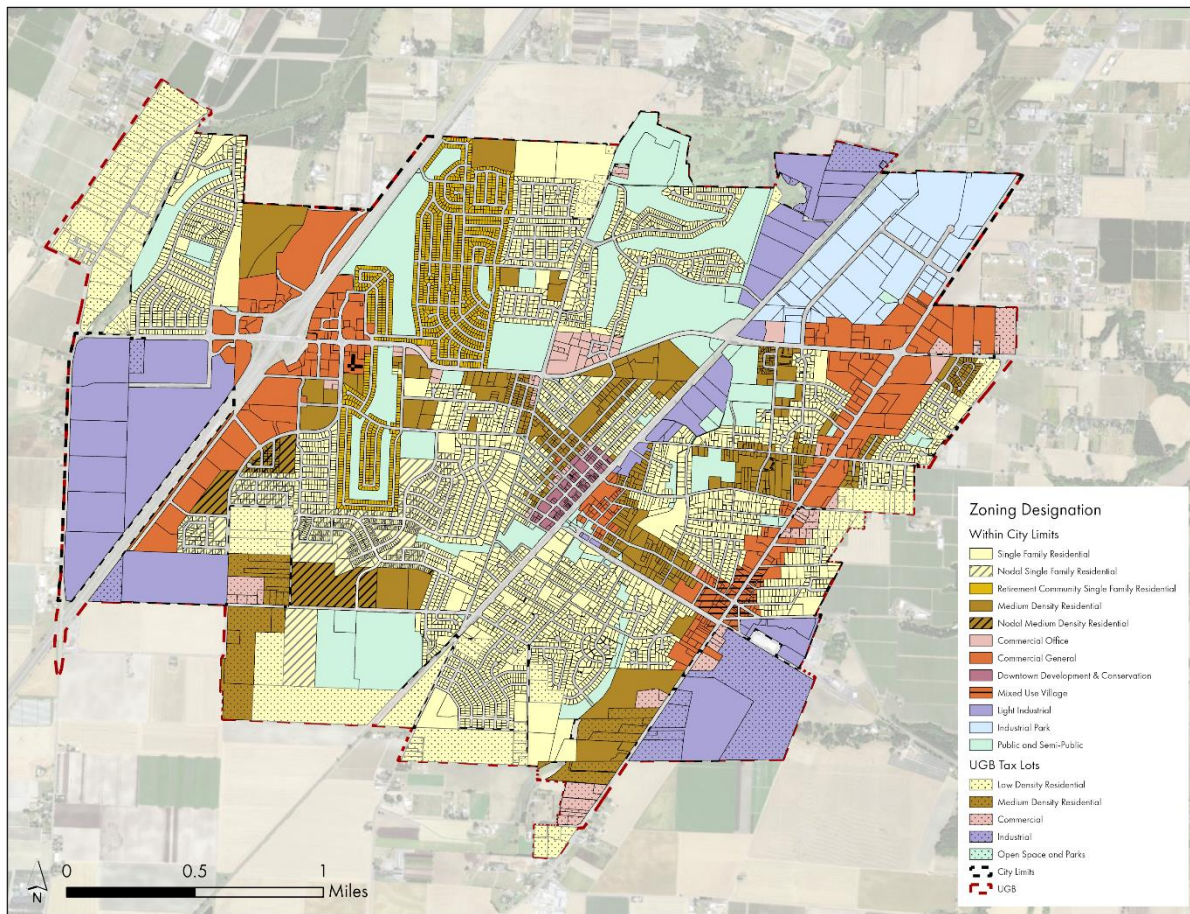


Figure 2: Woodburn Land Type

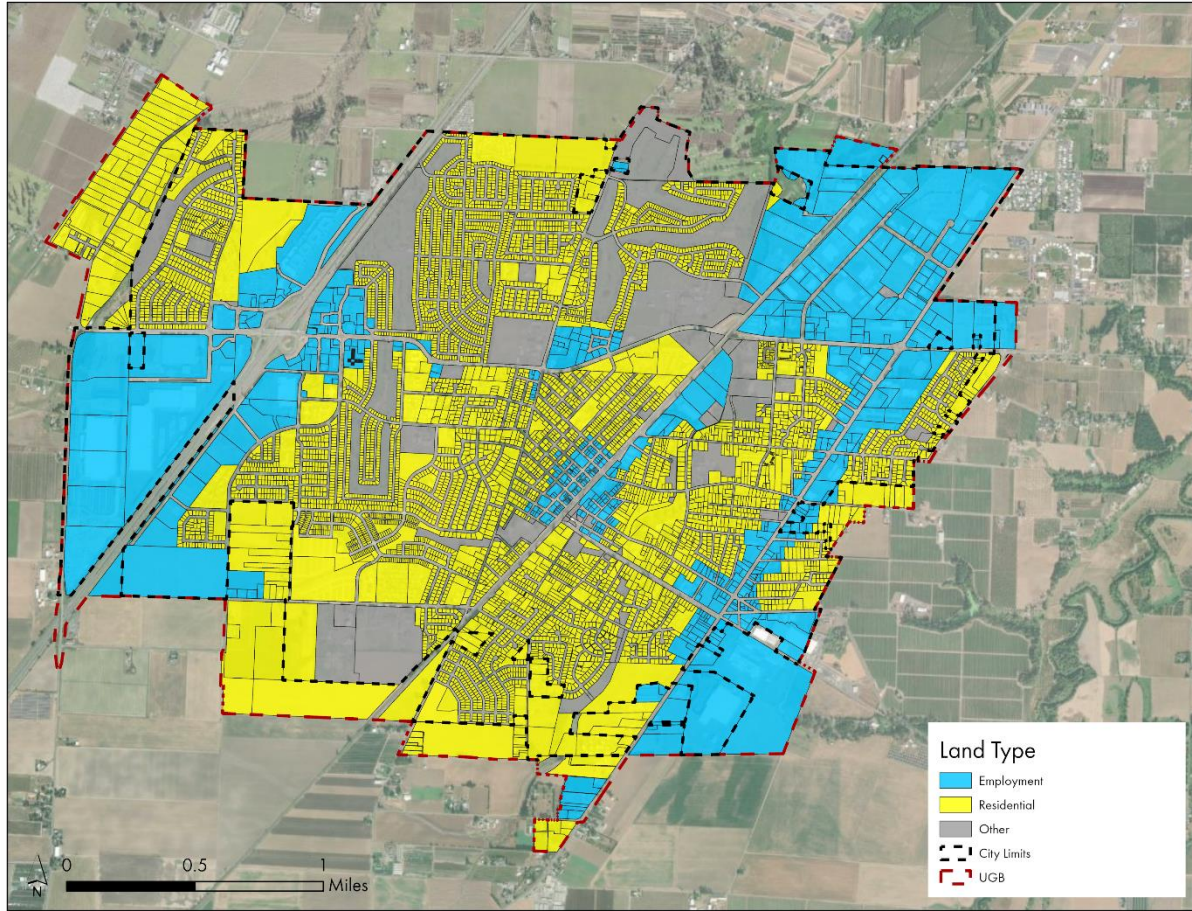


Table 1 summarizes the number of tax lots and gross acreage associated with the two land types. For the purpose of this inventory, portions of tax lots that extend beyond the UGB are not factored into the estimated land capacity. Overall, there are significantly fewer employment land type tax lots compared to residential land types. However, employment land type tax lots comprise nearly half of the overall gross acreage in the City’s UGB, due to their much larger average size.

Table 1: Woodburn Land Type

	Number of Tax Lots	Gross Acres¹
Employment	696	1,302.4
Residential	6,987	2,093.5
Total	7,683	3,395.9

¹ Gross acreage includes a limited number of tax lots that are partially located inside the Woodburn UGB.

Step 2: Calculate Constraints

As defined in OAR 660-009-005, “Development Constraints” are 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, slope, topography, infrastructure deficiencies, parcel fragmentation, or natural hazard areas. The constraints used for this analysis include:

- FEMA Floodplain Hazards, including regulatory floodways and 100-year flood hazard areas.
- Riparian Corridor Wetlands Overlay (RCWOD).
- National Wetlands Inventory

The portions of a site that are affected by one or more of these constraints are removed from the site area and are not considered buildable for the purposes of the inventory. Figure 3 shows the location of these constraints.

Figure 3: Woodburn Development Constraints

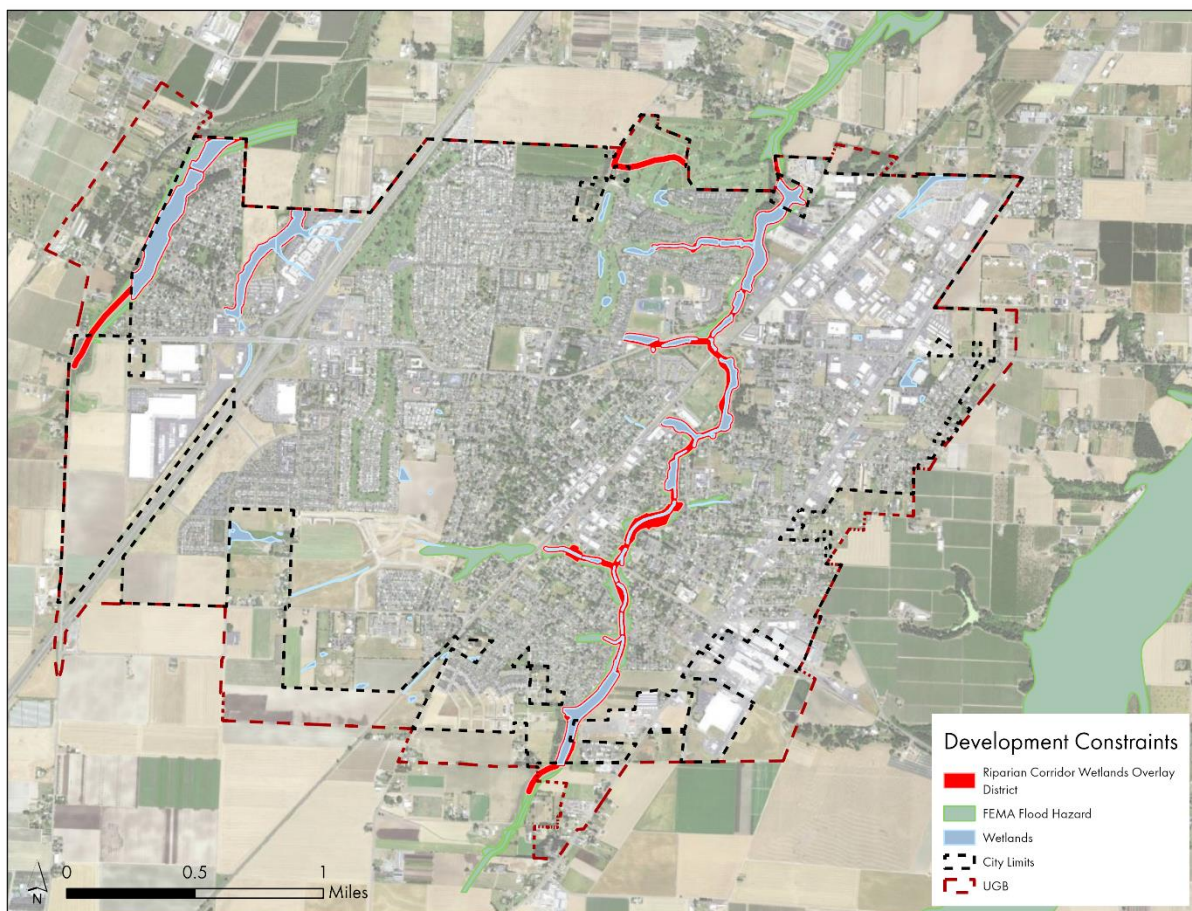


Table 2 provides a summary of the overall amount of constrained areas present within the UGB. Approximately 52 acres of employment land is constrained by FEMA floodplain hazards or the RCWOD overlay.

Table 2: Woodburn Development Constraints

	Constrained (acres)	Unconstrained (acres)	Total (acres)
Employment	51.8	1,250.6	1,302.4
Residential	97.6	1,995.9	2,093.5
Total	145.4	3,250.5	3,395.9

Step 3: Classify Employment Land by Development Status

Employment land within the study area was classified by development status, as follows:

- **“Vacant”** land meets one or more of the following criteria:
 - Equal to or larger than ½ acre and not currently containing permanent improvements.²
 - Equal to or larger than 5 acres where less than ½ acre is occupied by permanent buildings or improvements.³
 - Improvement value is less than \$5,000 or less than 5% of the property’s land value.⁴
- **“Partially Vacant”** land has an improvement value of between 5% and 40% of the land value, or is greater than one acre in size with at least ½ acre not improved (based on aerial photo). Unless aerial photos or other information indicate otherwise, this inventory assumes that 50% of unconstrained land is vacant based on state harbor rules.⁵ A number of partially vacant sites have been adjusted to account for present conditions.
- **“Developed”** land has an improvement value greater than 40% of the land value and/or does not meet the definition of vacant or partially vacant.⁶ In addition, several other types of land were identified as developed, including the following:
 - Land approved for non-employment development (i.e., for residential uses).
 - Land currently used for outdoor storage of equipment or merchandise.
 - Land that is subject to site improvement or expansion plan

Table 3 presents a summary of the land development status organized by zoning inside City limits and by general commercial/industrial designation outside of City limits.

Table 3: Summary of Unconstrained Employment Land Acreage by Development Status

² Safe harbor pursuant to OAR 660-024-0050(3)(a)

³ Safe harbor pursuant to OAR 660-024-0050(3)(b)

⁴ Safe harbor pursuant to OAR 660-038-0120(2)(a)

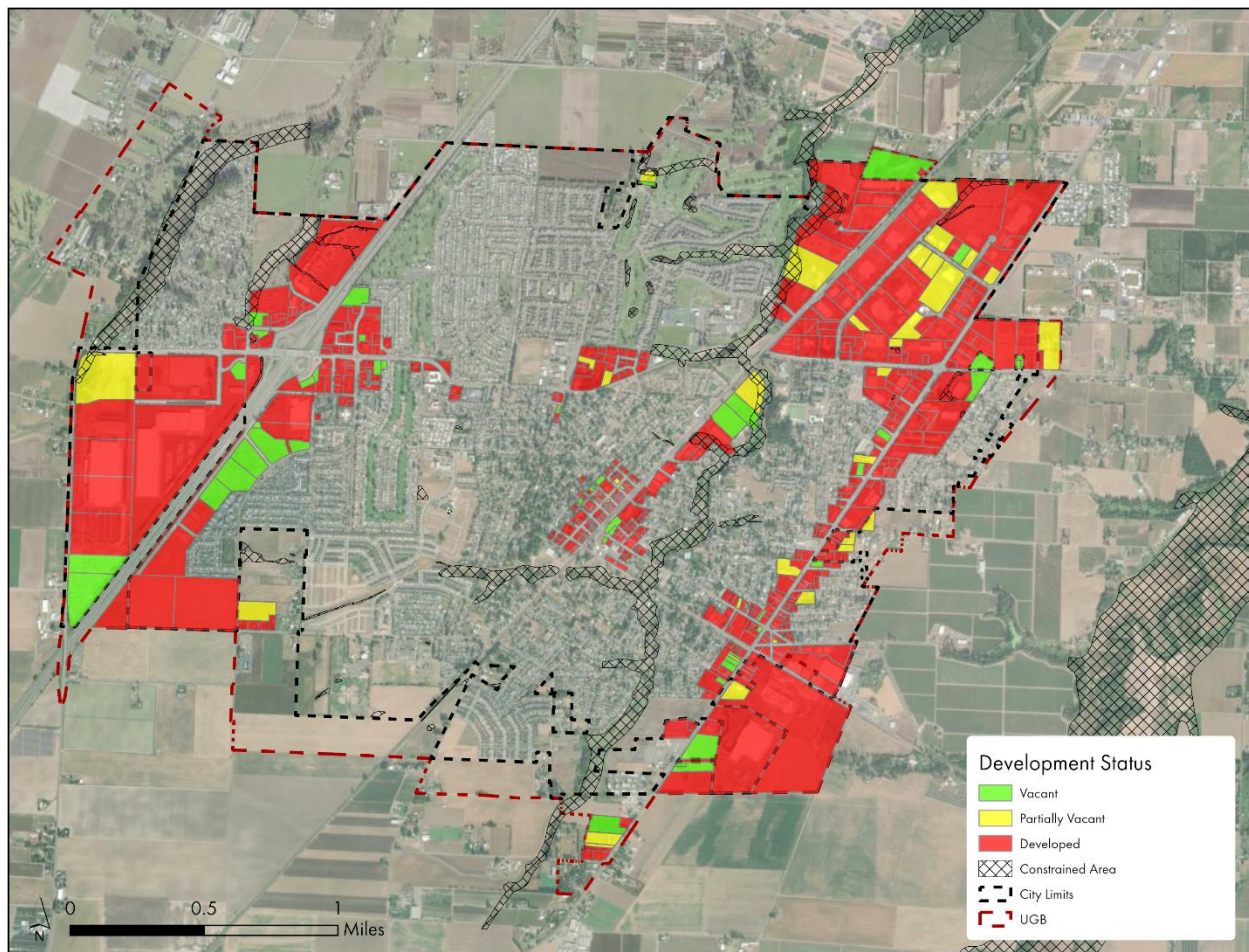
⁵ Safe harbor pursuant to OAR 660-038-0120(2)(b)

⁶ Safe harbor pursuant to OAR 660-038-0120(2)(c)

	Vacant	Partially Vacant	Developed	Total
Commercial General (CG)	45.5	9.0	321.5	376.0
Commercial Office (CO)	4.1	2.2	32.5	38.8
Downtown Dev. & Conserv. (DDC)	0.7	0.4	14.2	15.3
Mixed Use Village (MUV)	0.5	0.2	17.8	18.5
UGB Commercial	8.7	28.0	20.5	57.3
Commercial/Mixed use Subtotal	59.5	39.9	406.6	506.0
Light Industrial (IL)	32.2	18.5	376.4	427.1
Industrial Park (IP)	2.1	37.3	151.5	190.8
UGB Industrial	23.7	0.0	102.9	126.6
Industrial Subtotal	58.1	55.8	630.7	744.6
Total	117.6	95.6	1,037.3	1,250.6

Figure 4 illustrates the development status of employment land types within the City’s UGB.

Figure 4: Employment Land by Development Status



Step 4: Inventory Results

The following assumptions were used to determine the net acreage of land within the City.

- 50% of all employment land identified as partially vacant.
- 15% of vacant industrial employment land (Light Industrial, Industrial Park zones).
- 20% of vacant commercial employment land (Commercial General, Commercial Office, Downtown Development & Conservation, Mixed Use Village zones).
- 5% of additional reduction on vacant, partially vacant Commercial General zone in consideration of multi-family housing development.

The 50% deduction is based on safe harbor rules in OAR 660-038-0120(2)(b), which assumes half the site is available to support additional economic development. The 15% and 20% deductions for vacant industrial and commercial employment lands are to account for potential infrastructure improvements on vacant land. Typically, infrastructure improvements include right-of-way dedications for street improvements.⁷ The additional 5% reduction reflects the fact that residential use is allowed in the General Commercial zone and several recent developments of that type have occurred in that zone.

Table 4 below provides a summary for each zone and Table 5 classifies the developable lands by size.

Table 4: Net Developable Acres of Employment Land

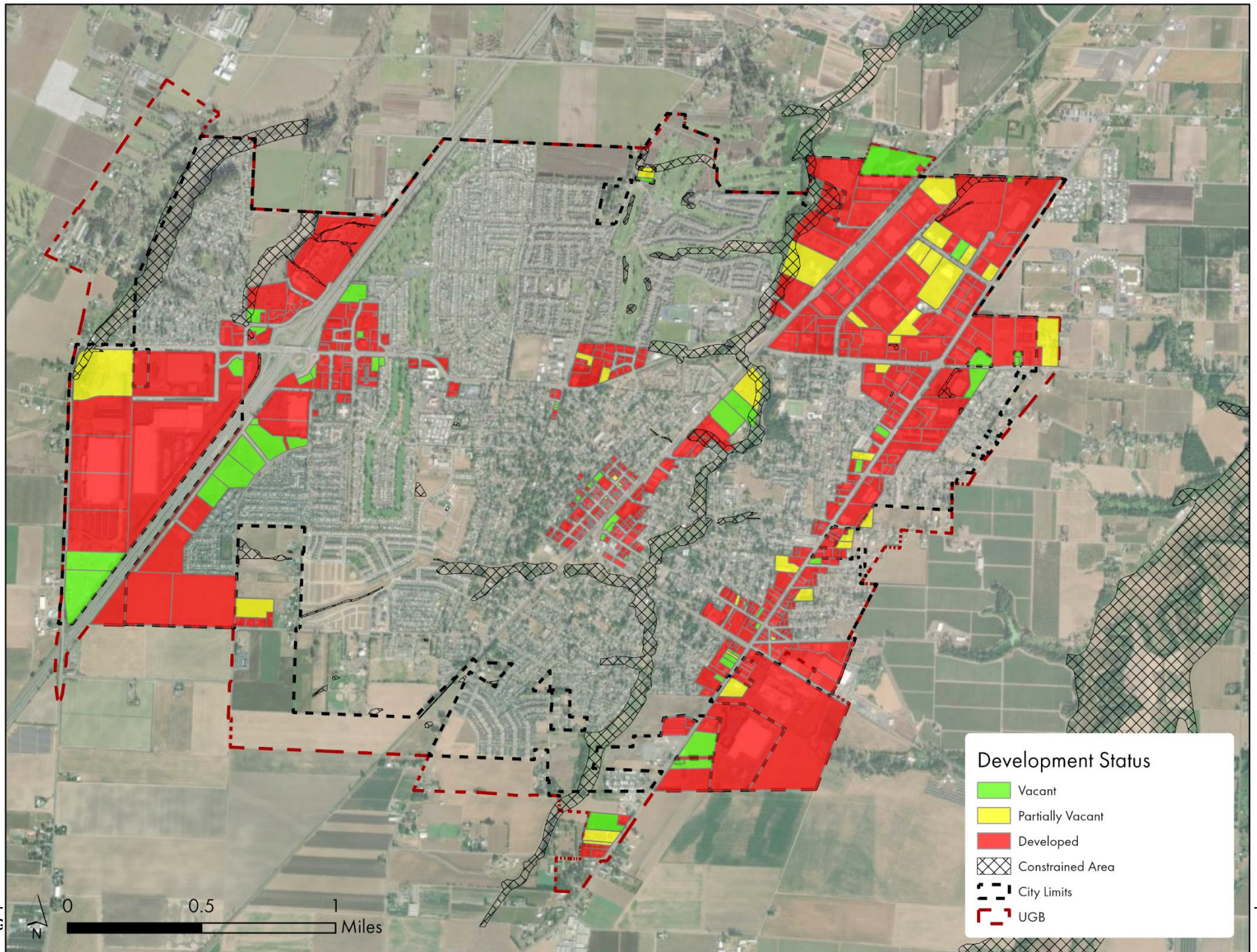
	Vacant	Partially Vacant	Total
Commercial General (CG)	34.1	4.1	38.2
Commercial Office (CO)	3.3	1.1	4.4
Downtown Development & Conservation (DDC)	0.6	0.2	0.8
Mixed Use Village (MUV)	0.4	0.1	0.5
UGB Commercial	7.0	14.0	21.0
Commercial/Mixed use Subtotal	45.3	19.5	64.8
Light Industrial (IL)	27.4	9.2	36.6
Industrial Park (IP)	1.8	18.6	20.4
UGB Industrial	20.2	0.0	20.2
Industrial Subtotal	49.4	27.9	77.3
Total	94.7	47.4	142.1

⁷ Note, OAR 660-024-0040(10) allows a safe harbor deduction of 25% for a residential buildable land inventory to account for streets and roads, parks, and school facilities. There is no equivalent rule in the OAR for an employment buildable land inventory. Notwithstanding, this employment buildable land inventory applies deductions because street and road improvements are anticipated for development of vacant properties. The lower amount is because, in part, parks and school facilities aren't typically built on commercial and industrial properties. Similarly, commercial and industrial properties typically require larger lot sizes and incorporate private roads or accessways, necessitating less land for public dedication.

Table 5: Remaining Inventory by Net Developable Acres

	Number of lots	Share
Commercial/Mixed use		
0 – 5 acres	69	97.2%
5 – 10 acres	2	2.8%
>10 acres	0	0%
Commercial/Mixed use Subtotal	71	
Industrial		
0 – 5 acres	17	73.9%
5 – 20 acres	6	26.1%
>20 acres	0	0
Industrial Subtotal	23	
Total	94	

Appendix C: Buildable Lands Inventory



DRAFT



**CITY OF WOODBURN, OREGON
ECONOMIC OPPORTUNITIES ANALYSIS**

Prepared For:
City of Woodburn, Oregon

[Adoption Month 2023]

Acknowledgments

Johnson Economics prepared this report for the City of Woodburn. Johnson Economics and the City of Woodburn thank the many people who helped to develop this document.

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This report was prepared in accordance with the requirements of OAR 660 Division 9: Economic Development.

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I. INTRODUCTION

This report introduces analytical research presenting an Economic Opportunities Analysis (EOA) for the City of Woodburn, Oregon.

Cities are required to reconcile estimates of future employment land demand with existing inventories of vacant and redevelopable employment land within their Urban Growth Boundary (UGB). The principal purpose of the analysis is to provide an adequate land supply for economic development and employment growth. This is intended to be conducted through a linkage of planning for an adequate land supply to infrastructure planning, community involvement and coordination among local governments and the state.

To this end, this report is organized into six primary sections:

- **Economic Trends:** Provides an overview of national, state, and local economic trends affecting Marion County and the City of Woodburn, including population projections, employment growth and a demographic profile.
- **Economic Development Potential:** A discussion of the comparative advantages of the local community and work force.
- **Target Industries:** Analysis of key industry typologies the City should consider targeting as economic opportunities over the planning period.
- **Employment Land Needs:** Examines projected demand for industrial and commercial land based on anticipated employment growth rates by sector.
- **Capacity:** Summarizes the City's inventory of vacant and redevelopable industrial and commercial land (employment land) within City of Woodburn's UGB.
- **Reconciliation:** Compares short- and long-term demand for employment land to the existing land inventory to determine the adequacy and appropriateness of capacity over a five and twenty-year horizon.
- **Conclusions and Recommendations:** Summary of findings and policy implications.

II. WOODBURN ECONOMIC TRENDS

This section summarizes employment and workforce trends at the local level that will influence economic conditions in the City of Woodburn over the 20-year planning period. This section is intended to provide the economic context for growth projections and establish a socioeconomic profile of the community.

A. WOODBURN EMPLOYMENT AND FIRMS

As of 2023, the City of Woodburn is home to nearly 1,000 businesses with roughly 12,000 employees.¹ The largest industries by employment are retail, agriculture, and health care, followed closely by tourism and manufacturing. Woodburn has the lowest employment representation in professional and administrative sectors. (Industry sectors are discussed in more detail in Section IV of this report.)

FIGURE 2.1: ESTIMATED EMPLOYMENT BY INDUSTRY SECTOR, CITY OF WOODBURN 2023

Major Industry Sector	Estimated Employment 2023	Share of Employment
Agriculture, forestry, fish/hunt	1,366	11%
Construction	875	7%
Manufacturing	1,059	9%
Wholesale Trade	858	7%
Retail Trade	2,469	21%
Transportation, Warehouse, Utilities	910	8%
Information	147	1%
Finance & Insurance	129	1%
Real Estate	81	1%
Professional & Tech. Services	113	1%
Administration Services	267	2%
Education	771	6%
Health Care/Social Assistance	1,366	11%
Leisure & Hospitality	1,077	9%
Other Services	294	2%
Government	183	2%
TOTAL	11,965	0% 10% 20%

SOURCE: Oregon Employment Department, 2021 QCEW data, Johnson Economics

The local employment base is largely dominated by relatively small firms, with roughly 68% of businesses having fewer than 20 employees (Figure 2.2). This trend is in keeping with the national average. (This is based on the most

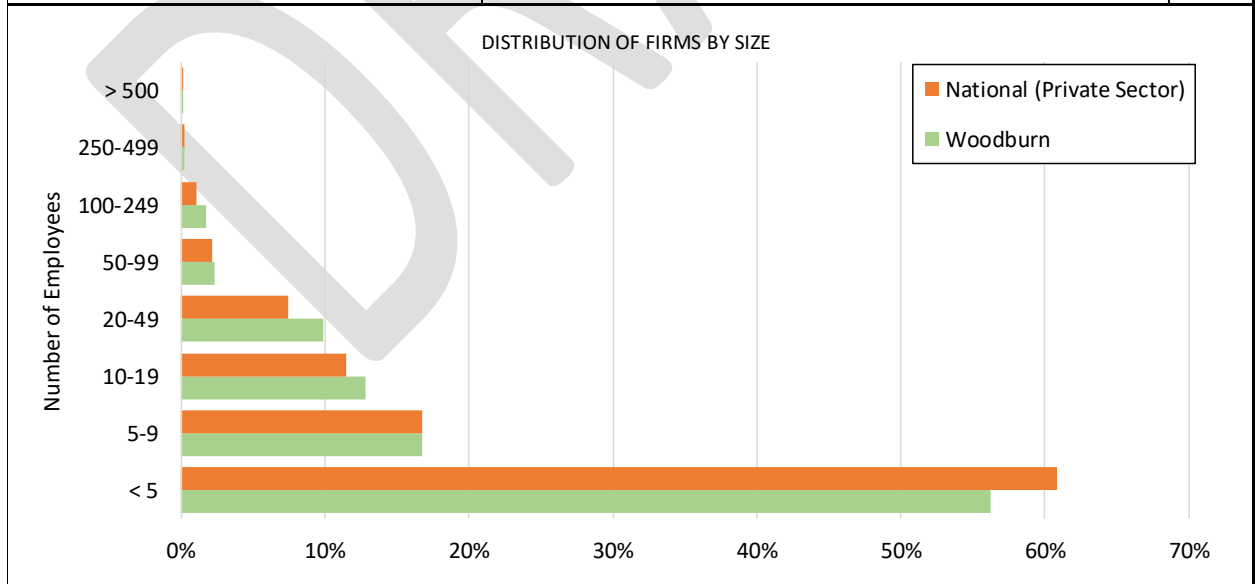
¹ 2023 figures have been estimated from 2021 data on firms and employment provided by the Oregon Employment Departments (the most recent year available.) The countywide growth rate experienced by industry sector between 2021 and 2023 was applied to estimate figures in 2023. OED provided historical Quarterly Census of Employment and Wages (QCEW) data through 2021, for the City of Woodburn.

recent 2021 QCEW data for covered employment, and therefore doesn't cover all self-employment owner/operator businesses.) Just 2.1% of firms have more than 100 employees. This is again, in keeping with national trends.

As of 2021, there were approximately 850 firms in Woodburn with covered employees. When employment growth and sole-proprietorship businesses are considered, the number of individual businesses in Woodburn is likely close to 1,000.

FIGURE 2.2: DISTRIBUTION OF FIRMS BY SIZE, CITY OF WOODBURN - 2021

NAICS Code	Industry	Size of Firm/Employees							Total	
		< 5	5-9	10-19	20-49	50-99	100-249	250-499		> 500
11	Agriculture, forestry, fishing, and hunting	5	1	4	2	1	3	0	0	16
21	Mining	0	0	2	0	0	0	0	0	2
23	Construction	90	20	6	0	3	1	0	0	120
31-32	Manufacturing	7	3	5	5	6	2	0	0	28
22	Utilities	0	0	0	2	0	0	0	0	2
42	Wholesale trade	14	7	5	3	0	1	1	0	31
44-45	Retail trade	52	39	39	22	1	3	1	0	157
48	Transportation	7	2	0	4	0	0	0	0	13
49	Delivery and warehousing	0	0	2	1	0	0	0	1	4
51	Information	4	1	0	0	0	1	0	0	6
52	Finance and Insurance	20	10	1	0	0	0	0	0	31
53	Real Estate and Rental	24	3	1	0	0	0	0	0	28
54	Professional, Scientific, and Technical Services	25	3	2	0	0	0	0	0	30
55	Management of Companies and Enterprises	1	1	0	1	0	0	0	0	3
56	Administrative and Waste Management	20	10	2	3	0	0	0	0	35
61	Educational services	4	1	1	4	6	1	0	0	17
62	Health care and social assistance	108	17	12	12	2	3	0	0	154
71	Arts, Entertainment, and Recreation	1	1	4	0	0	0	0	0	6
72	Accommodation and Food Services	16	13	16	19	1	0	0	0	65
81	Other services	43	11	5	1	0	0	0	0	60
92	Government	1	0	2	5	0	0	0	0	8
99	Unclassified	38	0	0	0	0	0	0	0	38
TOTAL		480	143	109	84	20	15	2	1	854

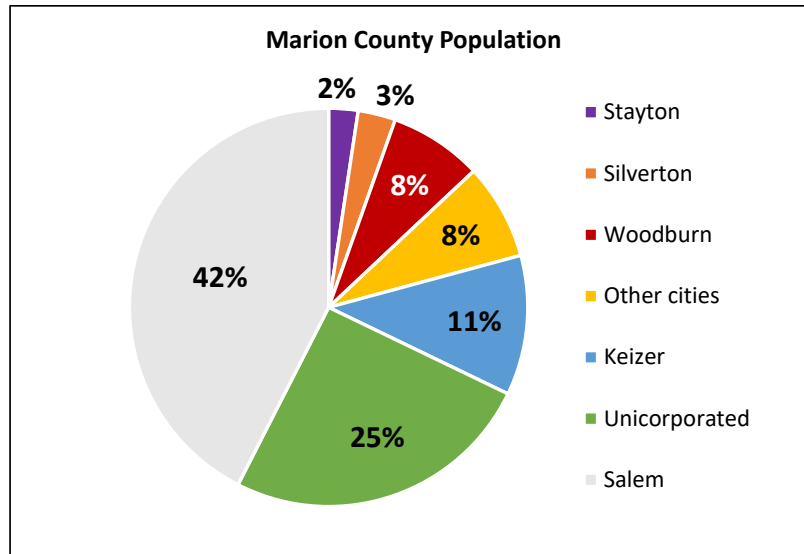


Source: Oregon Employment Department, QCEW data

B. LOCAL POPULATION AND WORKFORCE TRENDS

Population: With a population of roughly 26,500 people in 2022, the City of Woodburn represents 8% of Marion County’s population. The city has grown at an estimated rate of 0.8% per year, in keeping with the growth rate of the county and state. The city has grown by 2,400 residents since 2010, which was 7% of the county’s growth.

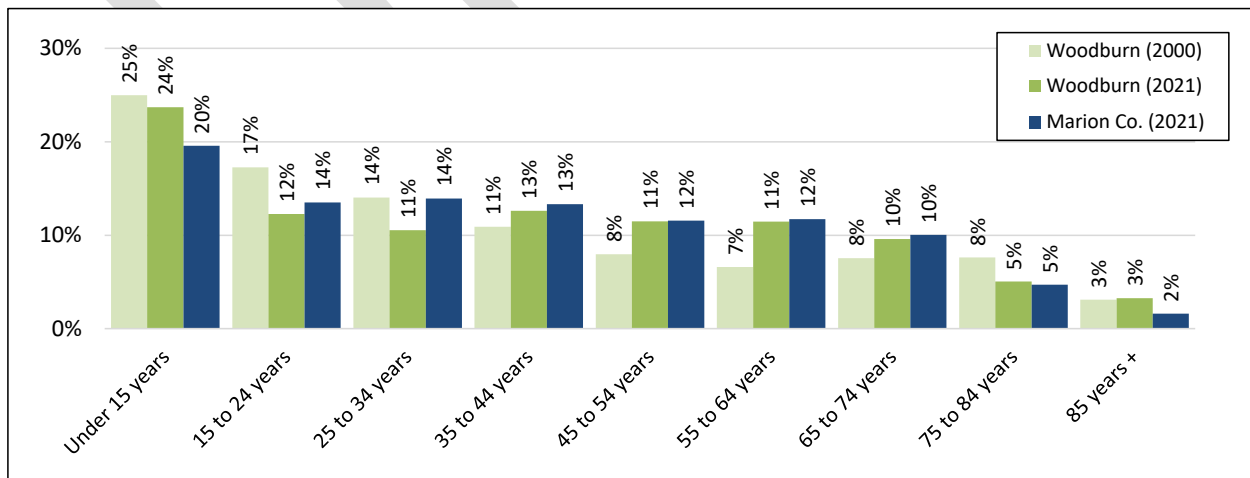
FIGURE 2.3: SHARE OF TOTAL POPULATION IN MARION COUNTY



SOURCE: Population Research Center, Portland State University

When compared to the rest of the state, Marion County has a larger proportion of children, and around 2% fewer people aged 18-64, and around 3% fewer people aged 65 and older, thus having a proportionally smaller work force than the state. The trend towards an older population is a national trend due to the aging of the large Baby Boom generation. The first half of this generation is now past the traditional retirement age, while much of the younger half will be retiring over the coming decade.

FIGURE 2.4: BROAD AGE DISTRIBUTION, WOODBURN, AND MARION COUNTY

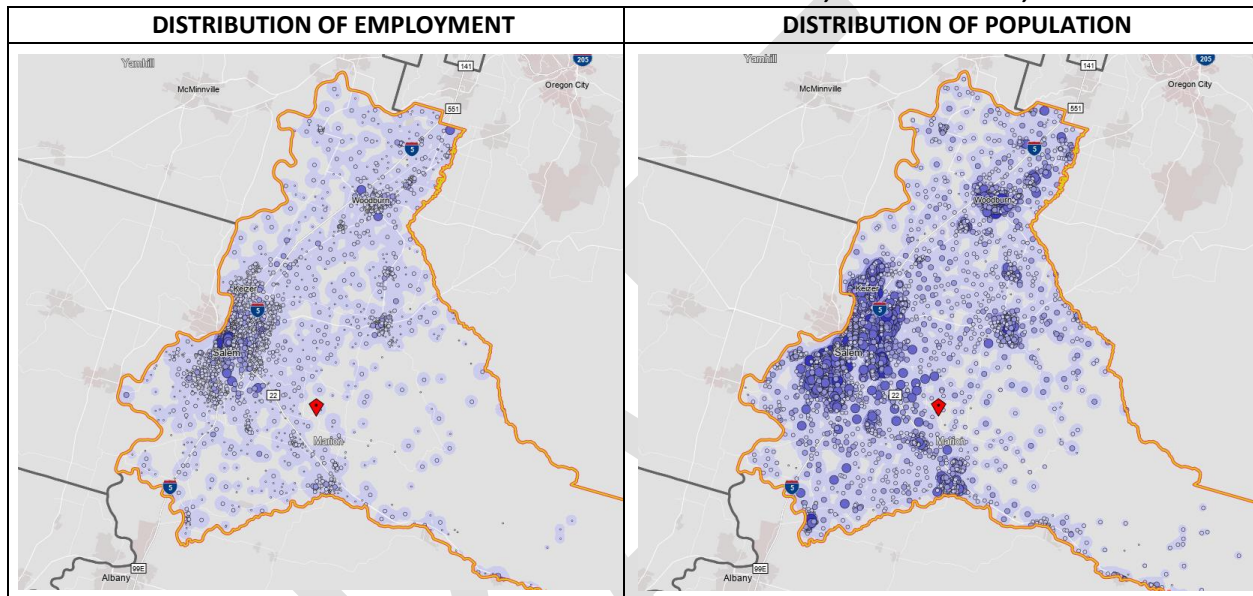


SOURCE: Population Research Center, Portland State University

Woodburn has a younger population than the county, with nearly a quarter of the population being younger than 15 years according to the Census (Figure 2.4). Between 2000 and 2021, those aged 45 to 74 years grew the most as a share of the population.

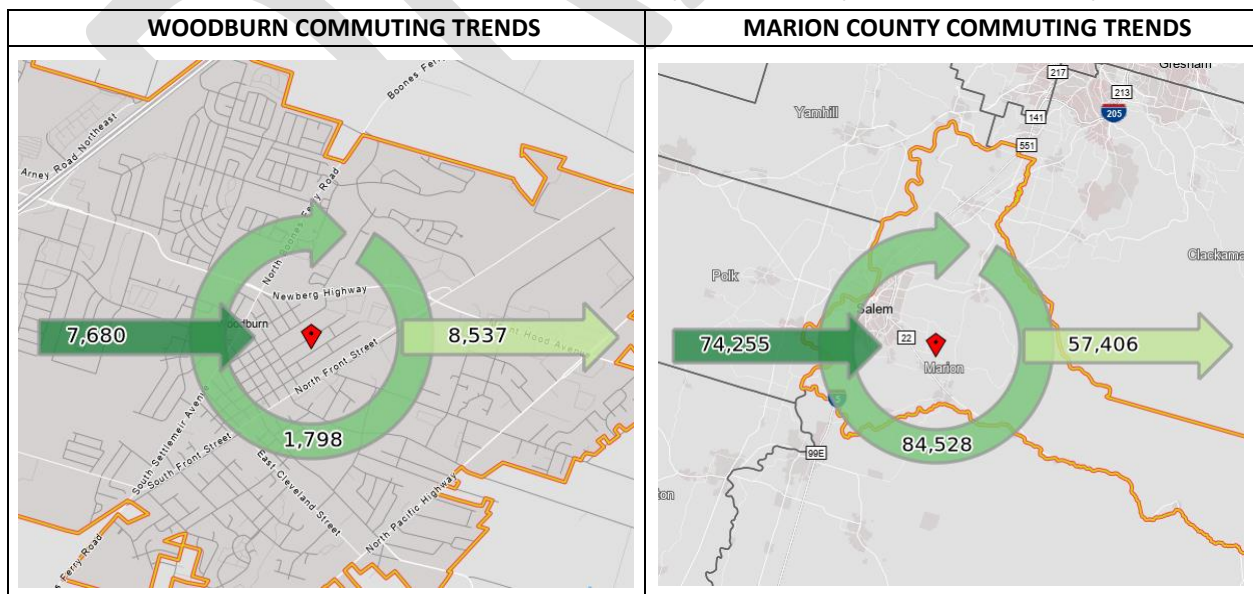
Employment and Population Concentrations: The distribution of employment in Marion County is concentrated around the cities of Salem and Keizer, with most of the remainder in cities near the north of Marion County such as Woodburn. The distribution of population is somewhat more evenly distributed across the western side of the county (Figure 2.5).

FIGURE 2.5: DISTRIBUTION OF EMPLOYMENT AND WORKFORCE, MARION COUNTY, 2020



SOURCE: Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) Data

FIGURE 2.6: NET INFLOW-OUTFLOW OF EMPLOYEES, WOODBURN, AND MARION COUNTY, 2020



SOURCE: Census Bureau, LEHD Data

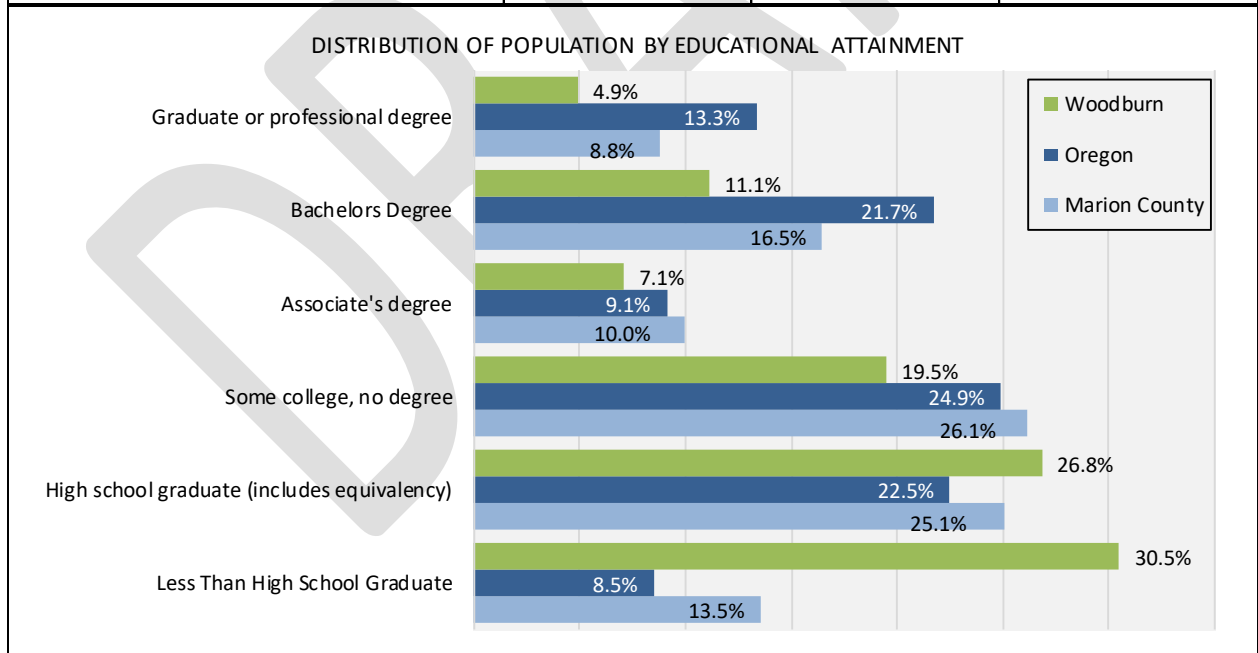
Commuting Trends: In 2020 (the most recent data available), the city of Woodburn was estimated to have 7.7k people commuting in for work, while 8.5k people commuted out; 1.8k residents both lived and worked in the city. These figures reflect “covered employment” as of 2020, the most recent year available. Covered employment refers to those jobs where the employee is covered by federal unemployment insurance. This category does not include many contract employees and the self-employed and therefore is not a complete picture of local employment. The figure discussed here is best understood as indicators of the general pattern of commuting and not exact figures.

Of those residents who work outside of the city, the most common commute destinations are Portland, Salem, Wilsonville, and Tualatin. For local employees who commute in from outside of Woodburn, most live in Salem, Keizer, and Portland.

Workforce Characteristics: Woodburn has a greater share of the less-educated adult population than the county or state (Figure 2.7).

FIGURE 2.7: EDUCATIONAL ATTAINMENT PROFILE, 2021

Population 25 years and older	Woodburn		Marion County		State of Oregon	
	Count	%	Count	%	Count	%
Less Than High School Graduate	5,052	30.5%	31,449	13.5%	252,602	8.5%
High school graduate (includes equivalency)	4,443	26.8%	58,173	25.1%	668,083	22.5%
Some college, no degree	3,230	19.5%	60,710	26.1%	739,245	24.9%
Associate's degree	1,179	7.1%	23,210	10.0%	270,372	9.1%
Bachelors Degree	1,845	11.1%	38,232	16.5%	644,813	21.7%
Graduate or professional degree	818	4.9%	20,447	8.8%	396,281	13.3%
Total	16,567		232,221		2,971,396	



SOURCE: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

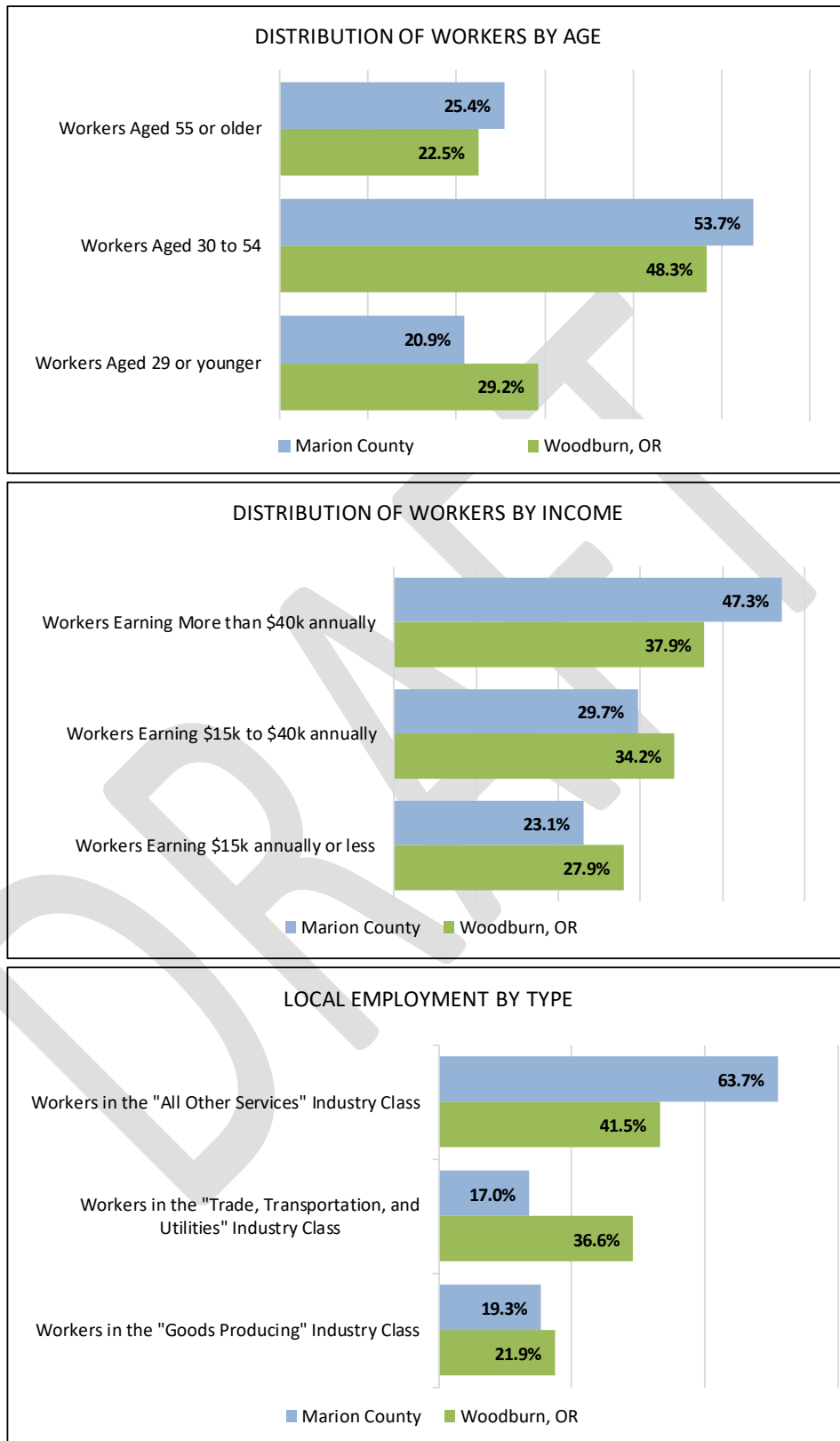
- Nearly a third of the local population has not completed high school, as compared to 8.5% statewide.
- An additional 27% have a high school education.

- 43% of the adult population has some education beyond high school, compared to 61% countywide, and 69% statewide.
- 23% of local adults have completed a post-secondary degree, compared to 35% of the county population, and 44% of the state population.

The lower education level in the local workforce points to good capacity to fill blue collar service and production jobs, as well as potential to benefit from increased opportunities for training and education on and off the job.

- Woodburn has a higher share working in trade, transportation, and utilities (37%) and goods producing industries than the county (Figure 2.8). This includes retail, wholesale, warehousing, and shipping industries.
- Woodburn has a younger workforce than the county, with 29% of workers less than 30 years of age, compared to 21%.
- Working residents of Woodburn are more likely to be in lower income groups than the county. 38% of working Woodburn residents earn over \$40k, while 47% of workers in the county do. This includes those working part-time jobs.

FIGURE 2.8: CHARACTERISTICS OF LOCAL WORKFORCE, CITY OF WOODBURN AND MARION COUNTY, 2020



SOURCE: Census Bureau, LEHD Data

III. COMMUNITY ECONOMIC DEVELOPMENT POTENTIAL

The economic climate of a community helps foster growth of existing firms and industry clusters and make the area attractive for new businesses. The City of Woodburn has several advantages that boost its potential as a location for current and future business.

Location: Woodburn enjoys a central location between the Portland Metro area 15 miles to the north, and the Salem Metro roughly 15 miles to the south, via the I-5 freeway. The location puts the city's businesses in the middle of a large addressable market area and region which is home to a majority of the state's population and labor force. At the same time, the location separate from the major metro areas has allowed the city to maintain a small town identity and establish a strong base of agricultural and wood products industries based in the surrounding area.

The agglomeration of retail businesses located near the freeway, anchored by the popular Woodburn Premium Outlets mall and Walmart Supercenter ensure that the city will remain a well-trafficked destination, with a market area far larger than the city itself. The central location also has made the community popular with warehousing and distribution businesses that take advantage of the transportation connections.

Transportation Connectivity: Woodburn has strong transportation access via the I-5 freeway, multiple highways, and heavy rail service. The freeway access is served by the recently upgraded interchange, meant to accommodate the large amount of incoming and outgoing traffic of residents, work force, visitors, and freight. Businesses in the immediate area are served by quick access and high visibility from the freeway.

In addition to I-5, businesses in Woodburn have access to the north/south Highway 99, and east/west Highway 214 which connect Woodburn to other parts of Marion and Clackamas Counties. These corridors serve as additional commercial corridors in older sections of the City.

The historic downtown of Woodburn was oriented towards the Union Pacific Railroad mainline. The rail passes through central Woodburn and the Northeast Industrial Area, providing freight service to local businesses. Currently, no passenger service stops in Woodburn but that may become a possibility as the community and local economy grows.

Portland International Airport is located approximately forty-five minutes to the north providing global air connections. The Salem Municipal Airport has recently been in discussions to provide some commercial service to a limited number of southwest states, which would provide nearer access to residents and businesses in Woodburn.

Labor Market: The availability of ample and skilled labor is a key factor in economic development potential. Beyond the talent pool of Woodburn residents, the city's central location and freeway access give local businesses the ability to draw on a larger labor pool from the region. An estimated 81% of the local workforce commutes to Woodburn, with many coming from the Portland Metro region. While ideally these workers may eventually choose to relocate to the community, in the meantime businesses know they can attract workers with a full range of skills and experience from a broader area if necessary.

The "Mid-Willamette Valley Supply and Target Industry Growth Recommendations for Marion, Polk and Yamhill Counties" (2014) report identified workforce issues as a need in Marion, Polk, and Yamhill counties. These issues included finding qualified workers with the proper basic and technical skills, training entry-level workers effectively,

and successfully employing contractors from staffing agencies. The report recommends establishing a Manufacturing Sector Partnership to address workforce development needs and other common issues.

With the imminent opening and staffing of the large Amazon facility, along with other known employment developments, plus forecasted growth, drawing sufficient blue-collar workers to the area may remain a challenge for the foreseeable future, while attracting white-collar workers may be less difficult. The continued population growth in Woodburn and ready access to the Salem metro area, and the southern communities of the Portland metro area (Wilsonville, Tualatin) will help this effort. New and existing local businesses will also assist in developing the specific skills and education they will need from their workforce.

Quality of Life: Woodburn offers a high quality of life and urban amenities to attract new workers and businesses to the city. The city offers a mixture of small-town lifestyle, diverse cultural activities, with access to nature and rural amenities, while also being a quick trip away from larger metro areas with additional urban amenities. The community features relatively affordable housing in comparison to other parts of the region, good schools, parks, and ample shopping and local services.

Woodburn's location in the central Willamette Valley offers ready access to a full range of mountain recreation to the east, and Oregon's wine country to the west.

Economic Development Partnerships: Woodburn has several partners in economic development, including the Woodburn Chamber of Commerce, SEDCOR, Portland General Electric (PGE), the Mid-Willamette Valley Council of Governments, Marion County, and Business Oregon. Woodburn features local outposts of Pacific University and Chemeketa Community College to offer ongoing education and training to the local workforce. The Willamette Workforce Partnership offers workforce training programs and employer matching in the mid-Willamette Valley area.

Local and regional employers are also key partners in promoting and growing their industries. Woodburn works with these and other regional partners to provide the infrastructure and services needed to retain and attract businesses to the city.

Economic Development Tools: Woodburn features an Enterprise Zone and Opportunity Zones which allow for tax abatements to incentivize new business development across the city. Woodburn also maintains an Urban Renewal area that covers the downtown area, the Highway 99 corridor, and the commercial area on the east side of the freeway, among other corridors. The urban renewal agency can offer incentives for development, secure key economic development sites, among other projects.

IV. INDUSTRY DIFFERENTIATION ANALYSIS

This element of the Economic Opportunities Analysis utilizes analytical tools to assess the economic landscape in Marion County and the City of Woodburn. The objective of this process is to identify a range of industry types that can be considered targeted economic opportunities over the planning period.

A range of analytical tools to assess the local and regional economic landscape are used to determine the industry typologies the county and individual cities should consider targeting over the planning period. Where possible, we look to identify the sectors that are likely to drive growth in current and subsequent cycles.



ECONOMIC SPECIALIZATION (MARION COUNTY)

The most common analytical tool to evaluate economic specialization is location quotient analysis. This metric compares the concentration of employment in an industry at the local level to a larger geography. All industry categories are assumed to have a quotient of 1.0 on the national level, and a locality’s quotient indicates if the local share of employment in each industry is greater or less than the share seen nationwide. For instance, a quotient of 2.0 indicates that locally, that industry represents twice the share of total employment as seen nationwide. A quotient of 0.5 indicates that the local industry has half the expected employment.

A location quotient analysis was completed for Marion County, which evaluated the distribution of local employment relative to national averages, as well as average annual wage levels by industry (Figure 4.01). The industries that are well-represented countywide are good candidates for growth in localities such as Woodburn. The City has the ability to tap into regional advantages to grow locally.

FIGURE 4.01: INDUSTRY SECTOR SPECIALIZATION BY MAJOR INDUSTRY, MARION COUNTY, 2021

Industry	Annual Establishments	Average Employment	Total Annual Wages	Average Annual Wages	Employment LQ
10 Total, all industries	11,557	121,585	\$6,105,541,487	\$50,216	0.91
102 Service-providing	9,132	90,738	\$4,461,154,907	\$49,165	0.82
101 Goods-producing	2,425	30,847	\$1,644,386,580	\$53,308	1.32
1011 Natural resources and mining	534	9,862	\$405,700,188	\$41,136	5.13
1012 Construction	1,477	11,099	\$720,762,208	\$64,941	1.37
1013 Manufacturing	414	9,886	\$517,924,184	\$52,391	0.74
1021 Trade, transportation, and utilities	1,741	27,484	\$1,263,760,738	\$45,982	0.91
1022 Information	175	1,319	\$106,478,987	\$80,712	0.43
1023 Financial activities	938	5,298	\$347,957,298	\$65,673	0.58
1024 Professional and business services	1,670	14,020	\$791,232,220	\$56,435	0.6
1025 Education and health services	2,331	25,891	\$1,502,268,872	\$58,022	1.05
1026 Leisure and hospitality	903	11,799	\$267,637,960	\$22,684	0.77
1027 Other services	973	4,749	\$173,169,193	\$36,464	1.05
1029 Unclassified	401	177	\$8,649,639	\$48,799	0.84
Total	34,671	364,754	\$18,316,624,461	\$50,216	

SOURCE: U.S. Bureau of Labor Statistics

Among major industries, the natural resources and mining industry was the most strongly represented, with construction being the next. Information and financial activities were the most under-represented major industries. The information sector provided the highest average wages among these industries, while the leisure and hospitality industry (tourism) has the lowest average wages.

A more detailed industry analysis shows that the industries with the highest LQ in the county are fruit & vegetable preserving and manufacturing, support activities for agriculture & forestry, and crop production. Despite being the most over-represented industries relative to national averages, they still employ far fewer people than health care & social assistance, retail trade, or state government. The most under-represented industries are utilities, information, federal government, and professional & technical services.

FIGURE 4.02: INDUSTRY SECTOR SPECIALIZATION BY DETAILED INDUSTRY, MARION COUNTY, 2021

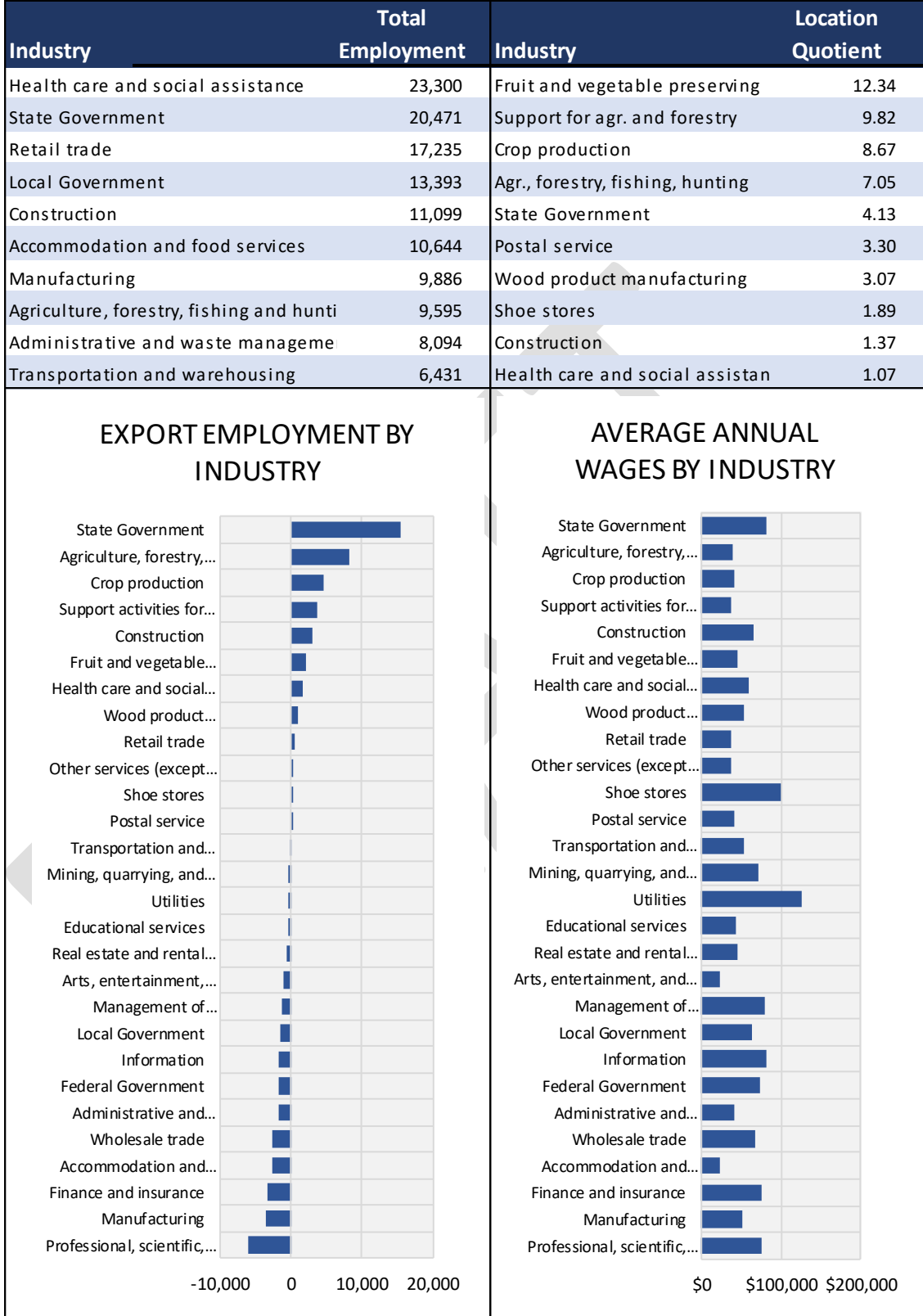
Industry	Annual Establishments	Average Employment	Total Annual Wages	Average Annual Wages	Employment LQ
NAICS 11 Agriculture, forestry, fishing and hunting	523	9,595	\$386,399,348	\$40,270	7.05
NAICS 115 Support activities for agriculture and forestry	152	4,058	\$153,048,602	\$37,713	9.82
NAICS 111 Crop production	317	5,161	\$215,609,008	\$41,778	8.67
NAICS 21 Mining, quarrying, and oil and gas extraction	11	267	\$19,300,840	\$72,265	0.48
NAICS 22 Utilities	9	209	\$26,212,327	\$125,268	0.35
NAICS 23 Construction	1477	11,099	\$720,762,208	\$64,941	1.37
NAICS 31-33 Manufacturing	414	9,886	\$517,924,184	\$52,391	0.74
NAICS 321 Wood product manufacturing	29	1,370	\$73,068,886	\$53,345	3.07
NAICS 3114 Fruit and vegetable preserving and specialty food manufacturing	23	2,354	\$105,287,630	\$44,722	12.34
NAICS 42 Wholesale trade	441	3,608	\$241,027,679	\$66,801	0.58
NAICS 44-45 Retail trade	1,066	17,235	\$656,682,257	\$38,101	1.03
NAICS17 4482 Shoe stores	24	341	\$34,310,689	\$100,520	1.89
NAICS 48-49 Transportation and warehousing	226	6,431	\$339,838,475	\$52,844	0.99
NAICS 491 Postal service	4	27	\$1,120,717	\$40,877	3.30
NAICS 51 Information	175	1,319	\$106,478,987	\$80,712	0.43
NAICS 52 Finance and insurance	481	3,411	\$260,397,011	\$76,339	0.51
NAICS 53 Real estate and rental and leasing	456	1,887	\$87,560,287	\$46,396	0.78
NAICS 54 Professional, scientific, and technical services	937	4,770	\$359,650,100	\$75,396	0.44
NAICS 55 Management of companies and enterprises	84	1,156	\$91,852,592	\$79,463	0.45
NAICS 56 Administrative and support and waste management and remediation services	649	8,094	\$339,729,528	\$41,972	0.82
NAICS 61 Educational services	135	2,592	\$113,274,384	\$43,709	0.84
NAICS 62 Health care and social assistance	2197	23,300	\$1,388,994,488	\$59,614	1.07
NAICS 71 Arts, entertainment, and recreation	126	1,155	\$27,785,440	\$24,064	0.54
NAICS 72 Accommodation and food services	777	10,644	\$239,852,520	\$22,534	0.80
NAICS 81 Other services (except public administration)	973	4,749	\$173,169,193	\$36,464	1.05
Federal Government	51	1,374	\$100,599,789	\$73,212	0.44
State Government	169	20,471	\$1,666,372,369	\$81,404	4.13
Local Government	326	13,393	\$852,622,300	\$63,661	0.90
Total	12,252	169,956	\$9,298,931,838	\$54,714	

SOURCE: U.S. Bureau of Labor Statistics

The level of indicated export employment is estimated by sector by combining the location quotients and overall employment levels. Export industries are important in that they grow the overall size of the local economy by bringing in dollars from outside the community, rather than recirculating internal spending. The industries with the highest level of export employment are wood product manufacturing, retail trade, and agriculture and forestry.

The industries with the highest total employment in Marion County are state government, agriculture; forestry; fishing; and hunting, crop production, support activities for agriculture & forestry, and construction.

FIGURE 4.03: TOP TEN INDUSTRIES IN TERMS OF TOTAL AND EXPORT EMPLOYMENT, MARION COUNTY (2021)



SOURCE: U.S. Bureau of Labor Statistics

ECONOMIC SPECIALIZATION (CITY OF WOODBURN)

The same analysis for the City of Woodburn reveals high levels of employment concentration in industries such as agriculture, educational services, delivery and warehousing, wood and food product manufacturing, and retail.

FIGURE 4.04: INDUSTRY SECTOR SPECIALIZATION BY DETAILED INDUSTRY, CITY OF WOODBURN, 2021

Industry	Annual Establishments	Average Employment	Total Annual Wages	Average Annual Wages	Employment LQ
Agriculture, forestry, fishing, and hunting	16	595	\$11,773,508	\$19,787	6.61
Mining	2	25	\$1,967,323	\$78,693	0.68
Construction	120	685	\$43,333,614	\$63,261	1.28
Food Manufacturing	7	275	\$11,849,012	\$43,087	1.70
Wood Manufacturing	11	572	\$35,476,128	\$62,021	2.46
Metals Manufacturing	10	178	\$11,819,452	\$66,401	0.36
Utilities	2	58	\$5,155,964	\$88,896	1.48
Wholesale trade	31	826	\$56,117,302	\$67,939	2.01
Retail trade	157	2,295	\$90,847,361	\$39,585	2.07
Transportation	13	157	\$10,573,002	\$67,344	0.68
Delivery and warehousing	4	591	\$36,914,180	\$62,461	2.94
Information	6	133	\$9,458,990	\$71,120	0.65
Finance and Insurance	31	116	\$5,780,955	\$49,836	0.26
Real Estate and Rental	28	73	\$2,658,234	\$36,414	0.46
Professional, Scientific, and Technical Svcs	30	97	\$4,219,592	\$43,501	0.14
Management of Companies and Enterprises	3	56	\$6,909,500	\$123,384	0.33
Administrative and Waste Management	35	230	\$8,697,493	\$37,815	0.35
Educational services	17	722	\$43,323,323	\$60,005	3.54
Health care and social assistance	154	1,280	\$56,570,018	\$44,195	0.89
Arts, Entertainment, and Recreation	6	66	\$2,072,958	\$31,408	0.46
Accommodation and Food Services	65	916	\$19,974,752	\$21,806	1.04
Other services	60	238	\$8,216,912	\$34,525	0.79
Government	8	180	\$13,547,362	\$75,263	0.12
Total	816	10,364	\$497,256,935	\$47,979	

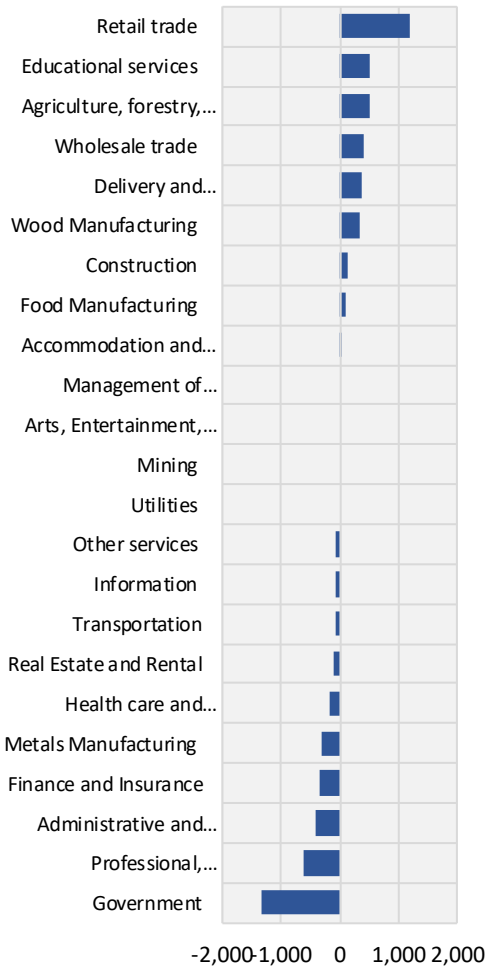
SOURCE: Oregon Employment Department

The top sectors in terms of overall employment were retail trade, health care & social assistance, manufacturing, and accommodation & food services. There were ten industries with positive export employment, the largest being retail trade, educational services, and agriculture, forestry, fishing, and hunting. The large concentration of retail trade employment is located around the Woodburn Premium Outlets that employ roughly 950 people across 111 stores.

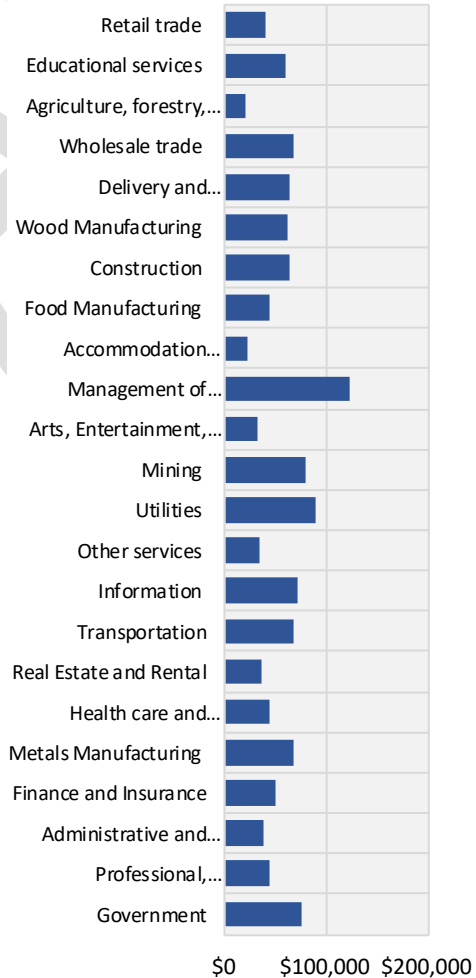
FIGURE 4.05: TOP TEN INDUSTRIES IN TERMS OF TOTAL AND EXPORT EMPLOYMENT, CITY OF WOODBURN (2021)

Industry	Total Employment	Industry	Location Quotient
Retail trade	2295	Agr., forestry, fishing, hunting	6.61
Health care and social assistance	1280	Educational services	3.54
Accommodation and Food Service	916	Delivery and warehousing	2.94
Wholesale trade	826	Wood Manufacturing	2.46
Educational services	722	Retail trade	2.07
Construction	685	Wholesale trade	2.01
Agr., forestry, fishing, hunting	595	Food Manufacturing	1.70
Delivery and warehousing	591	Utilities	1.48
Wood Manufacturing	572	Construction	1.28
Food Manufacturing	275	Accommodation and Food Service	1.04

EXPORT EMPLOYMENT BY INDUSTRY



AVERAGE ANNUAL WAGES BY INDUSTRY



SOURCE: Oregon Employment Department and Bureau of Labor Statistics

ECONOMIC DRIVERS

The identification of the economic drivers of a local or regional economy is critical in informing the character and nature of future employment, and by extension land demand over a planning cycle. To this end, we employ a shift-share analysis of the local economy emerging out of the latter half of the recent expansion cycle².

A shift-share analysis is an analytical procedure that measures the local effect of economic performance within a particular industry or occupation. The process considers local economic performance in the context of national economic trends—indicating the extent to which local growth can be attributed to unique regional competitiveness or simply growth in line with broader trends. For example, consider that Widget Manufacturing is growing at a 1.5% rate locally, about the same rate as the local economy. On the surface we would consider the Widget Manufacturing industry to be healthy and contributing soundly to local economic expansion. However, consider also that Widget Manufacturing is booming across the country, growing at a robust 4% annually. In this context, local widget manufacturers are struggling, and some local or regional conditions are stifling economic opportunities.

We can generally classify industries, groups of industries, or clusters into four groups:

Growing, Outperforming: Industries that are growing locally at a rate faster than the national average. These industries have characteristics locally leading them to be particularly competitive.

Growing, Underperforming: Industries that are growing locally but slower than the national average. These industries generally have a sound foundation, but some local factors are limiting growth.

Contracting, Outperforming: Industries that are declining locally but slower than the national average. These industries have structural issues that are impacting growth industry wide. However, local firms are leveraging some local or regional factor that is making them more competitive than other firms on average.

Contracting, Underperforming: Industries that are declining locally at a rate faster than the national average. These industries have structural issues that are impacting growth industry wide. However, some local or regional factors are making it increasingly tough on local firms.

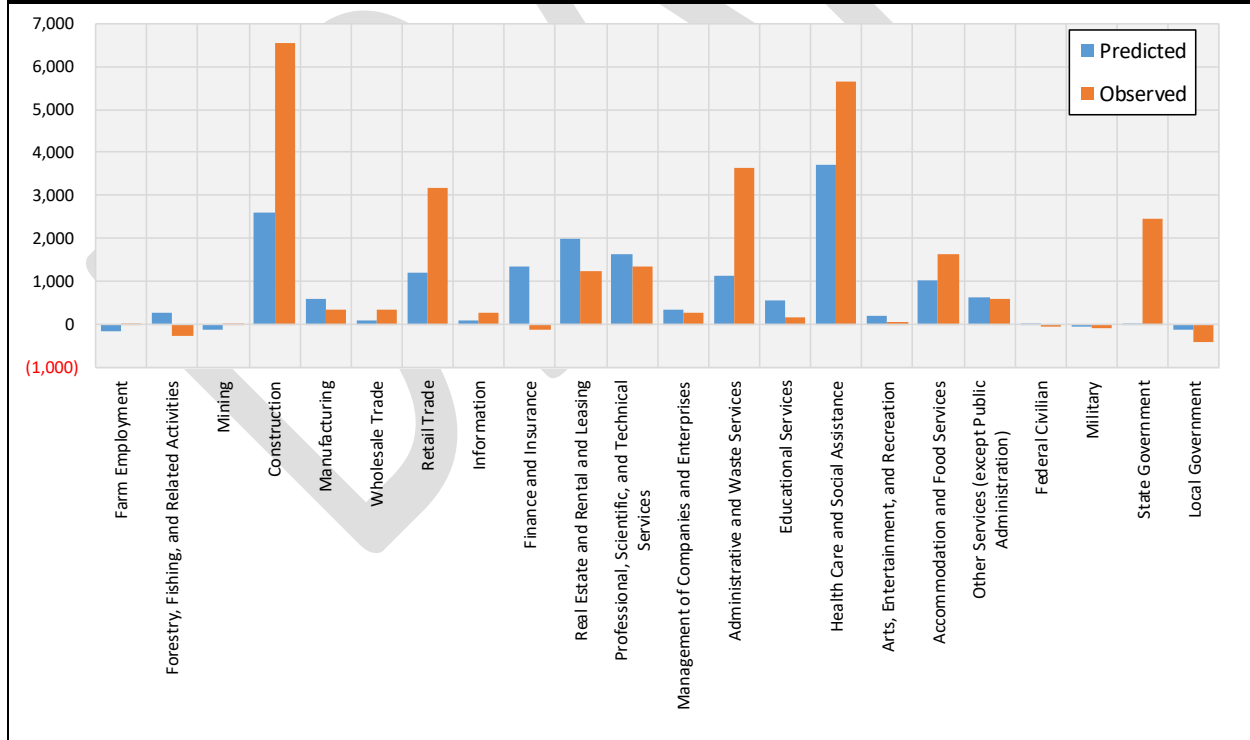
The average annual growth rate by industry from 2011 to 2021 in Marion County was compared to the national rate. The observed local change was compared to a standardized level reflecting what would be expected if the local industry grew at a rate consistent with national rates for that industry.

As shown in Figure 4.06, most county industries grew at a slower rate than the rest of the country. Sectors that did experience a notable positive regional shift in employment during this period were construction, administrative & waste services, retail trade, health care & social assistance, and state government. The sectors that outperformed expectations the most were construction, administrative & waste services, and state government. Sectors with the greatest negative regional shift in employment were finance & insurance, real estate, and rental and leasing, and educational services.

² Measured from 2011 through 2021

FIGURE 4.06: INDUSTRY SECTOR SHIFT SHARE ANALYSIS, MARION COUNTY (2011 – 2021)

Industry	Average Employment		Net Change		Standardized Level - 2021*	Regional Shift
	2011	2021	Total	AAGR		
Farm Employment	8,011	8,025	14	0.0%	7,856	169
Forestry, Fishing, and Related Activities	3,217	2,943	(274)	-0.9%	3,484	(541)
Mining	446	447	1	0.0%	331	116
Construction	7,765	14,295	6,530	6.3%	10,365	3,930
Manufacturing	10,468	10,818	350	0.3%	11,064	(246)
Wholesale Trade	3,967	4,310	343	0.8%	4,067	243
Retail Trade	18,234	21,398	3,164	1.6%	19,448	1,950
Information	1,534	1,795	261	1.6%	1,622	173
Finance and Insurance	6,729	6,591	(138)	-0.2%	8,092	(1,501)
Real Estate and Rental and Leasing	7,283	8,541	1,258	1.6%	9,279	(738)
Professional, Scientific, and Technical Services	6,910	8,250	1,340	1.8%	8,557	(307)
Management of Companies and Enterprises	1,037	1,306	269	2.3%	1,373	(67)
Administrative and Waste Services	7,288	10,940	3,652	4.1%	8,428	2,512
Educational Services	4,091	4,259	168	0.4%	4,642	(383)
Health Care and Social Assistance	20,656	26,318	5,662	2.5%	24,355	1,963
Arts, Entertainment, and Recreation	2,738	2,782	44	0.2%	2,941	(159)
Accommodation and Food Services	10,172	11,790	1,618	1.5%	11,183	607
Other Services (except Public Administration)	8,229	8,808	579	0.7%	8,855	(47)
Federal Civilian	1,413	1,390	(23)	-0.2%	1,423	(33)
Military	889	788	(101)	-1.2%	824	(36)
State Government	18,375	20,850	2,475	1.3%	18,413	2,437
Local Government	14,067	13,652	(415)	-0.3%	13,945	(293)
TOTAL	163,519	190,296	26,777	1.5%	180,547	9,749



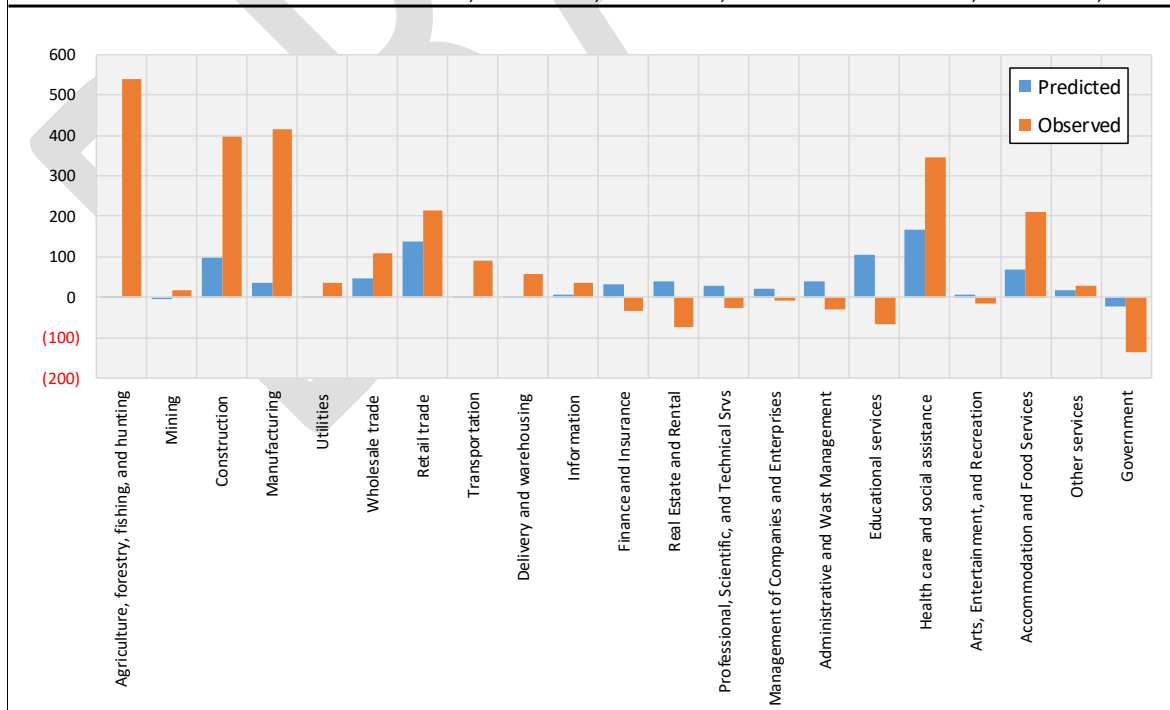
* Employment level in each industry had it grown at the same rate as its counterparts at the national level over the same period.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis

When the same analysis is done for the city of Woodburn, the city’s growth outperformed the rest of the country in additional industries. The best performing sectors on this measure in the local economy were agriculture and forestry, manufacturing, construction, and health care & social services. These sectors grew faster than expected based on the national pace.

FIGURE 4.07: INDUSTRY SECTOR SHIFT SHARE ANALYSIS, CITY OF WOODBURN (2011 – 2021)

Industry	Average Employment		Net Change		Standardized Level - 2021*	Regional Shift
	2011	2021	Total	AAGR		
Agriculture, forestry, fishing, and hunting	56	595	539	26.7%	57	538
Mining	9	25	16	0.0%	7	18
Construction	289	685	396	9.0%	386	299
Manufacturing	611	1,025	414	5.3%	646	379
Utilities	24	58	34	0.0%	25	33
Wholesale trade	716	826	110	1.4%	764	62
Retail trade	2,079	2,295	216	1.0%	2,217	78
Transportation	66	157	91	9.1%	67	90
Delivery and warehousing	533	591	58	1.0%	537	54
Information	99	133	34	3.0%	105	28
Finance and Insurance	149	116	(33)	-2.5%	179	(63)
Real Estate and Rental	146	73	(73)	-6.7%	186	(113)
Professional, Scientific, and Technical Svcs	125	97	(28)	-2.5%	155	(58)
Management of Companies and Enterprises	63	56	(7)	0.0%	83	(27)
Administrative and Waste Management	260	230	(30)	-1.2%	301	(71)
Educational services	788	722	(66)	-0.9%	894	(172)
Health care and social assistance	934	1,280	346	3.2%	1,101	179
Arts, Entertainment, and Recreation	80	66	(14)	-1.9%	86	(20)
Accommodation and Food Services	704	916	212	2.7%	774	142
Other services	209	238	29	1.3%	225	13
Government	317	180	(137)	-5.5%	294	(114)
TOTAL	8,257	10,364	2,107	2.3%	9,087	1,277



* Employment level in each industry had it grown at the same rate as its counterparts at the national level over the same period.

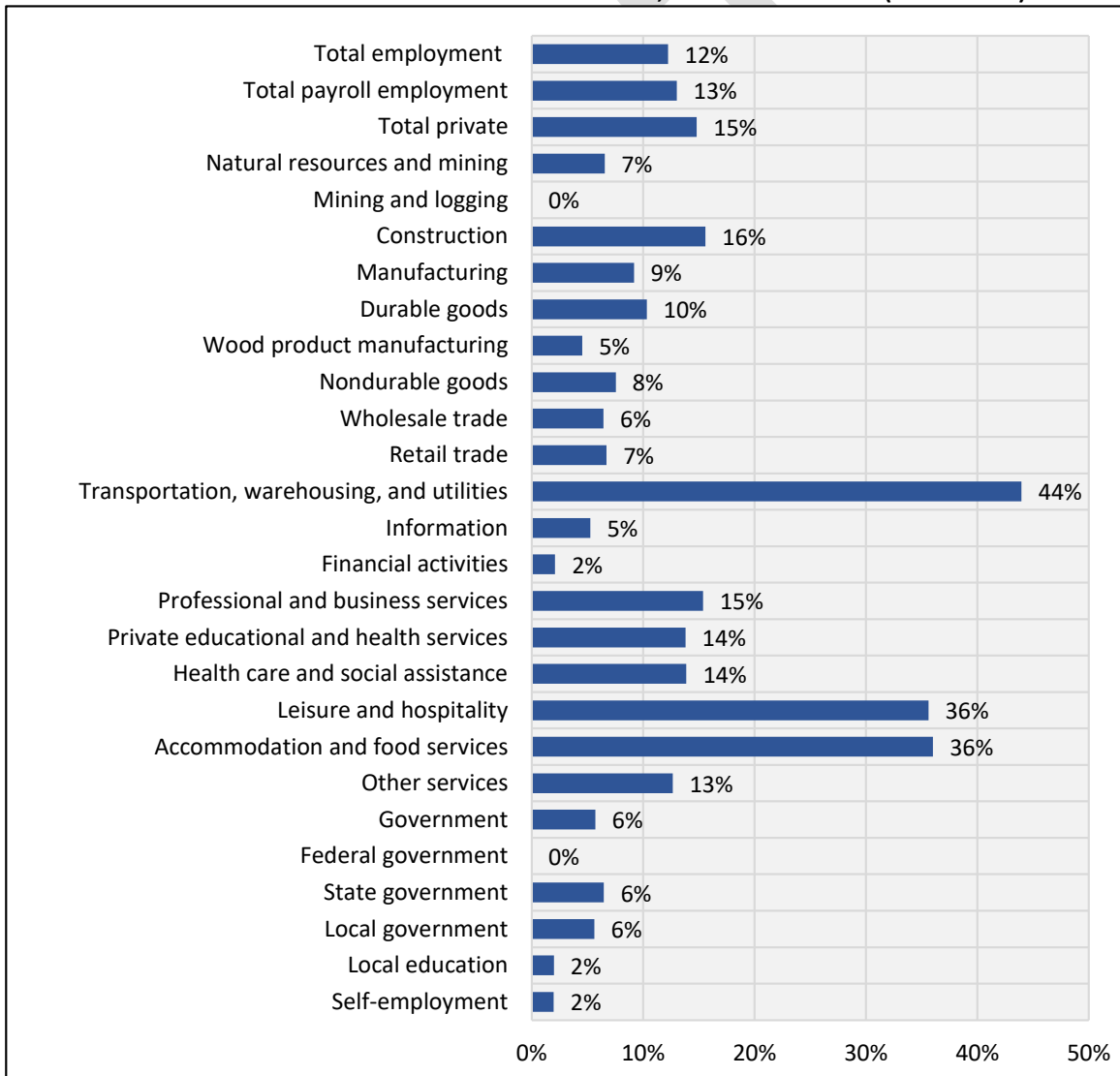
SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis

PROJECTED EMPLOYMENT GROWTH (OED)

The State of Oregon produces employment forecasts by sector at the broader regional level, which groups Linn, Marion, Polk, and Yamhill Counties together into one Mid-Willamette Valley region. The most recent forecast anticipates a gain of 35,000 jobs from 2021 through 2031, reflecting an average annual growth rate of about 1.2% during the period. This area has historically seen strong growth, and recovery from the COVID pandemic has been promising.

In this region, the industries with the fastest growth rates are projected to be transportation, warehousing, & utilities (T.W.U) followed by accommodation & food services, and leisure & hospitality. Furthermore, none of the industries are projected to experience negative growth in the coming years. The projected large increase in the T.W.U industry is in part due to the large Amazon distribution facility currently under construction in Woodburn.

FIGURE 4.08: PROJECTED EMPLOYMENT GROWTH BY SECTOR, MID-VALLEY COUNTIES (2021 – 2031)



SOURCE: Oregon Employment Department, Workforce and Economic Research Division

V. WOODBURN TARGET INDUSTRIES ANALYSIS

The preceding analysis provides a basis for narrowing of target industries for the City of Woodburn. These indicators point to sectors of past and potential growth, as well as locally expressed economic development vision for the community. The following is a summary of targeted sectors and indicators for Woodburn, and the broader mid-Willamette Valley region.

Woodburn Targets and Indicators

<p>CITY OF WOODBURN Target Industry Analysis (2016)</p> <ul style="list-style-type: none"> Manufacturing <ul style="list-style-type: none"> Machinery and Production Equipment Plastics Manufacturing Metal Products Food Products Apparel Auto Transport Equipment Warehousing and Distribution Information Technology 	<p>CITY OF WOODBURN Current Largest Employers</p> <ul style="list-style-type: none"> Retail Trade Health Care Agriculture Tourism Manufacturing Transportation and Distribution Construction Wholesale Educational Services
<p>STRONG LOCATION QUOTIENT</p> <ul style="list-style-type: none"> Agriculture and Forestry Educational Services Wood Products Food Products Retail Trade Wholesale Trade Construction 	<p>STRONG SHIFT SHARE INDICATOR</p> <ul style="list-style-type: none"> Agriculture and Forestry Manufacturing Construction Health Care and Social Services Accommodation and Food Service
<p><u>Regional and Statewide Targets</u></p>	
<p>BUSINESS OREGON - Statewide Targets</p> <ul style="list-style-type: none"> Outdoor Gear and Apparel Forestry & Wood Products Advanced Manufacturing Business Services Food & Beverage Bioscience Metals & Machinery High Technology 	<p>MWV COMMUNITY DEV. PARTNERSHIP Sectors with Comparative Advantage</p> <ul style="list-style-type: none"> Advanced Manufacturing Agricultural and Food Processing Wood Products and Forestry Transportation and Distribution Government (Salem-focused)
<p>SEDCOR - Areas of Focus</p> <ul style="list-style-type: none"> NW Agriculture Innovation Hub STEM Workforce in Ag and Food Ind. Regional Recruitment 	<p>WILLAMETTE WORKFORCE PARTNERSHIP Workforce Investment Focus Areas</p> <ul style="list-style-type: none"> Transport, Warehousing, Distribution Manufacturing Health Care Construction

These broader analyses arrived at similar conclusions of the advantageous industries for Woodburn and the Marion County region in general, including wood product, food product and other manufacturing, transportation and distribution, agriculture, and support industries including health care, education, and construction.

CITY OF WOODBURN TARGET INDUSTRIES

The preceding analysis of industry strengths and regional priorities provided a foundation for the discussion of local target industries for the City of Woodburn. Through the EOA planning process, the advisory committee of local stakeholders reviewed the economic goals, priorities, and target industries from the prior adopted plans, and agreed upon the following list of priority sectors to help meet the community’s economic development goals.

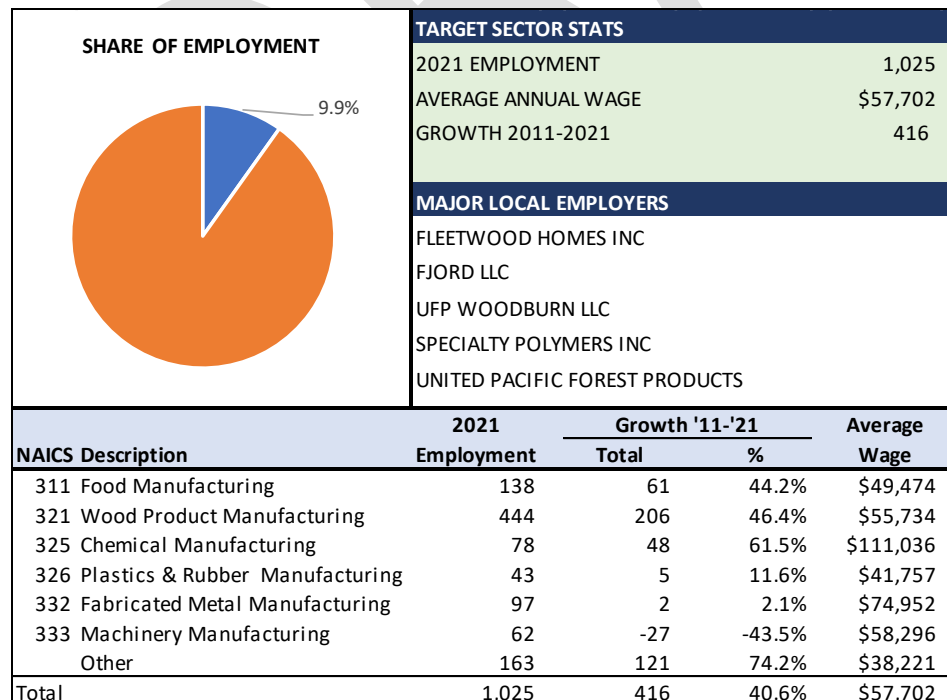
The selected industries reflect the community’s historical strengths and advantages, regional trends, and local goals and objectives. These are discussed in more detail in the following pages:

- Manufacturing
- Health Care and Social Assistance
- Tourism (Accommodation and Dining)
- Education
- Transportation, Warehousing, Utilities
- Construction
- Agricultural Support Businesses

Note: The following discussion of target sectors relies on the most recent QCEW data from the Oregon Employment Department, dating to 2021. Total employment figures are updated to an estimate for 2023 in the following section of this report.

A. MANUFACTURING

Manufacturing has been a long-standing target sector for the City of Woodburn, and the sector is well represented among current businesses. Local employers manufacture products from wood, metals, plastics and food inputs, at all levels of complexity from basic supply inputs to other industries, to manufactured housing. Targets are high-technology manufacturing, including in support of the region’s semiconductor and data center clusters, machinery and automation tech for other industries, and transportation equipment manufacturing, including emergin electric vehicle tech and infrastructure.



This sector has good location quotient and shift share indicators in Woodburn. Manufacturing provides good average incomes and skill building opportunities to blue-collar workers. The covered employment level in this sector was 1,025 in 2021, representing roughly 10% of the local employment base. Employment levels in the sector increased by 40% from 2011 through 2021. The average annual wage was approximately \$57,700 per year in 2021.

Cluster Strengths

- Good foundation of existing manufacturing businesses and recent growth.
- Diversified inputs and product types.
- Experienced manufacturing work force, and training opportunities.
- Solid wages in many manufacturing subsectors.

Cluster Challenges

- Scaling up the skilled workforce quickly.
- Increasing shortage of appropriate industrial land.

While manufacturing has experienced secular decline nationwide over many decades, there are still many opportunities for producers that benefit from proximity to inputs and the intended market, advanced production techniques and skills. Woodburn has demonstrated the ability to foster and grow this sector.



B. TRANSPORTATION, WAREHOUSING, & UTILITIES

Increasingly, Woodburn will be a major location of warehousing and distribution employment in the region. With the imminent completion of the Amazon distribution facility, along with other planned distribution developments, this sector is poised to become one of the largest employers, if not the largest, in Woodburn in the very near future. The benefits of Woodburn for the distribution industry are clear, given industrial lands available near a freeway interchange, and between the Portland and Salem markets. Other opportunities include additional “last mile” distribution facilities, which are smaller in scale.

Other targets in this broad sector are new utility infrastructure, including build out of power and water capacity to serve new industry. Support for trucking terminals and charging stations will be increasingly important as the shipping industry shifts to electric vehicles. Data centers and related telecom infrastructure have been one of the fastest growing needs nationwide to support online activity, and this growth is expected to be sustained into the foreseeable future. Innovation in the data center industry allows for the use of smaller sites and facilities in more locations.

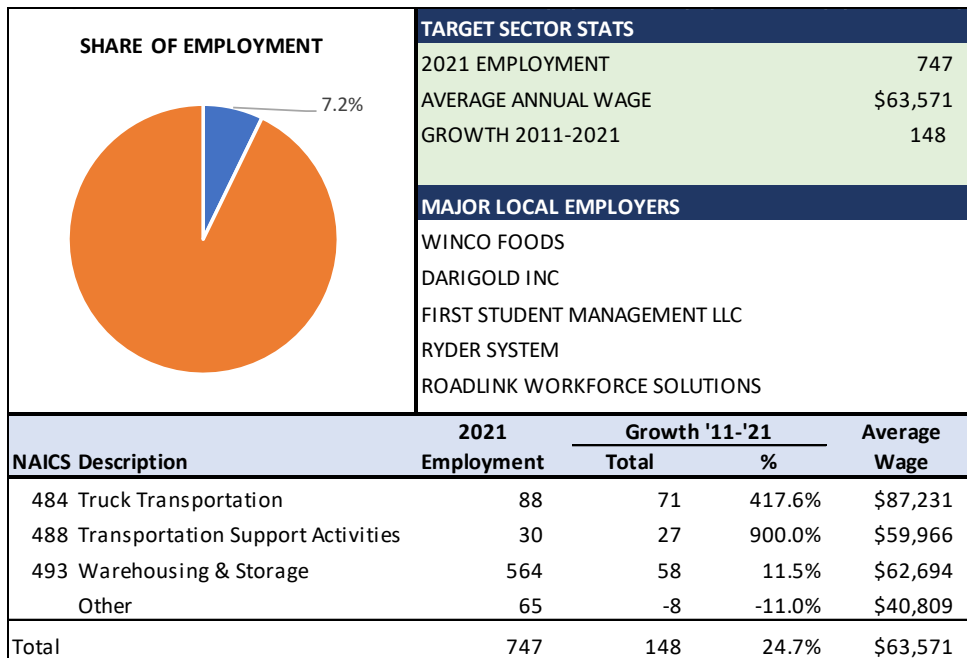


Cluster Strengths

- Freeway and rail access and exposure.
- Central location to Oregon’s largest population centers and markets.
- Large new employers in this sector will bolster the cluster.

Cluster Challenges

- Finding sufficient workforce regionally, given the size of the new facility.
- May face temporary shortage of affordable workforce housing.
- Eventual potential to overburden freeway interchange capacity.



The overall employment level in this sector was 750 in 2021, representing roughly 7% of the local employment base, but this is set to increase substantially in the next year. The average annual wage was approximately \$63,500 per year in 2021. Employment levels in the sector increased by 25% from 2011 through 2021.

This sector will have a major impact on the local economy and is likely to grow. Additional businesses in this sector are likely to be smaller in size, with many supporting “last mile” logistics.

C. HEALTH CARE AND SOCIAL SERVICES

Like most communities, Woodburn will increasingly face growing health care needs from a growing and aging population. The health care needs of the Baby Boom generation, the oldest of which are approaching 80 years old and the youngest approaching 60, are expected to increase the need for health care facilities and workforce over the next 20 years.

The community has expressed an economic development goal of attracting a medical center or hospital to Woodburn to meet local needs as the city continues to grow quickly. Currently, residents must travel to the Salem area to access more advanced health care and specialists.

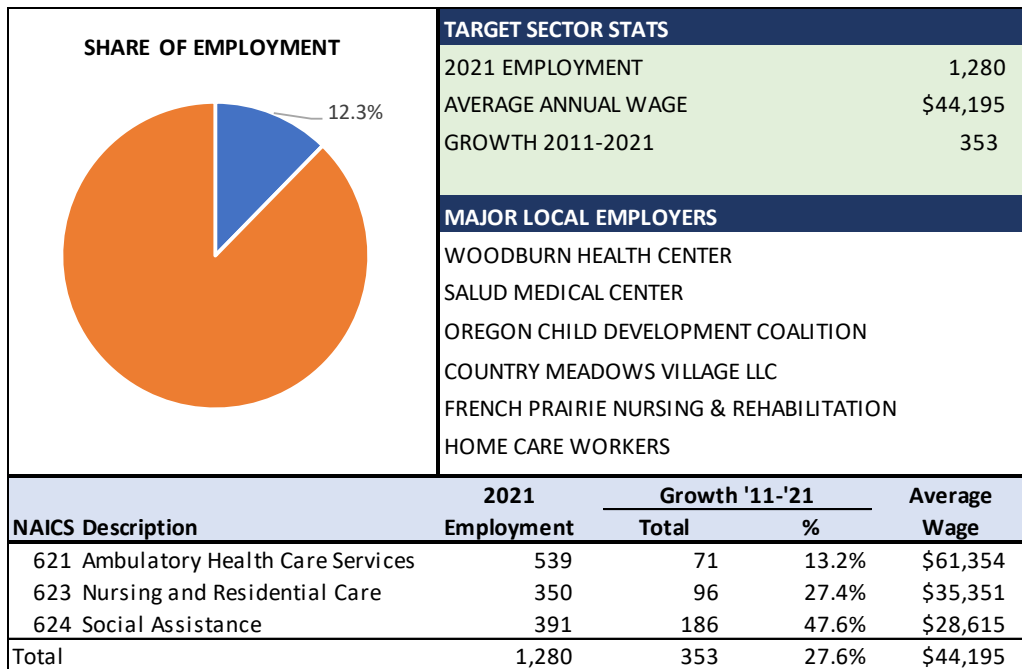
The overall employment level in this sector was 1,280 in 2021, representing roughly 12% of the local employment base. The average annual wage was approximately \$44,200 per year in 2021, with a significant range between wages for social workers and health care workers. Employment levels in the sector increased by 28% from 2011 to 2021.

Cluster Strengths

- Growing and aging population base.
- Low local competition for many specialties and more advanced healthcare.
- Ability to serve larger market of north Marion County and rural Clackamas County.

Cluster Challenges

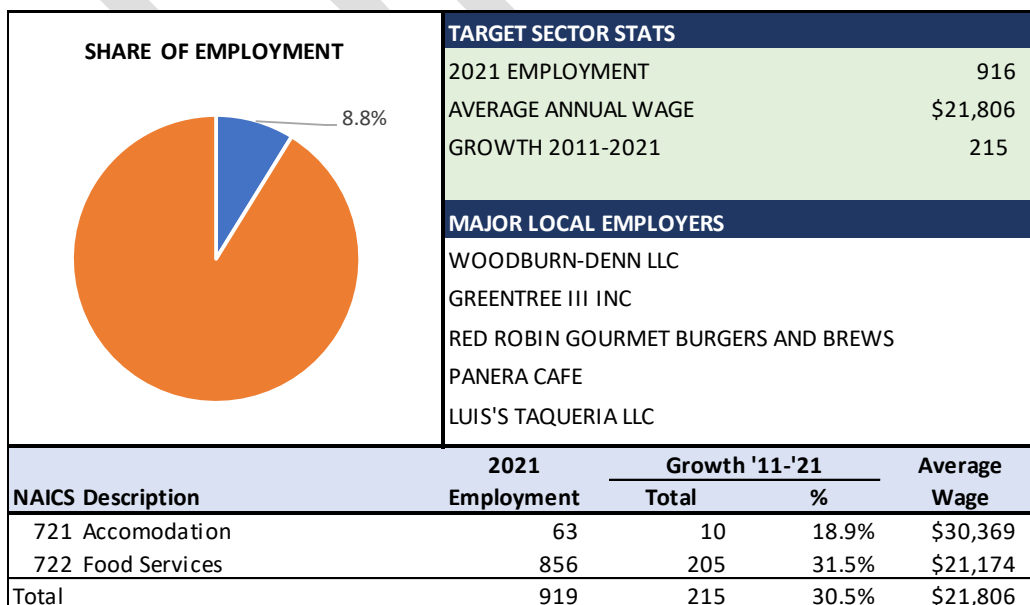
- Attracting a major medical group.
- Potential competition with Keizer/Salem market.



D. ACCOMMODATION & FOOD SERVICES

Woodburn features a strong accommodation and food services sector that can continue to grow. The dining sector benefits from the strong draw of the freeway-oriented commercial areas, as well as organic growth in residents and local businesses. The accommodation sector benefits from local tourism draws, as well as being a central freeway stop for travelers. As large new distribution and other industrial businesses locate in the area, the spending on dining can be expected to increase significantly, which will support business growth and new entrants.

The overall employment level in this sector was 916 in 2021, representing roughly 9% of the local employment base. The average annual wage was approximately \$21,800 per year in 2021, making it one of the lower-wage service industries. This reflects the fact that many of these jobs are part-time. Employment levels in the sector increased by 31% from 2011 through 2021.



Cluster Strengths

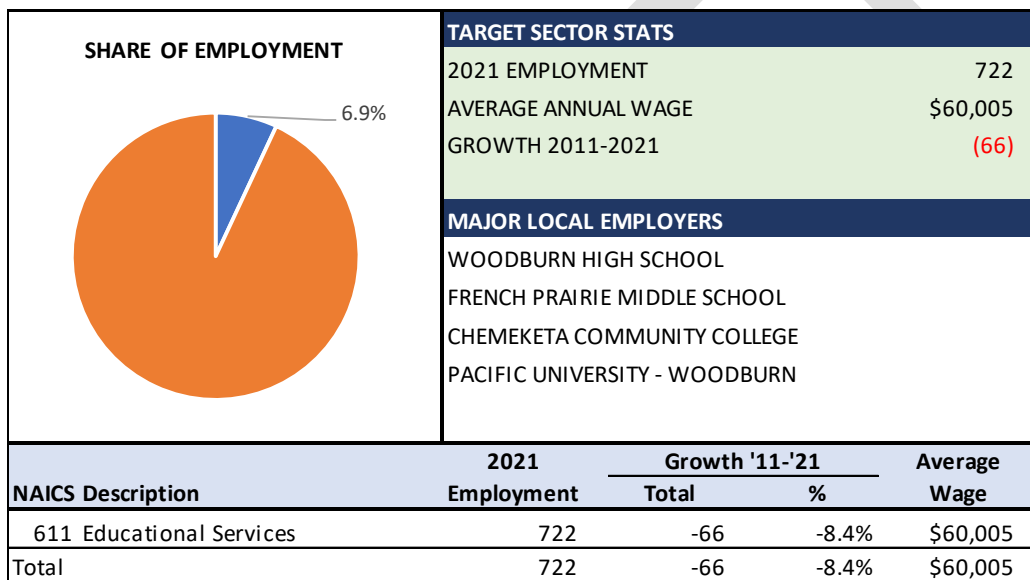
- Freeway access and exposure to travelers and visitors to local shopping and attractions.
- Expected growth in spending from new employment and households.
- Central location.

Cluster Challenges

- Few challenges.
- Diminishing buildable commercial sites near the freeway interchange.

E. EDUCATION

Most local education employment is in the public school system however the community has identified the potential to increase adult education and training opportunities for the local workforce. This might be pursued through partnerships with local resources like Chemeketa Community College, Pacific University, and the Willamette Workforce Partnership, or a new Regional Innovation Hub focused on thriving local sectors.



The overall employment level in this sector was 722 in 2021, representing roughly 7% of the local employment base. The average annual wage was approximately \$60,000. Employment levels in the sector fell by over 8% from 2011 through 2021.

Cluster Strengths

- Growing unmet market for local on-going education and workforce training
- Available public and private sector partnerships
- Potential additional capital investments in Woodburn by higher-education partners, including a planned bond measure for Chemeketa Community College.

Cluster Challenges

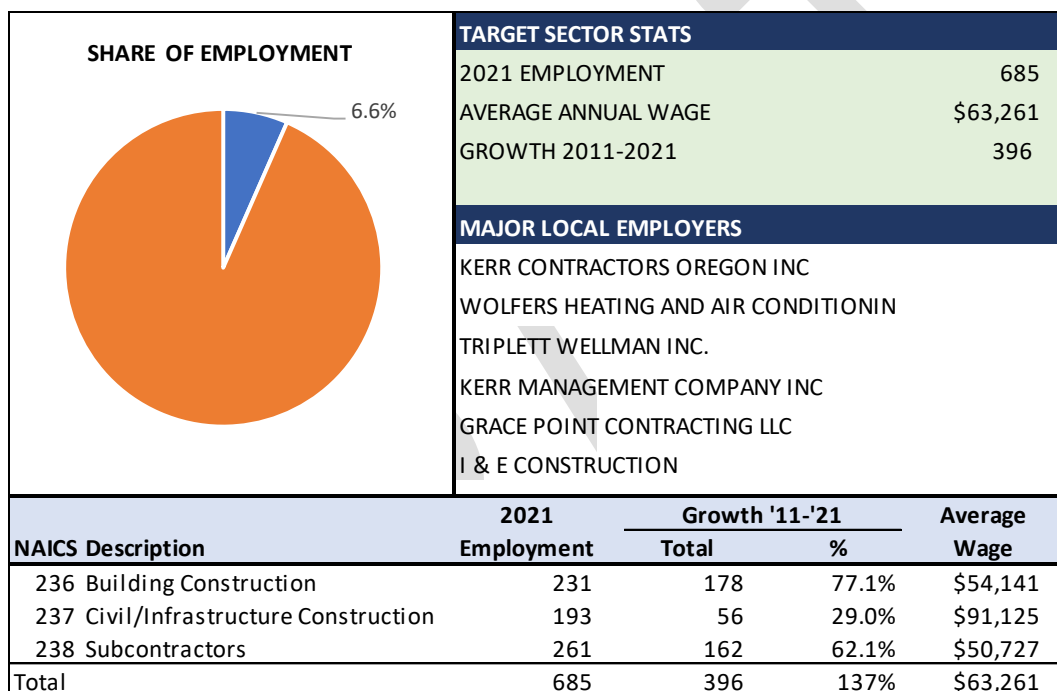
- Few challenges.

F. CONSTRUCTION

Construction is well-represented in Woodburn, with many large contracting companies located in the community. Construction firms offer generally well-paying blue-collar jobs with excellent on-the-job training and transferrable skills development. The sector has a strong location quotient and shift share indicators in Woodburn. Construction firms benefit from the same centralized location in the mid-Willamette Valley as many other sectors, with contractors able to access job sites across a large region with their equipment and workforce.



The overall employment level in this sector was 685 in 2021, representing roughly 7% of the local employment base. The average annual wage was approximately \$63,300 per year in 2021. Employment levels in the sector increased by 137% from 2011 to 2021.



Cluster Strengths

- Ongoing demand for construction firms in a growing city and region.
- Centralized location with access for equipment and workforce to regional market.
- Experienced construction work force, and training opportunities.
- Generally high blue-collar wages.

Cluster Challenges

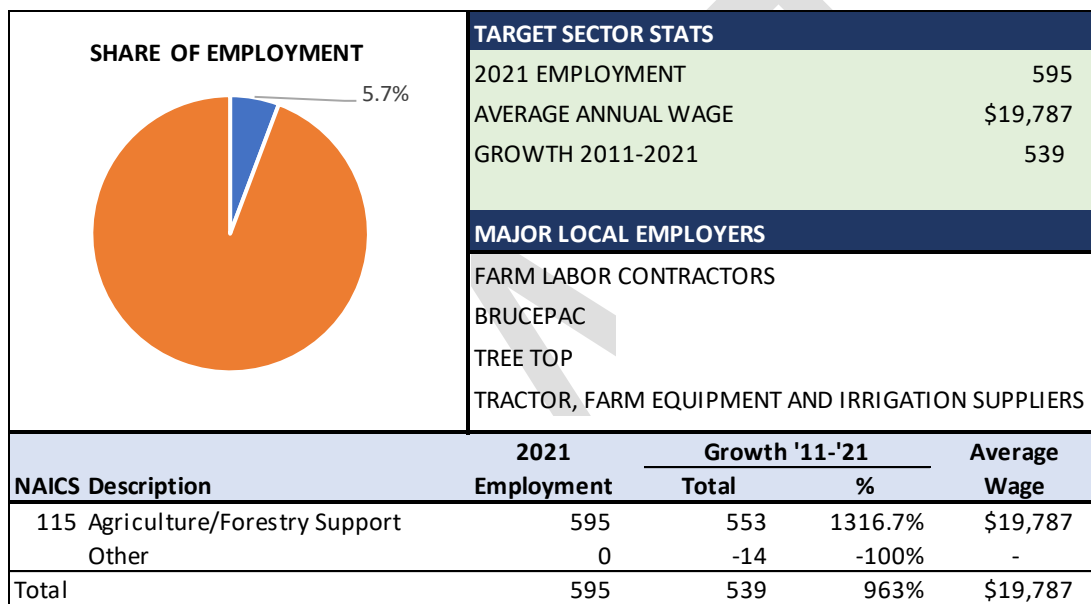
- Increasing shortage of appropriate industrial land.

Construction is generally a resilient sector in areas that continue to experience organic growth in population and jobs such as Oregon. Even as broader economic trends may depress some aspects of real estate development, other sectors are often healthy or growing, and specialties such as public infrastructure development are resistant to economic cycles. This sector is a good industry for a relatively young, diverse, and less educated workforce like Woodburn's.

G. AGRICULTURE/AGRICULTURAL SUPPORT BUSINESSES

This sector remains an important one in Woodburn, representing a good share of local employment and featuring a high location quotient and shift share rating. Many of these firms supply labor for rural operations, so the need for commercial or industrial real estate in the community is limited. However, given the size and strong performance of this sector it is included here as a continuing target industry. The thriving agricultural economy in the mid-Willamette Valley will ensure that businesses that support these operations will continue to be an opportunity.

The overall covered (i.e., QCEW) employment level in this sector was roughly 600 in 2021, representing roughly 6% of the local employment base. However, when non-covered employment is estimated, this sector is estimated to employ over 1,300 workers and represents 11% of local employment (see following section of this report for total employment estimates as of 2023). The average annual wage is low at approximately \$20,000 per year in 2021, but this remains an important sector for Woodburn’s highly diverse population.



Cluster Strengths

- Location among high value farmlands.
- Experienced labor force.
- Supports many other local industries, such as food product manufacturing.
- Though much of the employment activity takes place outside of the City, wages, and spending return to the community.

Cluster Challenges

- Low paying employment.

VI. FORECAST OF EMPLOYMENT AND LAND NEED

CITY OF WOODBURN EMPLOYMENT FORECAST

Goal 9 requires that jurisdictions plan for a 20-year supply of commercial and industrial capacity. Because employment capacity is the physical space necessary to accommodate new workers in the production of goods and services, employment need forecasts typically begin with a forecast of employment growth in the community. The previous analysis of economic trends and targeted industries set the context for these estimates. This analysis translates those trends into estimates of employment growth by broad industry. Forecasts are produced at the sector or subsector level (depending on available information), and subsequently aggregated into two-digit North American Industry Classification System (NAICS) sectors. Estimates in this analysis are intended for long-range land planning purposes and are not designed to predict or respond to business cycle fluctuation.

The projections in this analysis are built on an estimate of employment in 2023, the commencement year for the planning period. Employment growth will come as the result of net-expansion of existing businesses in the community, new business formation, or the relocation/recruitment of new firms. Forecast scenarios consider a range of factors influencing growth. Long-range forecasts typically rely on a macroeconomic context for growth. The forecast does not consider the impact of a significant exogenous shift in employment such as recruitment of an unforeseen major employer.

OVERVIEW OF EMPLOYMENT FORECAST METHODOLOGY

Our methodology starts with employment forecasts for major commercial and industrial sectors. Forecasted employment is allocated to building type, and a space demand is a function of the assumed square footage per employee ratio multiplied by projected change. The need for space is then converted into land and site needs based on assumed development densities using floor area ratios (FARs).

FIGURE 6.01: UPDATE TO 2020 BASELINE AND CONVERSION OF COVERED TO TOTAL EMPLOYMENT



The first analytical step of the analysis is to update covered employment to the 2023 base year. The Quarterly Census of Employment and Wages (QCEW) data was used to determine the City of Woodburn's covered employment by industry through 2021, the latest year available. To update these estimates, we use observed industry specific growth rates for Marion County between 2021 and 2023.

The second step in the analysis is to convert “covered”³ employment to “total” employment. Covered employment only accounts for a share of overall employment in the economy. Specifically, it does not consider sole proprietors or commissioned workers. Covered employment was converted to total employment based on observed ratios at the national level derived from the Bureau of Economic Analysis from 2014 through 2021. The differential is the most significant in administration services, professional & technical services, and other services. The adjusted 2023 total employment base for the city of Woodburn is 11,965 jobs.

FIGURE 6.02: UPDATE TO 2023 BASELINE AND CONVERSION OF COVERED TO TOTAL EMPLOYMENT, CITY OF WOODBURN (2021 – 2023)

Major Industry Sector	QCEW Employment			Total Emp. Conversion ²	2023 Estimate
	2021 Employment	'21-'23 County Δ ¹	2023 Estimate		
Agriculture, forestry, fishing, hunting	595	1.0%	601	44%	1,366
Construction	685	3.8%	711	81%	875
Manufacturing	1,025	1.0%	1,036	98%	1,059
Wholesale Trade	826	1.3%	837	98%	858
Retail Trade	2,295	2.4%	2,349	95%	2,469
T.W.U. ³	806	2.1%	823	91%	910
Information	133	4.3%	139	95%	147
Finance & Insurance	116	1.1%	117	91%	129
Real Estate	73	1.1%	74	91%	81
Professional & Technical Services	97	5.5%	102	91%	113
Administration Services	230	5.5%	243	91%	267
Education	722	1.8%	735	95%	771
Health Care/Social Assistance	1,280	1.8%	1,304	95%	1,366
Leisure & Hospitality	982	3.9%	1,020	95%	1,077
Other Services	238	4.7%	249	85%	294
Government	180	1.8%	183	100%	183
TOTAL	10,283	2.3%	10,524	88%	11,965

Source: Johnson Economics

- 1) Growth rate calculated using CES data for Marion & Polk County
- 2) Bureau of Economic Analysis (2021 National Averages)
- 3) T.W.U. = Transportation, Warehousing, and Utilities

SCENARIO 1: BASELINE “SAFE HARBOR” FORECAST

The Goal 9 statute does not have a required method for employment forecasting. However, OAR 660-024-0040(9)(a) outlines several safe harbor methods, which are intended to provide jurisdictions a methodological approach that will not be challenged. The recommended approach for the City of Woodburn is 660-024-0040(9)(a)(A), which allows reliance on the most recent regional forecast published by the Oregon Employment Department (see Figure 4.08).⁴ This method applies industry specific growth rates for the Mid-Valley Oregon Workforce Region (Linn, Marion, Polk, & Yamhill counties) to the City of Woodburn’s 2023 base employment. This method results in an average annual growth rate of 1.4%, with a total growth of 3,853 jobs over the forecast period.

³ The Department of Labor’s Quarterly Census of Employment and Wages (QCEW) tracks employment data through state employment departments. Employment in the QCEW survey is limited to firms with employees that are “covered” by unemployment insurance.

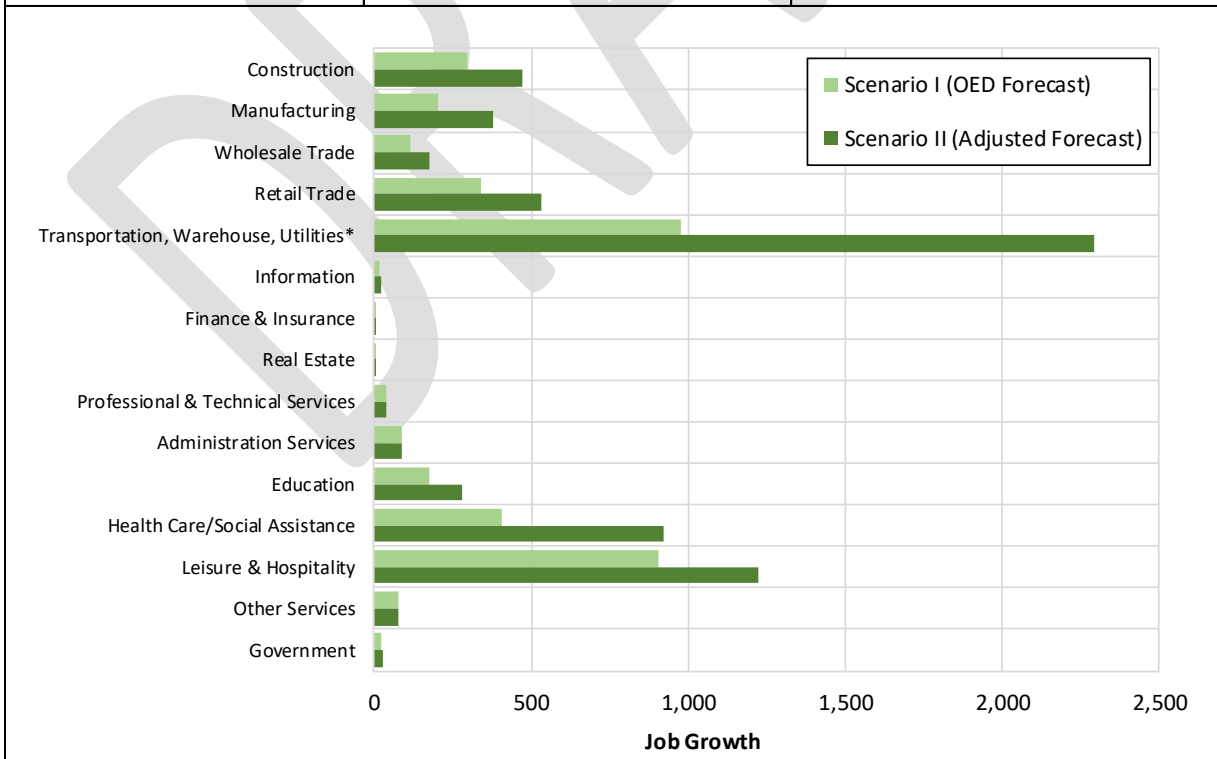
⁴ The second safe harbor method described under OAR 660-024-0040(9)(B) allows using the most recently forecasted population growth rate for the City from the PSU Population Research Center. The employment growth rate may be assumed to match the population growth rate. This option was reviewed by the Technical Advisory Group but ultimately declined.

SCENARIO 2: ADJUSTED EMPLOYMENT FORECAST

A second adjusted forecast scenario was influenced by the research and analysis conducted in the EOA. This scenario formulates an employment growth trajectory based on identified trends, a more optimistic growth outlook for targeted industries, and input from the project technical advisory group. Further, the alternative scenario recognizes that economic development efforts and public policy can influence realized growth in targeted sectors.

FIGURE 6.03: COMPARISON OF ALTERNATE FORECASTS, CITY OF WOODBURN (2023 - 2043)

Industry	SCENARIO I (OED Regional Forecast)				SCENARIO II (Adjusted)			
	2023	2043	Chg.	AAGR	2023	2043	Chg.	AAGR
Agriculture, Forestry, etc.	1,366	1,551	185	0.6%	1,366	1,653	286	1.0%
Construction	875	1,169	294	1.5%	875	1,350	475	2.2%
Manufacturing	1,059	1,262	204	0.9%	1,059	1,439	380	1.5%
Wholesale Trade	858	973	114	0.6%	858	1,035	177	0.9%
Retail Trade	2,469	2,811	343	0.7%	2,469	2,999	530	1.0%
Transportation, Warehouse, Utilities*	910	1,885	976	3.7%	910	3,202	2,293	6.5%
Information	147	163	16	0.5%	147	167	20	0.6%
Finance & Insurance	129	134	5	0.2%	129	134	5	0.2%
Real Estate	81	84	3	0.2%	81	84	3	0.2%
Professional & Technical Services	113	150	37	1.4%	113	150	37	1.4%
Administration Services	267	356	89	1.4%	267	356	89	1.4%
Education	771	947	176	1.0%	771	1,049	278	1.6%
Health Care/Social Assistance	1,366	1,772	406	1.3%	1,366	2,291	924	2.6%
Leisure & Hospitality	1,077	1,981	904	3.1%	1,077	2,301	1,223	3.9%
Other Services	294	373	79	1.2%	294	373	79	1.2%
Government	183	205	22	0.6%	183	211	27	0.7%
TOTAL:	11,965	15,818	3,853	1.4%	11,965	18,793	6,828	2.3%



Source: Oregon Employment Department, Johnson Economics

The adjusted scenario considers the influence of known or anticipated development over the near- and medium-term horizon, and local economic development goals. This scenario forecasts an average annual growth rate of 2.3% for the period, for a total addition of 6,828 new jobs. The forecasted rate of 2.3% is in keeping with the realized employment growth rate since 2010 of 2.2% per year, (source: Oregon Employment Department, QCEW data).

SUMMARY OF EMPLOYMENT FORECAST SCENARIOS

The two forecast scenarios in this analysis range from 1.4% to 2.3% average annual growth. Job growth estimates range from 3,850 to 6,830 jobs over the 20-year period. Forecasts grounded in broad based economic variables cannot account for all the realities of local businesses and trends among evolving industries. Any long-term forecast is inherently uncertain and should be updated on a regular basis to reflect more current information. This is particularly true in a smaller jurisdiction such as Woodburn, in which a single large firm’s location and/or operational decision may substantively impact the rate of growth.

FIGURE 6.04: SUMMARY OF PROJECTION SCENARIOS, CITY OF WOODBURN

Industry	Overall Employment					Net Change by Period				Total 23-43
	2023	2028	2033	2038	2043	23-28	28-33	33-38	38-43	
BASELINE SCENARIO										
Agriculture, forestry, fishing, hunting	1,366	1,410	1,456	1,503	1,551	44	46	47	48	185
Construction	875	941	1,011	1,087	1,169	66	71	76	82	294
Manufacturing	1,059	1,106	1,156	1,208	1,262	48	50	52	54	204
Wholesale Trade	858	886	914	943	973	27	28	29	30	114
Retail Trade	2,469	2,550	2,635	2,722	2,811	82	84	87	90	343
T.W.U.	910	1,092	1,310	1,571	1,885	182	218	262	314	976
Information	147	151	154	158	163	4	4	4	4	16
Finance & Insurance	129	130	131	133	134	1	1	1	1	5
Real Estate	81	82	83	84	84	1	1	1	1	3
Professional & Technical Services	113	121	130	140	150	8	9	10	10	37
Administration Services	267	287	308	331	356	20	21	23	25	89
Education	771	811	854	899	947	41	43	45	47	176
Health Care/Social Assistance	1,366	1,458	1,556	1,661	1,772	92	98	105	112	406
Leisure & Hospitality	1,077	1,255	1,461	1,702	1,981	177	206	240	280	904
Other Services	294	312	331	351	373	18	19	20	22	79
Government	183	188	194	199	205	5	5	5	6	22
TOTAL:	11,965	12,780	13,685	14,692	15,818	815	905	1,007	1,126	3,853
SCENARIO 2 (Modified)										
Agriculture, forestry, fishing, hunting	1,366	1,433	1,503	1,576	1,653	67	70	73	77	286
Construction	875	975	1,087	1,211	1,350	100	112	124	139	475
Manufacturing	1,059	1,185	1,264	1,349	1,439	127	79	84	90	380
Wholesale Trade	858	900	943	988	1,035	41	43	45	47	177
Retail Trade	2,469	2,592	2,721	2,857	2,999	123	129	136	142	530
T.W.U.	910	1,246	1,707	2,338	3,202	336	461	631	864	2,293
Information	147	151	156	162	167	5	5	5	5	20
Finance & Insurance	129	130	131	133	134	1	1	1	1	5
Real Estate	81	82	83	84	84	1	1	1	1	3
Professional & Technical Services	113	121	130	140	150	8	9	10	10	37
Administration Services	267	287	308	331	356	20	21	23	25	89
Education	771	832	899	971	1,049	62	67	72	78	278
Health Care/Social Assistance	1,366	1,555	1,769	2,013	2,291	188	214	244	278	924
Leisure & Hospitality	1,077	1,302	1,575	1,903	2,301	225	272	329	398	1,223
Other Services	294	312	331	351	373	18	19	20	22	79
Government	183	190	196	203	211	6	7	7	7	27
TOTAL:	11,965	13,294	14,804	16,609	18,793	1,329	1,510	1,806	2,184	6,828

Source: Oregon Employment Department, Johnson Economics

The forecasts were further broken down into four five-year increments, assuming a consistent rate of growth over the period. We would expect that a twenty-year forecast will include multiple business cycles, and that growth will be variable.

EMPLOYMENT LAND FORECAST

The next analytical step in our analysis is to convert projections of employment into forecasts of land demand over the planning period. The generally accepted methodology for this conversion begins by allocating employment by sector into a distribution of building typologies those economic activities typically use. As an example, insurance agents typically locate in traditional office space, often along commercial corridors. However, a percentage of these firms are also located in commercial retail space adjacent to retail anchors. Cross tabulating this distribution provides an estimate of employment in each typology.

The next step converts employment into space using estimates of the typical square footage exhibited within each typology. Adjusting for market average vacancy we arrive at an estimate of total space demand for each building type.

Finally, we can consider the physical characteristics of individual building types and the amount of land they typically require for development. The site utilization metric commonly used is referred to as a “floor area ratio” or FAR. For example, assume a 25,000-square foot general industrial building requires roughly a site of roughly 100k square feet to accommodate its structure, setbacks, parking, and necessary yard/storage space. This building would have an FAR of roughly 0.25. Demand for space is then converted to net acres using a standard floor area ratio FAR for each development form.

LAND DEMAND ANALYSIS – ADJUSTED FORECAST

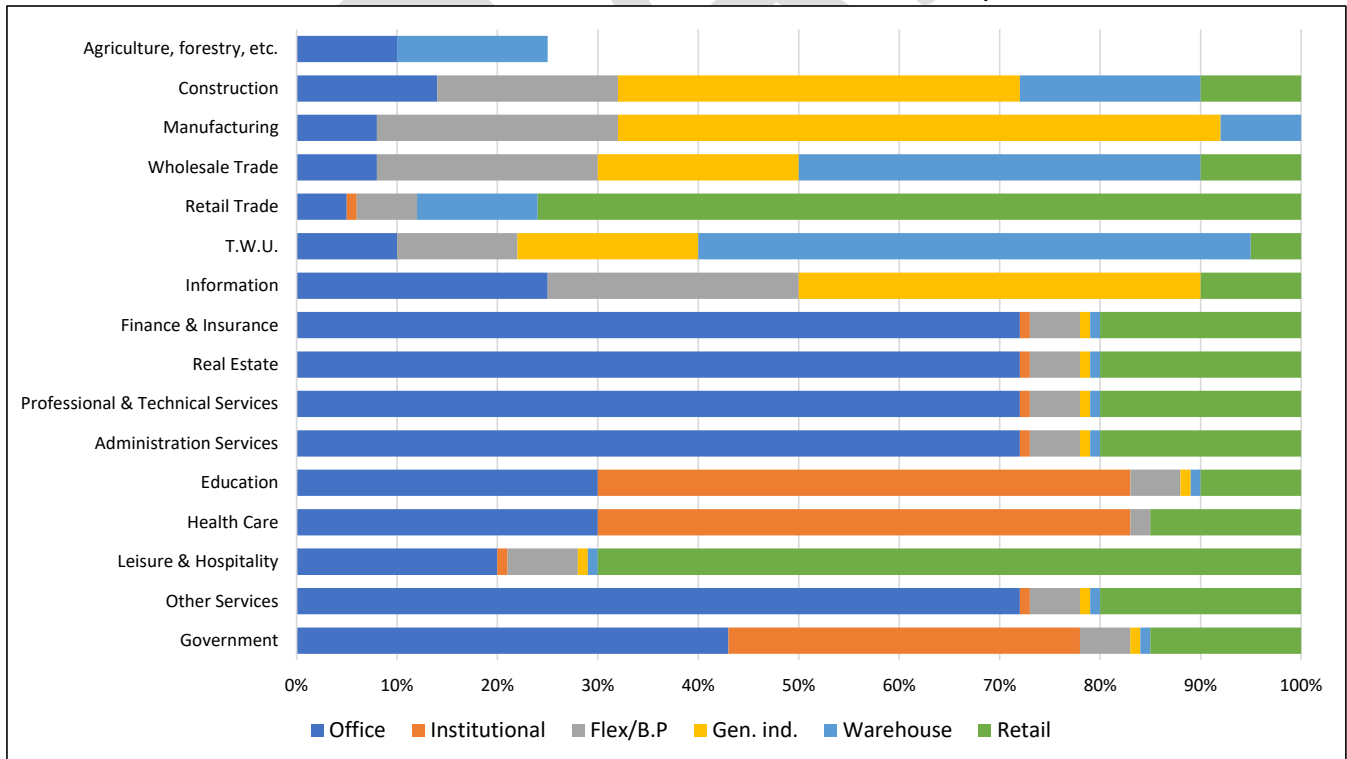
In this analytical step we allocate employment growth to the standard building typologies. The building typology matrix represents the share of sectoral employment that is located across various building types. (Note that only a fraction of employment in the agricultural sector is assumed to need urban real estate, as many of these companies operate in unincorporated areas in the region around the city. Food processing operations are captured under “manufacturing.”)

FIGURE 6.05: DISTRIBUTION OF EMPLOYMENT BY SPACE TYPE, CITY OF WOODBURN (ADJUSTED FORECAST)

Industry Sector	20-year Job Forecast		BUILDING TYPE MATRIX					
	Number	AAGR	Office	Institutional	Flex/B.P	Gen. ind.	Warehouse	Retail
Agriculture, forestry, etc.	286	0.6%	10%	0%	0%	0%	15%	0%
Construction	475	2.2%	14%	0%	18%	40%	18%	10%
Manufacturing	380	1.5%	8%	0%	24%	60%	8%	0%
Wholesale Trade	177	0.9%	8%	0%	22%	20%	40%	10%
Retail Trade	530	1.0%	5%	1%	6%	0%	12%	76%
T.W.U.	2,293	6.5%	10%	0%	12%	18%	55%	5%
Information	20	0.6%	25%	0%	25%	40%	0%	10%
Finance & Insurance	5	0.2%	72%	1%	5%	1%	1%	20%
Real Estate	3	0.2%	72%	1%	5%	1%	1%	20%
Professional & Technical Services	37	1.4%	72%	1%	5%	1%	1%	20%
Administration Services	89	1.4%	72%	1%	5%	1%	1%	20%
Education	278	1.6%	30%	53%	5%	1%	1%	10%
Health Care	924	2.6%	30%	53%	2%	0%	0%	15%
Leisure & Hospitality	1,223	3.9%	20%	1%	7%	1%	1%	70%
Other Services	79	1.2%	72%	1%	5%	1%	1%	20%
Government	27	0.7%	43%	35%	5%	1%	1%	15%
TOTAL	6,828	2.3%	17%	10%	10%	13%	23%	24%

Source: Johnson Economics

FIGURE 6.06: ASSUMED DISTRIBUTION OF SPACE BY TYPE AND INDUSTRY SECTOR, CITY OF WOODBURN



Source: Johnson Economics

Under the employment forecast scenario, employment housed in retail space accounts for the greatest share of growth, followed by employment housed in warehouse and office space. The combined employment forecast in commercially zoned space (~3,600 jobs) is somewhat greater than that forecast for industrially zoned space (~3,000 jobs). Note that the 6,613 total jobs shown here is less than the total employment in the adjusted forecast (6,838 jobs) because not all agricultural jobs require commercial real estate space.

FIGURE 6.07: NET GROWTH IN EMPLOYMENT BY BUILDING TYPE, CITY OF WOODBURN (ADJUSTED FORECAST) 2023-2043

Industry Sector	NET CHANGE IN EMPLOYMENT BY BUILDING TYPE - 2023-2043						Total
	Office	Institutional	Flex/B.P	Gen. Ind.	Warehouse	Retail	
Agriculture, forestry, etc.	29	0	0	0	43	0	72
Construction	66	0	85	190	85	47	475
Manufacturing	30	0	91	228	30	0	380
Wholesale Trade	14	0	39	35	71	18	177
Retail Trade	27	5	32	0	64	403	530
T.W.U.	229	0	275	413	1,261	115	2,293
Information	5	0	5	8	0	2	20
Finance & Insurance	4	0	0	0	0	1	5
Real Estate	2	0	0	0	0	1	3
Professional & Technical Services	27	0	2	0	0	7	37
Administration Services	64	1	4	1	1	18	89
Education	83	147	14	3	3	28	278
Health Care	277	490	18	0	0	139	924
Leisure & Hospitality	245	12	86	12	12	856	1,223
Other Services	57	1	4	1	1	16	79
Government	12	10	1	0	0	4	27
TOTAL	1,171	666	658	892	1,572	1,655	6,613

Source: Johnson Economics

Employment growth estimates by building type are then converted to demand for physical space. This conversion assumes the typical space needed per employee on average. This step also assumes a market average vacancy rate, acknowledging that equilibrium in real estate markets is not 0% vacancy. We assume a 10% vacancy rate for office, retail, and flex uses, as these forms have high rates of speculative multi-tenant usage. A 5% rate is used for general industrial and warehouse—these uses have higher rates of owner occupancy that lead to lower overall vacancy. Institutional uses are assumed to have no vacancy, as they are typically purpose-built for healthcare, nonprofit, government, or related users.

The demand for space is converted into an associated demand for acreage using an assumed Floor Area Ratio (FAR), based upon the observed FAR in existing Woodburn commercial and industrial properties. The combined space and FAR assumptions further provide estimates indicated of job densities, determined on a per net-developable acre basis.

FIGURE 6.08: NET ACRES REQUIRED BY BUILDING TYPOLOGY, CITY OF WOODBURN (ADJUSTED FORECAST) – 20-YEAR

	DEMAND BY GENERAL USE TYPOLOGY, 2023-2043						Total
	Office	Institutional	Flex/B.P	Gen. Ind.	Warehouse	Retail	
Employment Growth	1,171	666	658	892	1,572	1,655	6,613
Avg. SF Per Employee	350	350	990	600	1,800	500	829
Demand for Space (SF)	410,000	233,200	651,100	534,900	2,828,800	827,300	5,485,300
Floor Area Ratio (FAR)	0.30	0.30	0.25	0.25	0.25	0.25	0.26
Market Vacancy	10.0%	0.0%	10.0%	5.0%	5.0%	10.0%	6.5%
Implied Density (Jobs/Acre)	33.6	37.3	9.9	17.2	5.7	19.6	12.5
Net Acres Required	34.9	17.8	66.4	51.7	273.4	84.4	528.7
Share for infrastructure (Net-to-Gross)	20%	20%	15%	15%	15%	20%	16%
Gross Acres Required	43.6	22.3	78.2	60.8	321.7	105.5	632.1

Source: Johnson Economics

Commercial office and retail densities are 33 and 20 jobs per acre, respectively. Industrial uses range from 17 for general industrial to less than 6 jobs per acre for warehouse/distribution. The overall weighted employment density is 13 jobs per acre, with the projected 6,600-job expansion in the local employment base through 2043 requiring an estimated 529 net acres, and 632 gross acres, of employment land. An estimated 73% of this forecasted need is industrial land, and 27% commercial land. A major reason for this is the lower average employment density typically seen in industrial land use.

There is a significant distinction between bulk land capacity and readily available site supply. To be considered readily available, land must currently have appropriate entitlements and be served by adequate infrastructure capacity to accommodate short-term development. Some of the land inventory will be in sites and locations that may be harder to serve quickly and efficiently and

VII. RECONCILIATION OF EMPLOYMENT LAND NEED AND INVENTORY

The inventory of buildable employment land provides a snapshot of the current local capacity to accommodate more businesses and jobs over the planning period. This current available land is compared to the forecasted need for new land over the 20-year planning period, presented in Section VI.

SUMMARY OF LAND DEMAND (ACRES)

The estimate of future land need is re-presented below. A total need for 632 gross acres was identified across a range of land use and building types, based on the adjusted growth forecast.

FIGURE 7.01: SUMMARY OF FORECASTED 20-YEAR LAND NEED BY BUILDING TYPOLOGY (WOODBURN)

	DEMAND BY GENERAL USE TYPOLOGY, 2023-2043						Total
	Office	Institutional	Flex/B.P	Gen. Ind.	Warehouse	Retail	
Employment Growth	1,171	666	658	892	1,572	1,655	6,613
Avg. SF Per Employee	350	350	990	600	1,800	500	829
Demand for Space (SF)	410,000	233,200	651,100	534,900	2,828,800	827,300	5,485,300
Floor Area Ratio (FAR)	0.30	0.30	0.25	0.25	0.25	0.25	0.26
Market Vacancy	10.0%	0.0%	10.0%	5.0%	5.0%	10.0%	6.5%
Implied Density (Jobs/Acre)	33.6	37.3	9.9	17.2	5.7	19.6	12.5
Net Acres Required	34.9	17.8	66.4	51.7	273.4	84.4	528.7
Share for infrastructure (Net-to-Gross)	20%	20%	15%	15%	15%	20%	16%
Gross Acres Required	43.6	22.3	78.2	60.8	321.7	105.5	632.1

Source: Oregon Employment Department, City of Woodburn, Johnson Economics LLC

An estimated 73% of this forecasted need is industrial land (business park, general industrial, warehouse), and 27% commercial land (office, retail, institutional). There is a forecasted need for a total of 391 net (461 gross) acres of industrial land, and 137 net (171 gross) acres of commercial land.

SUMMARY OF LAND SUPPLY (ACRES)

To assess the remaining supply of buildable employment land suitable to accommodate the 20-year land need, an inventory of land with the proper zoning was conducted. The following is a summary of the results on that inventory. A more detailed explanation of the methodology and findings of the Buildable Land Inventory (BLI) is presented as Appendix C of this report.

The BLI filtered all of the zoned employment land in Woodburn by Commercial or Industrial zoning category, environmental constraints that will limit development, and whether the parcel is already developed, vacant, or partially vacant (see Appendix C for more detail). The inventory was vetted to address development projects in the pipeline and known limitations on specific sites that will prevent development on all or a portion of the site.

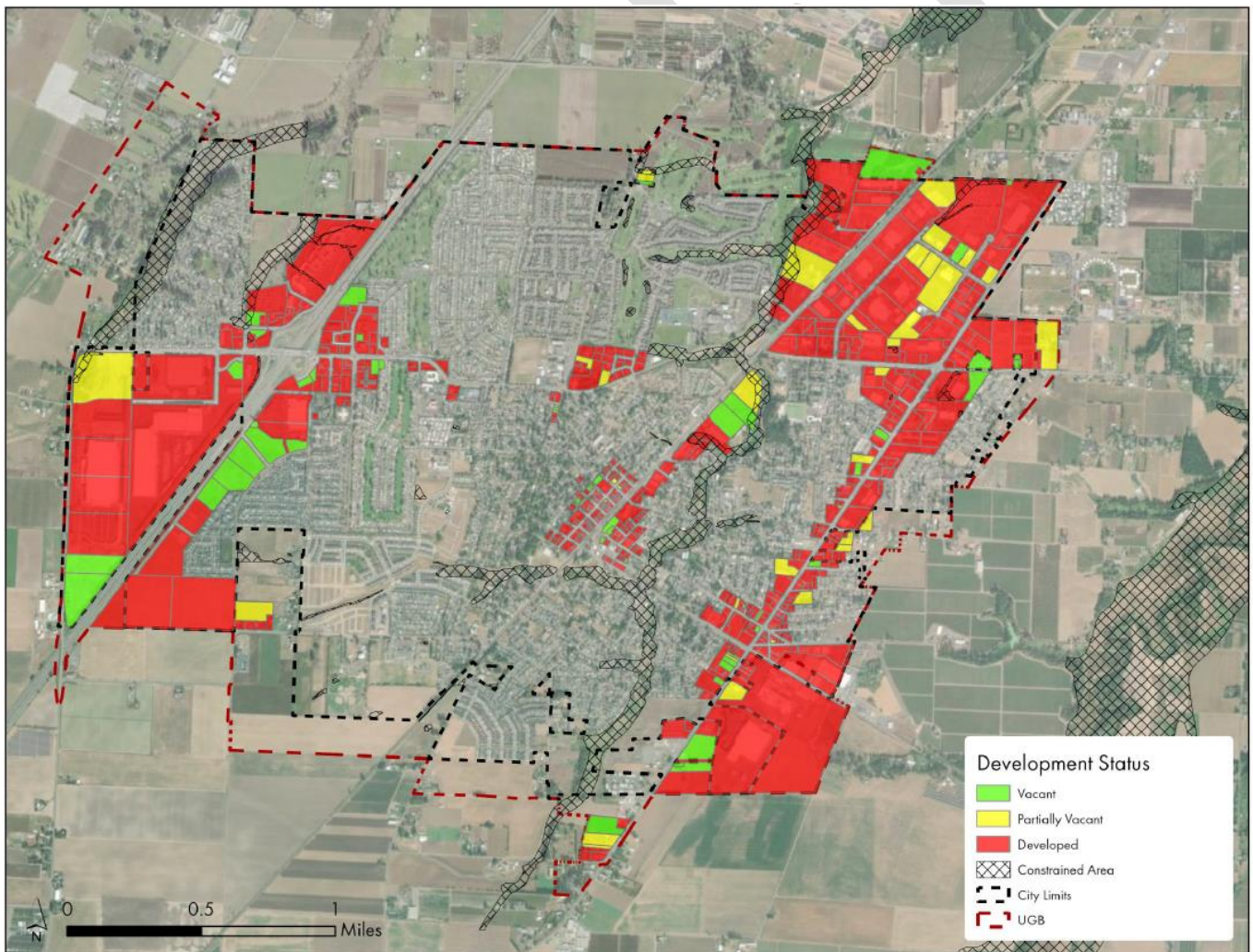
The following figure presents the estimated net developable acres of land by zone. There are an estimated 65 net acres of buildable Commercial land and an estimated 77 net acres of buildable Industrial land.

FIGURE 7.02: BUILDABLE LAND INVENTORY, NET DEVELOPABLE ACRES BY ZONE (WOODBURN)

	Vacant	Partially Vacant	Total
Commercial General (CG)	34.1	4.1	38.2
Commercial Office (CO)	3.3	1.1	4.4
Downtown Development & Conservation (DDC)	0.6	0.2	0.8
Mixed Use Village (MUV)	0.4	0.1	0.5
UGB Commercial	7.0	14.0	21.0
Commercial/Mixed use Subtotal	45.3	19.5	64.8
Light Industrial (LI)	27.4	9.2	36.6
Industrial Park (IP)	1.8	18.6	20.4
UGB Industrial	20.2	0.0	20.2
Industrial Subtotal	49.4	27.9	77.3
Total	94.7	47.4	142.1

Source: City of Woodburn, MIG

FIGURE 7.03: BUILDABLE LAND INVENTORY, EMPLOYMENT LAND BY DEVELOPMENT STATUS (WOODBURN)



Source: City of Woodburn, MIG

KNOWN EMPLOYMENT SITES IN ADDITION TO THE BUILDABLE LAND INVENTORY

Two known sites are currently permitted or under construction for new industrial space that will house future employment. Because of the advanced development status of these sites, they were not counted among the inventory of remaining buildable land. However, these sites do not yet house their future employment and *therefore are counted with the BLI* as providing estimated capacity to hold a share of the projected jobs over the next 20 years.

These sites are the Amazon distribution facility (81.3 acres), near completion at the time of this analysis. The other site is a planned and permitted multi-tenant industrial development (29.6 acres) also located in the Southwest Industrial Reserve. In total these two known sites are 110.8 acres of industrial land as shown in Figure 7.04, which is added to the BLI as additional effective employment land capacity.

COMPARING RECONCILIATION OF 20-YEAR LAND SUPPLY AND DEMAND

Comparing the Buildable Land Inventory (including known sites under development) to the 20-year forecast of employment land need indicates that the City of Woodburn faces a deficit of employment land over the planning period in both the Commercial and Industrial categories. A summary of the comparison of land supply and demand is presented below.

FIGURE 7.04: RECONCILIATION OF LAND SUPPLY AND 20-YEAR DEMAND (WOODBURN)

EMPLOYMENT ZONING DESIGNATION	20 YR. DEMAND (Gross Acres)	BUILDABLE LAND (Acres)	Plus Known Future Emp. Sites (Acres)¹	TOTAL BLI + Known Sites (Acres)	SURPLUS OR (DEFICIT) (Gross Acres)
COMMERCIAL (RETAIL AND OFFICE)	171.4	64.8	0.0	64.8	(106.6)
Commercial General (CG)		38.2			
Commercial Office (CO)		4.4			
Downtown Dev. & Conservation (DDC)		0.8			
Mixed Use Village (MUV)		0.5			
UGB Commercial		21.0			
INDUSTRIAL (INDUSTRIAL AND OFFICE)	460.7	77.3	110.8	188.1	(272.6)
Light Industrial (IL)		36.6	110.8	147.4	
Industrial Park (IP)		20.4		0	
UGB Industrial		20.2		0	
TOTAL:	632.1	142.1	110.8	252.9	(379.2)

¹ Two known sites are currently permitted or under construction for new industrial space that will house future employment. Because of the development status of these sites, they were not counted among the inventory of remaining buildable land. However, these sites do not yet house their future employment and therefore are counted here as providing estimated capacity to hold a share of projected jobs over the next 20 years. These sites are the Amazon distribution facility (81.3 acres), near completion at the time of this analysis. The other site is a planned and permitted multi-tenant industrial development (29.6 acres) also located in the Southwest Industrial Reserve.

Source: Johnson Economics, MIG

- This analysis indicates that Woodburn faces a deficit of 107 gross Commercial acres, and 273 gross Industrial acres, for a **total employment land deficit of 380 gross acres**.
- It is important to note that some of the forecasted growth will include employers who may have specific site needs and preferences that are not reflected in the available buildable inventory. (See Appendix A for more details on site preferences for certain key industries.) In particular, there is forecasted demand for more suitable large-lot industrial sites while relatively few of these sites were found in the inventory that are unconstrained.

VIII. CONCLUSIONS

The EOA report points to several key conclusions regarding economic development goals and target industries in Woodburn over the next 20 years. It also quantifies projected employment growth and land need within the UGB, and the adequacy of the current supply of employment land to meet that need.

A number of local advantages were identified that help enhance Woodburn's economic development potential. Some main themes are:

- The **centralized location** between the Portland and Salem metro areas makes Woodburn a good place to live and do business for those seeking to serve the regional market.
- The network of the I-5 freeway and highways serving the mid-valley provides **excellent transportation connectivity** for local businesses. The freeway interchange provides quick access and excellent visibility.
- The city can draw on a **regional labor market** to support growing businesses and attract new industries.
- Woodburn offers a high **quality of life** for those who live and work locally.
- The City can leverage regional **economic development partnerships** with local employers, business organizations, other government and non-profit agencies, and educators.
- Woodburn has established **economic development tools** including an Enterprise Zone, Opportunity Zone, and Urban Renewal incentives.

Employment Growth

Woodburn is home to an estimated 11,965 jobs as of 2023. The largest sectors by number of jobs are retail trade, health care and social assistance, agriculture support industries, leisure and hospitality, and manufacturing.

Based on a forecasted annual growth rate of 2.3%, the city is expected to add roughly 6,830 jobs by 2043. The greatest growth in number of jobs is projected to be in many of the same strong sectors, along with transportation and warehousing, construction, and education.

Broken down into broad categories of employment that tends to use commercial office/retail space, or that tends to use industrial space, the analysis forecasts that the 20-year demand for new employment land will be somewhat more weighted towards industrial land (73%) than commercial land (27%).

Expanding & Target Industries

The city has current advantages in several key industries including manufacturing of a wide range of product types, construction, retail, shipping and transportation, tourism. However, in keeping with the identified economic objectives, a range of potential target industries for growth were identified through this process.

The target industries reflect industries where the area has shown historic strength, as well as sectors with robust growth potential and consistency with the locally expressed vision for the community:

- 1) Manufacturing
- 2) Transportation, Warehousing, Utilities
- 3) Health Care and Social Assistance
- 4) Construction
- 5) Tourism (Accommodation and Dining)

- 6) Agricultural Support Businesses
- 7) Education

Supporting growth in a range of industries will help the community build a more diverse and sustainable employment and tax base for the future and be more resilient to economic impacts on the traditional local industries.

Employment Land Need

The EOA analysis finds that the forecasted 20-year job growth by industry will translate to a need for 529 total net acres (632 gross acres) of land zoned for employment uses. The distribution of land need between commercial uses (Office, Institutional, Retail) and industrial uses (Industrial, Warehouse, Business Park) leans towards industrial (73% vs. 27%).

A range of site sizes will be needed, ranging from small to large, to accommodate the projected business expansion. Different commercial and industrial users have different site requirements driven by the specific nature of their business operations, firm size, location and infrastructure requirements, and other factors.

Adequacy of Employment Land Supply

The Buildable Land Inventory (BLI) of employment lands completed in conjunction with the EOA found a total of 143 net buildable acres in Commercial and Industrial zones.

- The projected 20-year need for Commercial land trails the supply significantly, with an estimated 65 acres of commercial land remaining to meet a projected need for 171 gross acres. This indicates a deficit of 107 gross acres of Commercial land.
- There is a projected supply of 77 net acres of Industrial land to meet the forecasted need of 461 gross acres. There are also two known employment sites under development which will have a total of 110 gross acres of industrial land in addition to the BLI. This leaves a deficit of 273 gross acres of Industrial land.
- The total estimated deficit of employment land is 379.2 gross acres.
- The largest remaining contiguous development sites in Woodburn are under 20 acres in size, with most being five acres or less. In addition, roughly one third of the remaining buildable land is found in partially vacant parcels where the decision to add further development is subject to the desires of current property owners and/or tenants. The land for large-lot industrial or large commercial employers is very limited.

FIGURE 8.01: SIZE OF REMAINING BUILDABLE SITES, BY ACRES, BUILDABLE LAND INVENTORY, (WOODBURN)

	Number of lots	Share
Commercial/Mixed use		
0 – 5 acres	69	97.2%
5 – 10 acres	2	2.8%
>10 acres	0	0%
Commercial/Mixed use Subtotal	71	
Industrial		
0 – 5 acres	17	73.9%
5 – 20 acres	6	26.1%
>20 acres	0	0
Industrial Subtotal	23	
Total	94	

APPENDIX A: INDUSTRY SITE REQUIREMENTS

This section presents a series of tables that summarize key site requirements for a range of prospective tenant types.⁵ This is followed by further discussion of needs for some industry sectors relevant to the local market.

The 14 site requirements listed on the matrix provide a basis for establishing a profile of the physical and other site needs of the identified industry. The site requirements are intended to address the typical needs of each of the industry categories, and it is recognized that there will likely be unique or non-typical needs of a specific user that will need to be evaluated on a case-by-case basis.

The following describes a few general requirements that apply to *all* industry type categories under consideration and then an overview of the 14 site requirements listed on the matrix.

GENERAL REQUIREMENTS:

- The underlying zoning on the site must allow the use outright within the identified category. For example, no zone change, conditional use and/or similar land use review is necessary. Many jurisdictions typically require a design or development review which is acceptable, since the timeframe for obtaining such design-related approvals will be addressed in the State's rating system.
- The site under consideration must be located geographically within a UGB.
- The site is not located within a 100-year floodplain as mapped by FEMA, although sites with approved FEMA map amendments (e.g., LOMA & LOMR) are acceptable.
- The net contiguous developable area (NCDA) of the site does not include hazardous contaminants as verified by a Level 1 Environmental Report, or a Level 2 Report that has received a No Further Action approval from DEQ; or existing wetlands or other natural features which are regulated at the State, Federal or local level; or federally endangered species.
- The NCDA does not contain any cultural or historical resources that have been identified for protection at the State, Federal or local level.
- The NCDA does not have mitigation plans that can be implemented in 180 days or less.

SITE REQUIREMENTS:

1. **Total Site Size:** The site size is taken to mean the size of the building footprint and includes buffers, setbacks, parking, mitigation, and expansion space.
2. **Competitive Slope:** Most industrial uses require relatively large building footprints that do not accommodate steps in floor slabs, and sloping topography

⁵ Business Oregon, Mackenzie.

will require extensive excavation and retaining systems that increase development cost over flat sites. The figures given are the preferred maximum average slope across the developable portion of the site, recognizing that sites with additional area outside the building, or developments with multiple building pads, generally will have lower slope earthwork costs than sites with limited space outside the building footprint.

3. **Trip Generation:** Sites are frequently limited by a jurisdiction to a specified total number of vehicle trips entering and exiting the site. This site requirement is an estimate of the minimum number of average daily trips per acre (based on the range of building coverage) that should be available for each of the industrial categories based on the Institute of Traffic Engineers (ITE) Manual-Ninth Edition. The following table lists the ITE codes used to estimate average trips for the industry profiles represented in the matrix.
4. **Miles to Interstate or Freight Route:** With few exceptions, access to major freeways or freight routes is critical for the movement of goods. This site requirement indicates the typical maximum range of distance, in miles, from the site to the freeway or highway access. The roadways/intersections between the site and freeway/highway must generally operate at a level of service 'D' or better in accordance with the Highway Capacity Manual methodologies and general engineering standards.
5. **Miles to Frequent Transit Service:** Businesses located walking distance (within one-quarter of a mile) to a bus stop that is serviced by a frequent bus line enjoy a competitive advantage over others that are more limited in transportation access options.⁶
6. **Railroad Access:** The need for access to railroad for the movement of goods within each industrial category is dependent upon individual users, so the site requirements are identified as either "Preferred," "Not Required," or "Avoid" in some cases where the presence of rail may be considered a deterrent to business.
7. **Proximity to Marine Port:** The need for access to a marine port for the movement of goods within each industrial category is dependent upon individual users.
8. **Proximity to International/Regional Airport:** The need for access to a regional airport for the movement of goods or business travel within each industrial category is dependent upon individual users.
9. **Availability of Water:** This requirement indicates the minimum sizes of domestic water and fire lines immediately available to the site. In certain rural cases, a comparable supply from an on-site water system (i.e., well or reservoir with available water rights) may be acceptable. In addition to lines sizes, preference for high-pressure water capabilities and average flow demand in gallons per day is specified for each industry type.
10. **Availability of Sanitary Sewer:** This requirement indicates the minimum size of public sanitary sewer service line immediately available to the site. In certain rural cases, an on-site subsurface system providing a comparable level of service may be acceptable. Sewer flow requirements were determined by calculating a percentage of the water flow for each industry type.
11. **Natural Gas:** This requirement indicates the minimum size natural gas line that is immediately available to the site. It is assumed that the pressure demand for all industry categories is 40-60 psi.
12. **Electricity:** This requirement indicates the minimum electrical demand readily available to each industry and where proximity to a substation and redundancy dependency rank on the continuum of less critical to more critical. Estimated demand is based on review of existing usage from local utility

⁶ We have defined "frequent bus line" as one with service occurring in no longer than 15 minute intervals.

providers, referencing industrial NAICS codes for the various profiles.

- 13. **Telecommunications:** This requirement indicates whether the availability of telecommunication systems are readily available, and where major commercial capacity, route diversity and fiber optic lines rank on the continuum of less critical to more critical. All sites are assumed to have a T-1 line readily available.
- 14. **Special Considerations:** Notes on industry-specific factors.

CRITERIA		PROFILE	A	B	C	D	E	F	G	H	I	J
		Computer & Electronic Manufacturing (High-Tech R&D)	Software & Media	Multi-Tenant Office	Food Processing	Other Manufacturing	Life/Bioscience R&D Campus	Wholesaling	Retail	Data Center	Incubator	
GENERAL REQUIREMENTS		Use is permitted outright, located in UGB or equivalent and outside flood plain; and site (NCDA) does not contain contaminants, wetlands, protected species, or cultural resources or has mitigation plan(s) that can be implemented in 180 days or less.										
PHYSICAL SITE												
1	TOTAL SITE SIZE* Competitive Acreage**	5 - 100+	5 - 15	5 - 20	5 - 25+	5 - 50+	20 - 100+	10 - 100+	5 - 20	10 - 100+	5 - 25+	
2	COMPETITIVE SLOPE: Maximum Slope	0 - 5%	0 - 7%	0 - 7%	0 - 5%	0 - 5%	0 - 7%	0 - 3%	0 - 7%	0 - 7%	0 - 5%	
TRANSPORTATION												
3	TRIP GENERATION: Average Daily Trips per Acre	40 - 60	80 - 200 ₁	120 - 240 ₂	50 - 60	40 - 50	60 - 150	50 - 60 ₃	400 - 500 ₄	20 - 30	40 - 50	
4	MILES TO INTERSTATE OR FREIGHT ROUTE: Miles	w/in 10	w/in 5	w/in 5	w/in 30	w/in 20	w/in 5	w/in 5	w/in 5	w/in 30	N/A	
5	MILES TO FREQUENT TRANSIT SERVICE (15 MIN OR LESS) Miles	0.6	0.5	0.8	< 0.1	0.2	0.1	0.3	< 0.1	0.1	< 0.1	
6	RAILROAD ACCESS: Dependency	Preferred	Not Required	Not Required	Preferred	Preferred	Preferred	Preferred	Avoid	Avoid	N/A	
7	PROXIMITY TO MARINE PORT: Dependency	Preferred	Not Required	Not Required	Preferred	Preferred	Preferred	Preferred	Not Required	Not Required	N/A	
8	PROXIMITY TO INTERNATIONAL/REGIONAL AIRPORT: Dependency	Competitive	Required	Preferred	Preferred	Preferred	Required	Not Required	Not Required	Competitive	N/A	
	Distance (Miles)	This criteria cannot be met in Eastern Oregon										

PROFILE		A	B	C	D	E	F	G	H	I	J	
		Computer & Electronic Manufacturing (High-Tech R&D)	Software & Media	Multi-Tenant Office	Food Processing	Other Manufacturing	Life/Bioscience R&D Campus	Wholesaling	Retail	Data Center	Incubator	
CRITERIA												
UTILITIES												
9	WATER:	Min. Line Size (Inches/Dmtr)	12" - 16"	6" - 8"	8" - 10"	12" - 16"	6" - 10"	8" - 12"	6" - 10"	8" - 12"	16"	4" - 8"
		Min. Fire Line Size (Inches/Dmtr)	12" - 18"	8" - 10"	8" - 12"	10" - 12"	8" - 10"	8" - 12"	8" - 10"	8" - 12"	10"-12"	6" (or alternate source)
		High Pressure Water Dependency	Required	Not Required	Not Required	Required	Not Required	Preferred	Not Required	Not Required	Required	Not Required
		Flow (Gallons per Day per Acre)	5,200	1,200	1,500	3,150	1,850	2,450	1,200	1,800 _s	50 - 200 ⁺	1,200
10	SEWER:	Min. Service Line Size (Inches/Dmtr)	12" - 18"	6" - 8"	8" - 10"	10" - 12"	6" - 8"	10" - 12"	6" - 8"	6" - 10"	8" - 10"	4" - 6" (or on-site source)
		Flow (Gallons per Day per Acre)	4,700	1,000	2,000	2,600	1,700	2,000	1,000	1,500 _s	1,000 [±]	1,000
11	NATURAL GAS:	Preferred Min. Service Line Size (Inches/Dmtr)	6"	4"	4"	4"	4"	6"	4"	4" - 6"	4"	N/A
		On Site	Competitive	Preferred	Competitive	Preferred	Competitive	Competitive	Preferred	Competitive	Preferred	Preferred
12	ELECTRICITY:	Minimum Service Demand	4 - 6 MW	1 - 2 MW	0.5 - 1 MW	2 - 6 MW	0.5 MW	2 - 6 MW	0.5 MW	0.5 - 1 MW	5 - 25 MW	1 MW
		Close Proximity to Substation	Competitive	Competitive	Preferred	Not Required	Preferred	Competitive	Not Required	Preferred	Required, could be on site	Not Required
		Redundancy Dependency	Preferred	Preferred	Preferred	Not Required	Not Required	Competitive	Not Required	Preferred	Required	Not Required
13	TELECOMMUNICATIONS:	Major Communications Dependency	Required	Required	Required	Preferred	Required	Required	Preferred	Required	Required	Preferred
		Route Diversity Dependency	Required	Required	Required	Not Required	Not Required	Required	Preferred	Preferred	Required	Not Required
		Fiber Optic Dependency	Required	Required	Required	Preferred	Preferred	Required	Competitive	Preferred	Required	Not Required

PROFILE	A	B	C	D	E	F	G	H	I	J
	Computer & Electronic Manufacturing (High-Tech R&D)	Software & Media	Multi-Tenant Office	Food Processing	Other Manufacturing	Life/Bioscience R&D Campus	Wholesaling	Retail	Data Center	Incubator
14 SPECIAL CONSIDERATIONS:	<p>Acreage allotment includes expansion space (often an exercisable option). Very high utility demands in one or more areas common. Sensitive to vibration from nearby uses.</p>	<p>1: Research & Development @ 80 ADTs per acre on the low end, estimated 200 ADTs per acre for general office on the high end.</p> <p>Location specific.</p>	<p>2: Range represents FAR 0.25 - 0.5 of office uses</p> <p>Location to other cluster industries.</p>	<p>May require high volume/supply of water and sanitary sewer treatment. Often needs substantial storage/yard space for input storage. Onsite water pre-treatment needed in many instances.</p>	<p>Adequate distance from sensitive land uses (residential, parks) necessary. Moderate demand for water and sewer. Higher demand for electricity, gas, and telecom.</p>	<p>High diversity of facilities within business parks. R&D facilities benefit from close proximity to higher education facilities. Moderate demand on all infrastructure systems.</p>	<p>3: General warehousing rates</p>	<p>4: Based on discount warehouse @ 0.25 FAR</p> <p>5: Dependent on use, i.e., brewery vs. restaurant</p> <p>Location to cluster industries.</p>	<p>Site size differs due to land cost and availability. Urban-area centers may require 10-20 acres, while E. Oregon centers will typically use larger sites. Also the trend is towards increasing site size as cloud storage needs continue to increase. Power delivery, water supply, and security are critical. Surrounding environment (vibration, air quality, etc.) is crucial. May require high volume/supply of water and sanitary sewer treatment.</p>	<p>Often established by municipalities and have symbiotic relationships with colleges and/or universities.</p>

Terms:

More Critical	↑	'Required' factors are seen as mandatory in a vast majority of cases and have become industry standards.
Less Critical	↓	'Competitive' significantly increases marketability and is <i>highly recommended by Business Oregon</i> . May also be linked to financing in order to enhance the potential reuse of the asset in case of default.
		'Preferred' increases the feasibility of the subject property and its future reuse. Other factors may, however, prove more critical.
		'Not Required' does not apply for this industry and/or criteria.
		'Avoid' factors act as deterrents to businesses in these industries because of negative impacts.
*Total Site: Building footprint, including buffers, setbacks, parking, mitigation, and expansion space.		
**Competitive Acreage: Acreage that would meet the site selection requirements of the majority of industries in this sector.		
† Data Center Water Requirements: Water requirement is reported as gallons per MWh to more closely align with the Data Center industry standard reporting of Water Usage Effectiveness (WUE).		
‡ Data Center Sewer Requirements: Sewer requirement is reported as 200% of the domestic usage at the Data Center facility. Water and sewer requirements for Data Centers are highly variable based on new technologies and should be reviewed on a case-by-case basis for specific development requirements.		

Source: Business Oregon, Mackenzie

APPENDIX B: NATIONAL, STATE, AND COUNTY ECONOMIC TRENDS

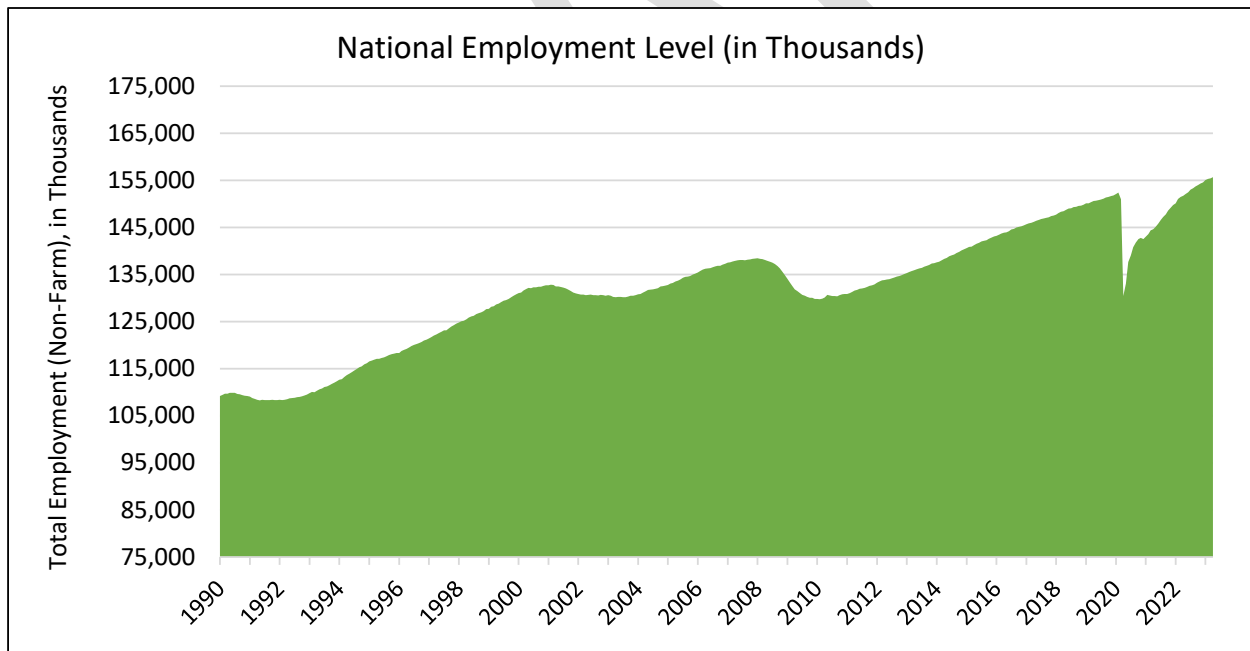
This section summarizes long and intermediate-term trends at the national, state, and county level that will influence economic conditions in the City of Woodburn over the 20-year planning period. This section is intended to provide the economic context for growth projections and establish a socioeconomic profile of the community. This report's national evaluation has a focus on potential changes in structural socioeconomic conditions both nationally and globally. Our localized analysis considers local growth trends, demographics, and economic performance.

A. NATIONAL TRENDS

After a decade of sustained economic expansion in the 2010's, the national economy has been significantly impacted in the last few years by the COVID-19 pandemic, which led to a sharp decrease in employment and economic and lifestyle disruptions in 2020 and 2021. During this period, workforce patterns changed as many workplaces were shut and employees transitioned to working from home, while others were laid off. Many other frontline or service workers continued to work in person as their jobs were essential or necessary to maintain shopping and other service needs.

Employment: In the first months of the pandemic, the nation lost nearly 22 million jobs, or 14% of total employment. But the recovery has been remarkable swift. As of mid-2022, employment had returned to pre-pandemic levels nationwide, and as of Spring 2023 is 2% higher than the prior peak of early 2020 (Figure 1.1).

FIGURE 1.01: NATIONAL EMPLOYMENT (1990 – 2023)



Source: U.S. Federal Reserve Bank of St. Louis

Unemployment Rate: The national unemployment rate spiked to nearly 15% in 2020 as many businesses paused operations or closed permanently in the first months of the pandemic. However, the unemployment rate began to decline almost immediately, and by mid-2022 had fallen back to roughly 3.5%. As of Spring 2023, the seasonally adjusted unemployment rate is 3.4%, the lowest levels seen in decades (Figure 1.2).

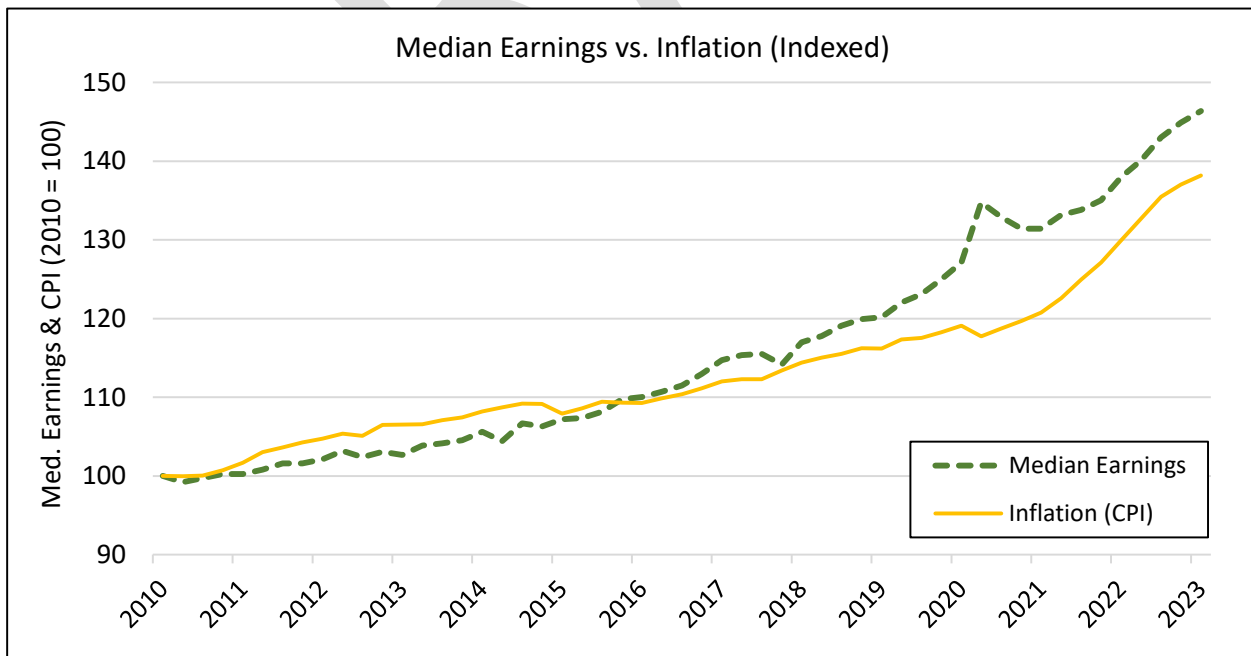
FIGURE 1.02: NATIONAL UNEMPLOYMENT RATE (1990 – 2023)



Source: U.S. Federal Reserve Bank of St. Louis

Inflation: The counter story to this strong positive rebound in employment has been a rising rate of inflation coming out of the pandemic. Various stimulus measures, combined with supply shortages, led to rising prices for many consumer products, energy, and food. The rate of inflation accelerated in 2021 and began moderating towards the end of 2022, though the rate remains elevated (Figure 1.3).

FIGURE 1.03: MEDIAN EARNINGS INDEX VS. INFLATION INDEX (2010 – 2023)

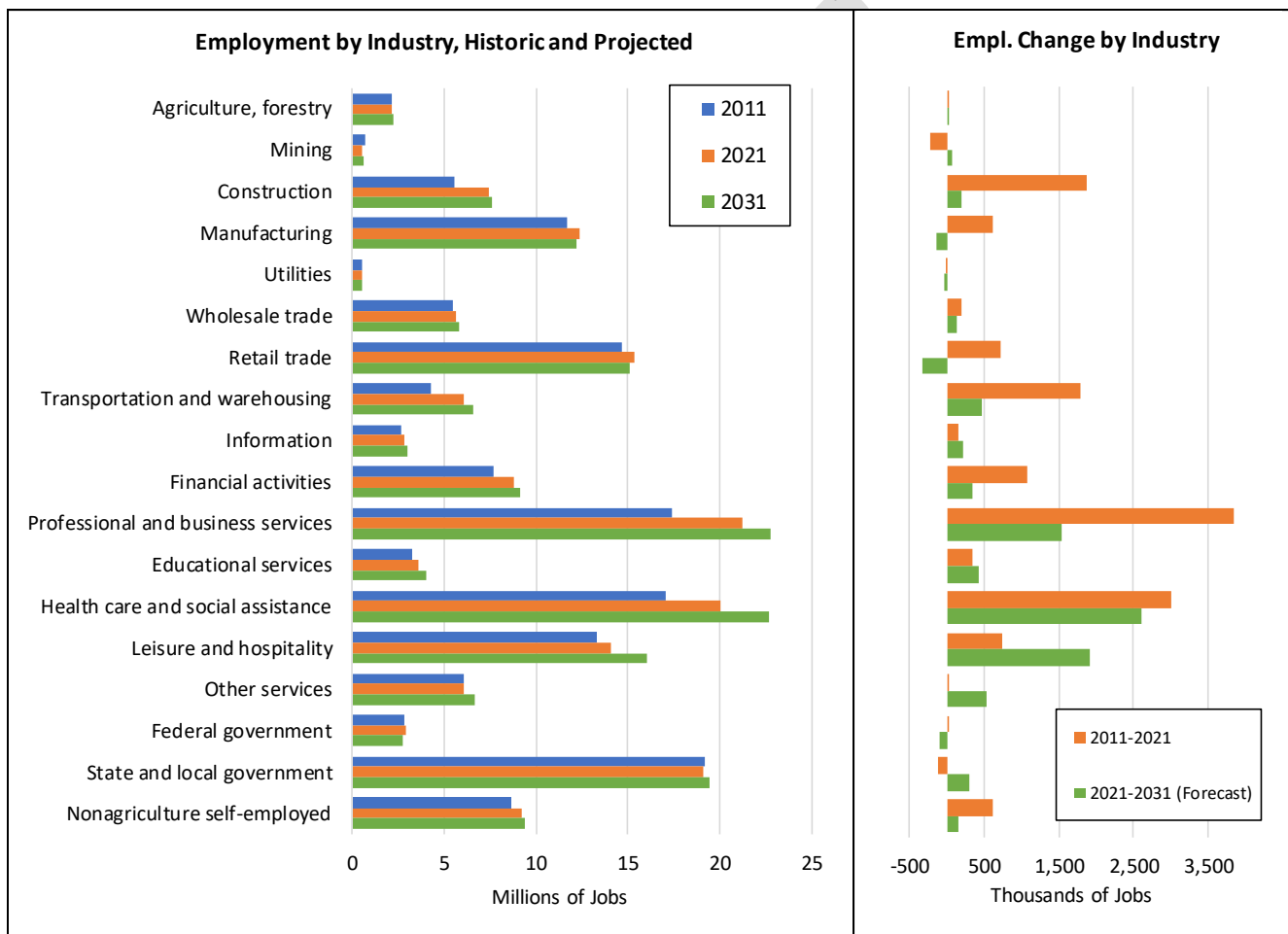


Source: U.S. Federal Reserve Bank of St. Louis; Consumer Price Index for Urban Consumers (US); Median Earnings for Full-Time Employees, Seasonally Adjusted.

Wages: On a positive note, average household earning levels have also enjoyed growth coming out of the recession and have largely kept pace with inflation in recent years. Earnings also spiked in 2020 when government stimulus payments were added to earned wages (Figure 1.3).

Industry Sector Employment: At a national level healthcare & social assistance is projected to account for the largest share of new employment growth, followed by professional & business services, and leisure & hospitality. The aging of the population is expected to drive the healthcare sector over the next few decades.

FIGURE 1.04: NATIONAL EMPLOYMENT GROWTH BY SECTOR, HISTORIC AND PROJECTED



SOURCE: US Bureau of Labor Statistics

Recent trends and current forecasts reflect a shift from a goods economy, featuring manufacturing and natural resources, towards a service economy, which emphasizes technological innovation, research, and design.

The most dramatic spending shift in the context of real estate in recent times is the growth in online shopping, which has reduced the overall need for brick-and-mortar space, especially from retailers selling physical goods. While the share of sales accounted for by e-commerce has grown at a steady pace over the last decade, the pandemic greatly accelerated this trend. In 2020, the share of sales taking place online jumped from 12% of total retail spending to 16%. It has since settled to 14.5% of spending, which is well above the pre-pandemic share (Figure 1.05).

FIGURE 1.05: E-COMMERCE AS A PERCENT OF TOTAL RETAIL SALES, UNITED STATES



SOURCE: Retail Indicators Branch, U.S. Census Bureau, JOHNSON ECONOMICS

The growth in e-commerce has accelerated a shift in storage needs from retail stores to warehouses and distribution centers. At the same time, automation is causing a consolidation within the warehousing and distribution industry, leading to increasing reliance on larger third-party operators able to make heavy investments in capital and expertise. Finally, changes in the use of electronic devices and growth in online services are causing a shift in the tech sector, from hardware manufacturing to software development.

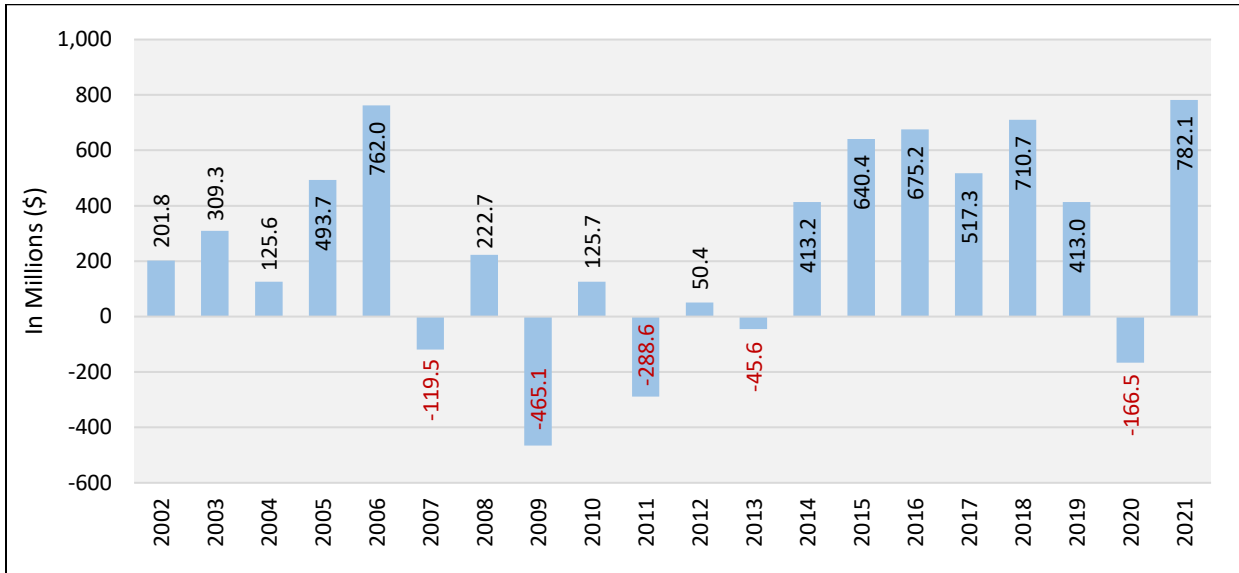
This pattern has also been reflected in the State of Oregon, with e-commerce employment increasing at the expense of brick-and-mortar retail employment. This is causing a shift in storage needs from retail stores to warehouses and distribution centers.

B. MARION COUNTY ECONOMIC TRENDS

Following the housing- and banking-led recession of 2008/9, Marion County experienced low to negative economic growth from 2010 to 2013. Positive GDP growth returned in 2014 and remained steady up until the negative shock of the pandemic in 2020. However, the rebound of 2021 was the strongest year of GDP growth experienced in Marion County in 20 years⁷. (2021 is the most recent year available for this data set.)

⁷ U.S. Bureau of Economic Analysis (www.bls.gov/data/), March 2023

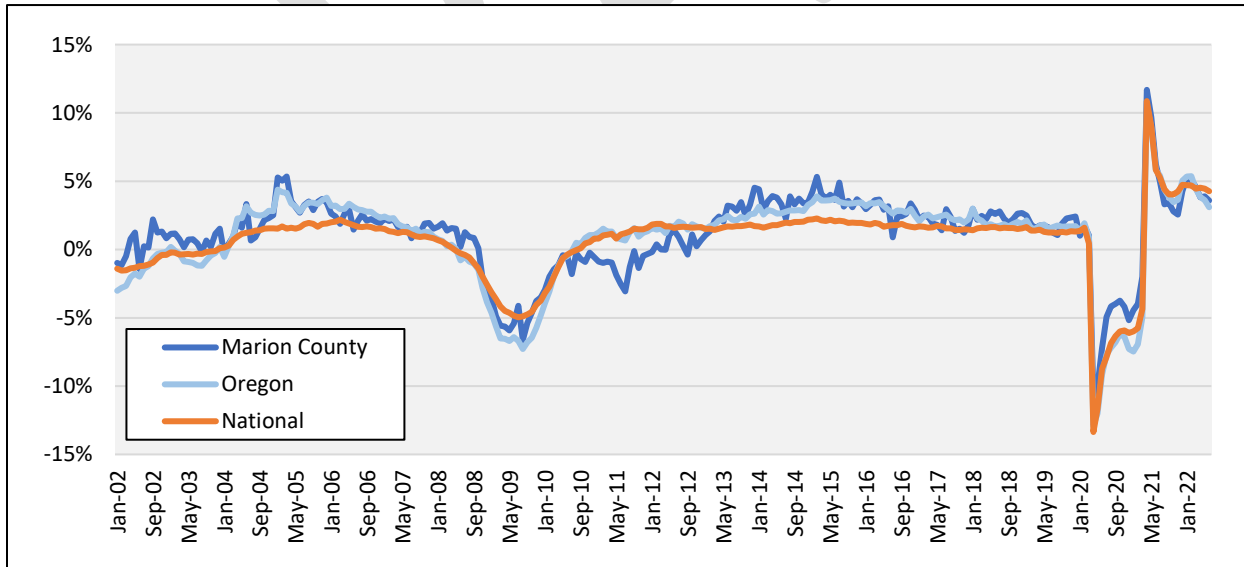
FIGURE 1.06: ANNUAL CHANGE IN GDP, MARION COUNTY (2002 – 2021)



SOURCE: U.S. Bureau of Economic Analysis

Both the county and state have consistently outperformed the national employment growth rate over the last decade. During 2020, Marion County experienced a milder decrease in employment than the nation or state. Additionally, Marion County’s recovery was the strongest of the three. From March 2020 to April 2021, employment growth in Marion County averaged nearly two percentage points higher than the state or nation.

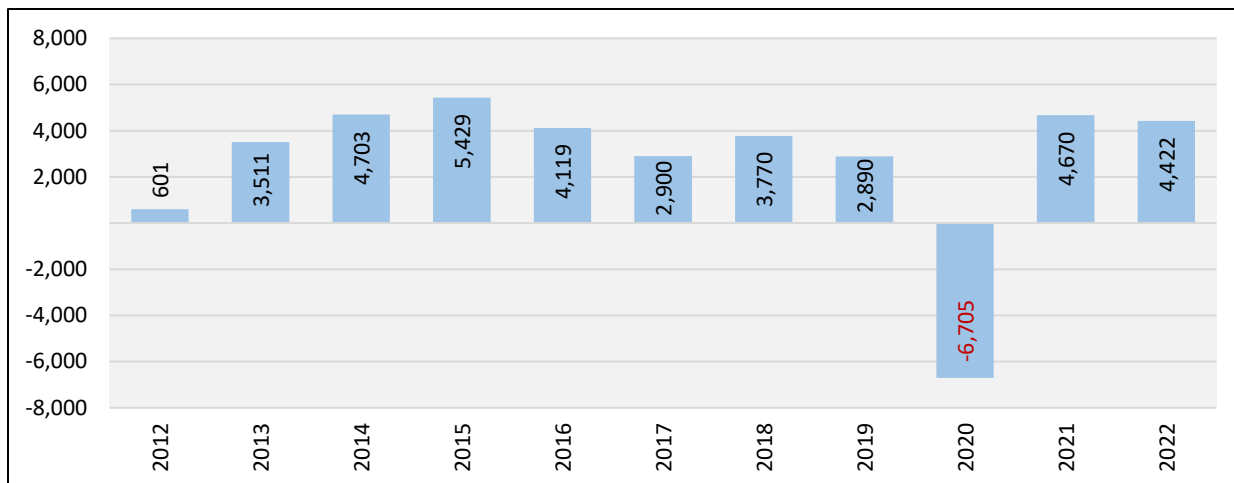
FIGURE 1.07: COMPARISON OF ANNUAL EMPLOYMENT GROWTH RATES (2002 – 2022)



SOURCE: U.S. Bureau of Labor Statistics, Oregon Employment Department, JOHNSON ECONOMICS

Annual employment growth in Marion County peaked in 2015 with roughly 5,400 jobs added. Following 2015, employment growth decelerated but remained positive, before shedding roughly 6,700 jobs in 2020 due to the pandemic. As of 2022, all the jobs lost in 2020 have been recovered, while the state had only recovered roughly 80% of the jobs lost by the end of 2022.

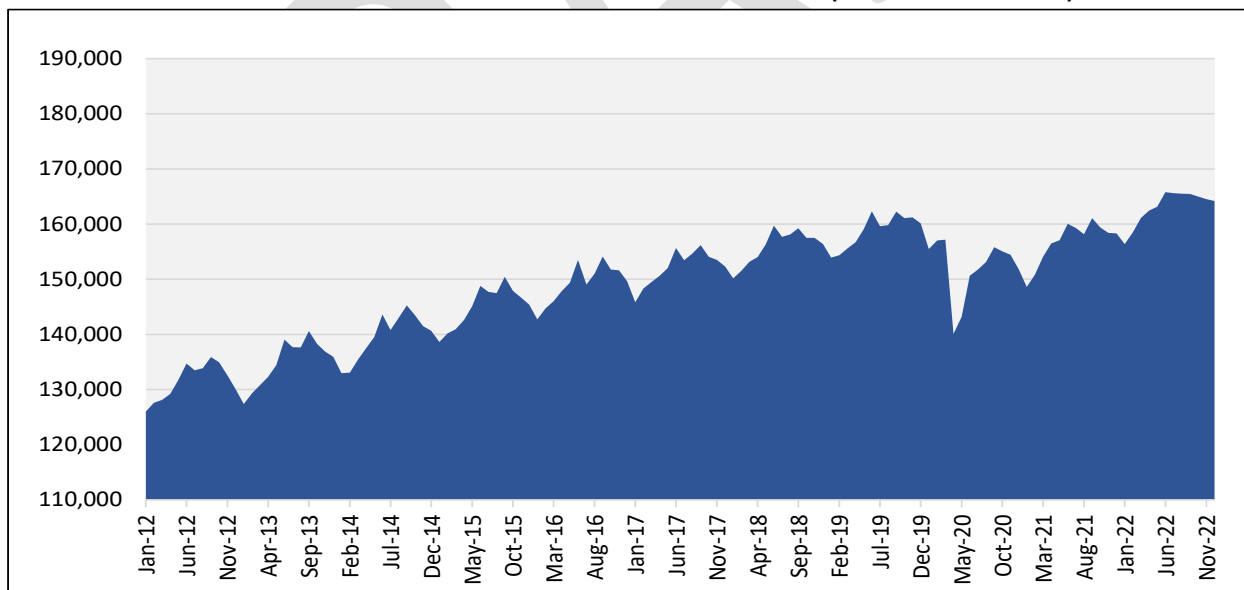
FIGURE 1.08: NET CHANGE IN EMPLOYMENT, MARION COUNTY (2012 – 2022)



SOURCE: Oregon Employment Department, JOHNSON ECONOMICS

Marion County’s employment level per month reveals that employment cyclically drops during winter months. Employment levels typically peak anywhere between May to September. This implies that seasonal employment is an important component of the county’s overall economy, in particular agriculture and tourism-related businesses. The broader trend shows that the total employment level has been consistently increasing in the last decade. In 2012, the average employment level hovered around 125,000 to 135,000 and as of 2022, the employment level averaged 163,000 jobs.

FIGURE 1.09: MARION COUNTY EMPLOYMENT LEVEL BY MONTH (JAN. 2012 – DEC. 2022)

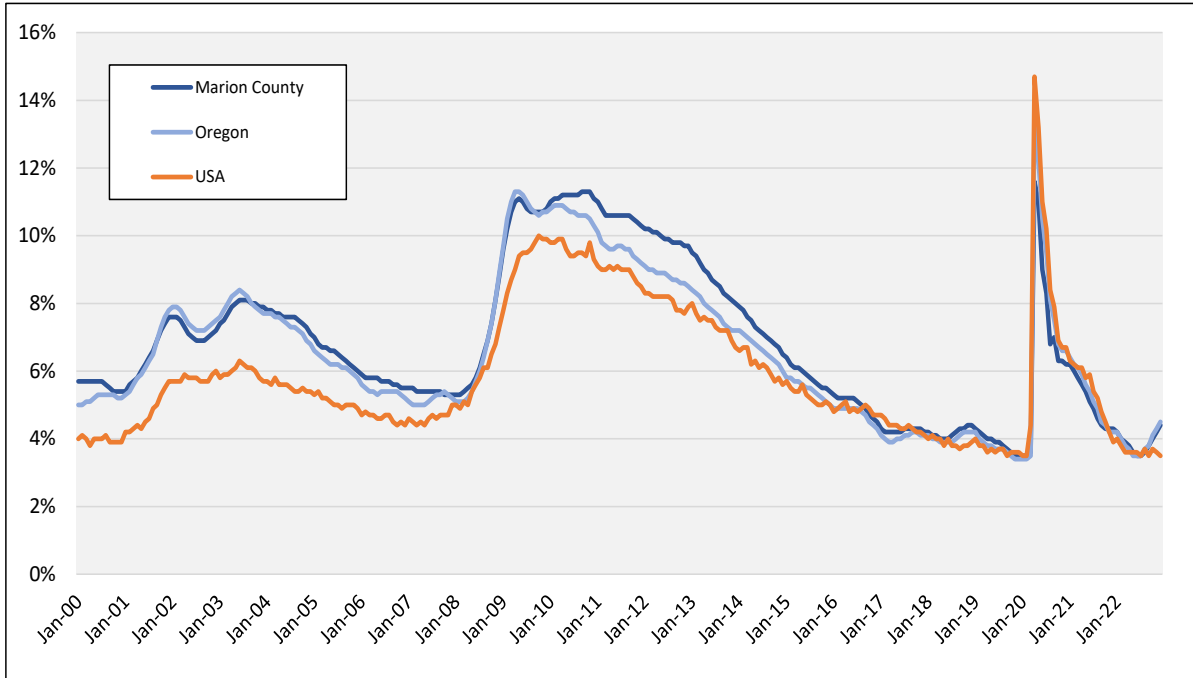


SOURCE: Oregon Employment Department, JOHNSON ECONOMICS

The Marion County unemployment rate has historically been in-line with Oregon’s, but higher than the nation’s. Towards the latter half of the 2010’s, the unemployment rate between the three geographies was largely in sync, falling from 5% in 2016 to under 4% prior to the pandemic. In early 2020, Marion County experienced an unemployment rate of roughly 12%, while the nation’s unemployment rate was nearly 15%. As of 2022, Marion

County and Oregon have seen a slight uptick in unemployment rates following the recovery from COVID, although unemployment remains at 4.3%.

FIGURE 1.10: COMPARISON OF UNEMPLOYMENT RATE TRENDS (JANUARY 2000 – JULY 2022)



SOURCE: St. Louis Federal Reserve, JOHNSON ECONOMICS



MEMORANDUM

Employment Buildable Lands Inventory Woodburn Economic Opportunities Analysis

DATE October 31, 2023
TO Renata Wakeley, City of Woodburn Special Projects Director
FROM Matt Hastie, Clinton “CJ” Doxsee, and Sun-gyo Lee, MIG|APG
CC Brendan Buckley, Johnson Economics

INTRODUCTION

This memorandum describes the methodology and updated results of the Buildable Lands Inventory (BLI) for the City of Woodburn’s Economic Opportunities Analysis (EOA).

The draft BLI represents the second phase of an Economic Opportunities Analysis (EOA) for the City. The first phase of the EOA, conducted by Johnson Economics, identified employment conditions and trends, target industries, employment land needs, and draft strategies and actions to achieve the City’s economic objectives. Once the BLI has been further refined as needed by City staff and the Technical Advisory Group (TAG), it will be used to update the City’s recommended economic development strategies and actions. This inventory covers land within the City’s urban growth boundary (UGB), consistent with Oregon statutory and administrative rule requirements.

REGULATORY BASIS

The BLI is conducted consistent with the following requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009) as they pertain to BLIs. The BLI supports an Economic Opportunities Analysis that is currently underway.

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 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.

2. **Industrial and commercial development policies (OAR 660-009-0020).** Cities with a population over 2,500 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 adopted 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.

BLI METHODOLOGY

Consistent with OAR 660-009-0015, the BLI is conducted in several steps, described below.

- **Step 1: Determine Land Type** – This step identifies all land within the UGB as either residential, employment, or other, based on zoning and other characteristics. Because this BLI is in support of an EOA, the inventory is further refined to include only employment and mixed use areas, with residential lands excluded.
- **Step 2: Identify and Calculate Constraints** – This step identifies development constraints and removes them from the inventory to get an accurate measurement of the amount of developable land within the UGB.
- **Step 3: Classify Land by Development Status** – This step classifies land into categories of Vacant, Partially Vacant, Developed, and Committed, based on a series of filters using available data.
- **Step 4: Inventory Results** – This step reports the results of the analysis in various ways, and accounts for land needed for right-of-way and other public uses to arrive at total developable net acreage within the UGB.

The remainder of this memorandum addresses each of the above steps in turn. The BLI data and assumptions described in the memo have undergone extensive review, discussion, and revision with City staff, other team members, state agency staff, and members of the Technical Advisory Committee. The current draft of the memo reflects the results of that process.

Step 1: Determine Land Type

Land in the City of Woodburn is categorized into Residential or Employment. This classification is made primarily by zoning designation as shown in Figure 1. Exceptions were made for cases based on existing land use, property ownership, or other circumstances. Figure 2 illustrates land as either employment based or residential based, depending on the underlying zoning. Employment based land types include zoning that allows for commercial or industrial types of development and are used as the basis of generating BLI information in subsequent steps.

Figure 1: Woodburn Zoning Designations

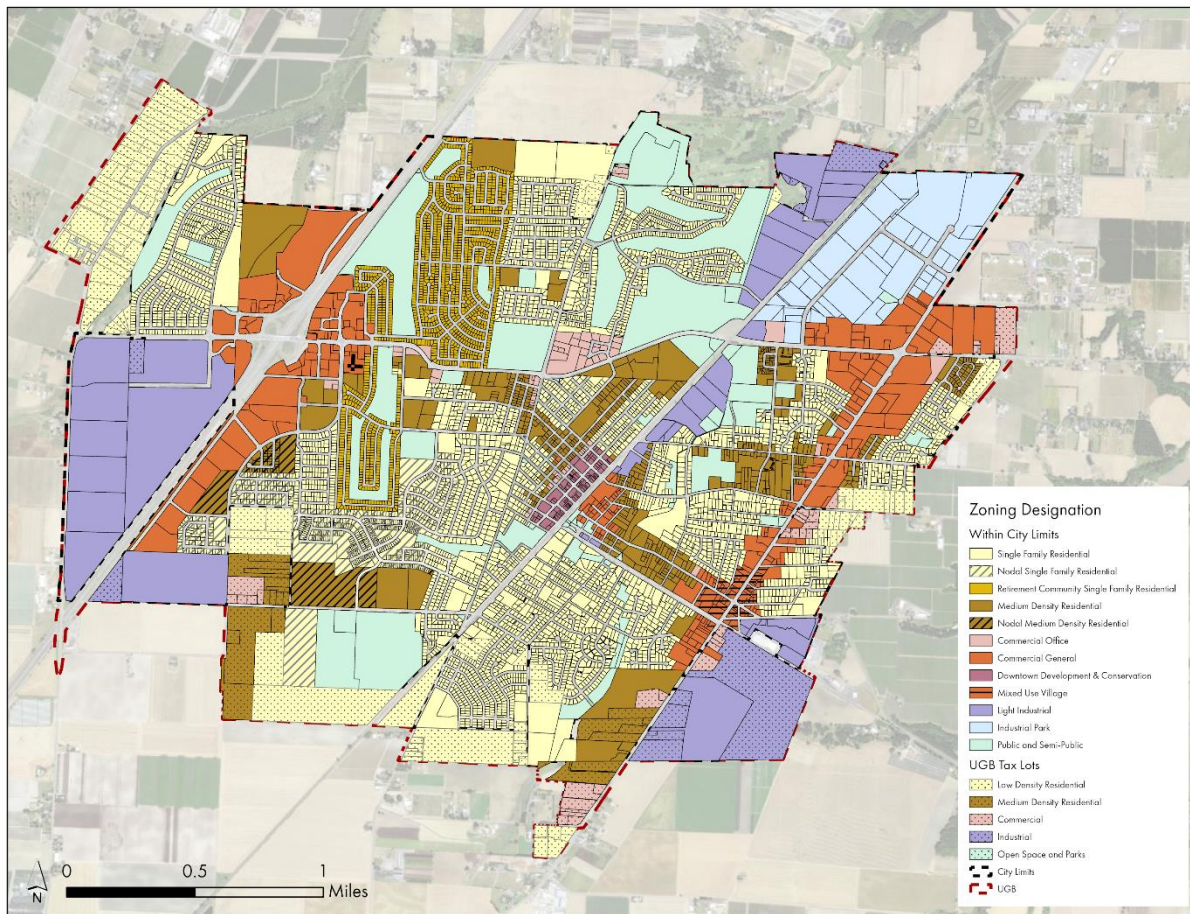


Figure 2: Woodburn Land Type

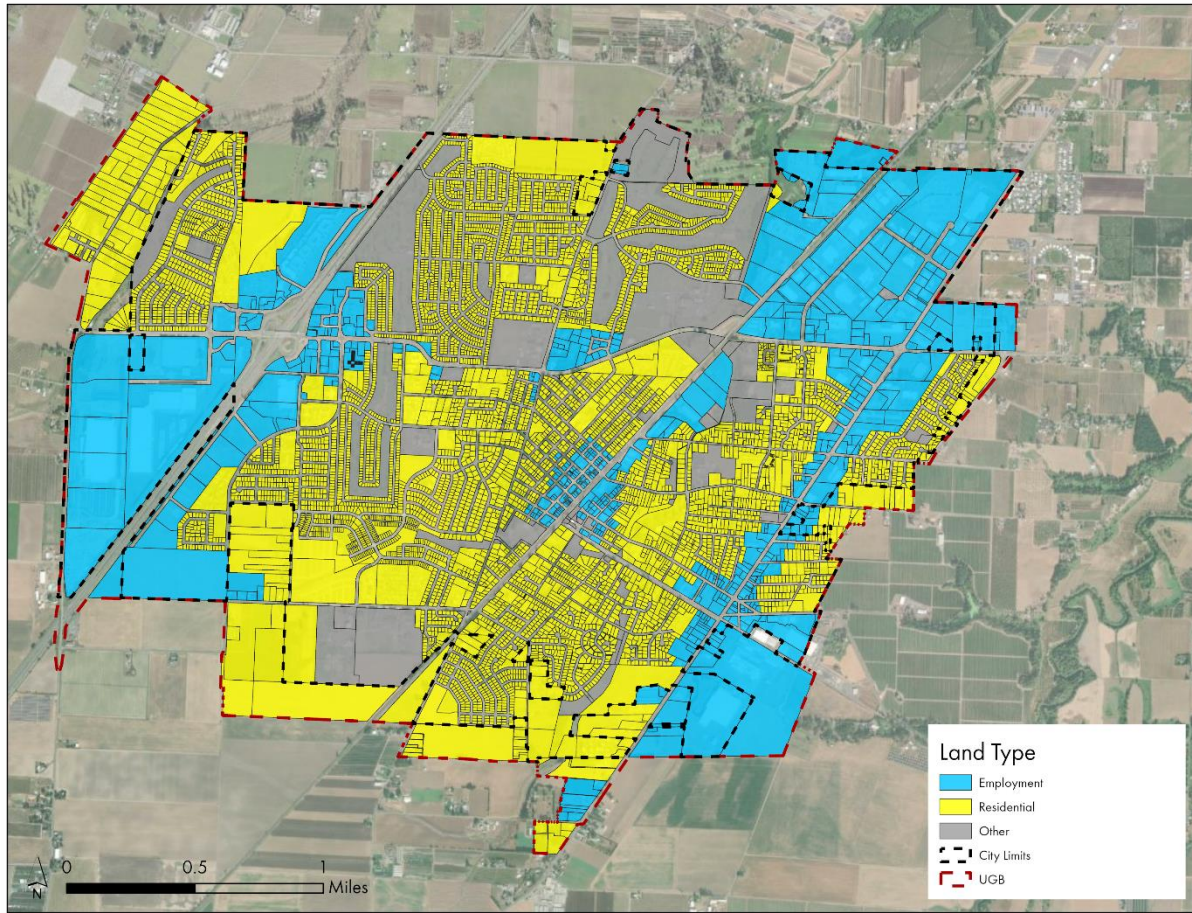


Table 1 summarizes the number of tax lots and gross acreage associated with the two land types. For the purpose of this inventory, portions of tax lots that extend beyond the UGB are not factored into the estimated land capacity. Overall, there are significantly fewer employment land type tax lots compared to residential land types. However, employment land type tax lots comprise nearly half of the overall gross acreage in the City’s UGB, due to their much larger average size.

Table 1: Woodburn Land Type

	Number of Tax Lots	Gross Acres¹
Employment	696	1,302.4
Residential	6,987	2,093.5
Total	7,683	3,395.9

¹ Gross acreage includes a limited number of tax lots that are partially located inside the Woodburn UGB.

Step 2: Calculate Constraints

As defined in OAR 660-009-005, “Development Constraints” are 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, slope, topography, infrastructure deficiencies, parcel fragmentation, or natural hazard areas. The constraints used for this analysis include:

- FEMA Floodplain Hazards, including regulatory floodways and 100-year flood hazard areas.
- Riparian Corridor Wetlands Overlay (RCWOD).
- National Wetlands Inventory

The portions of a site that are affected by one or more of these constraints are removed from the site area and are not considered buildable for the purposes of the inventory. Figure 3 shows the location of these constraints.

Figure 3: Woodburn Development Constraints

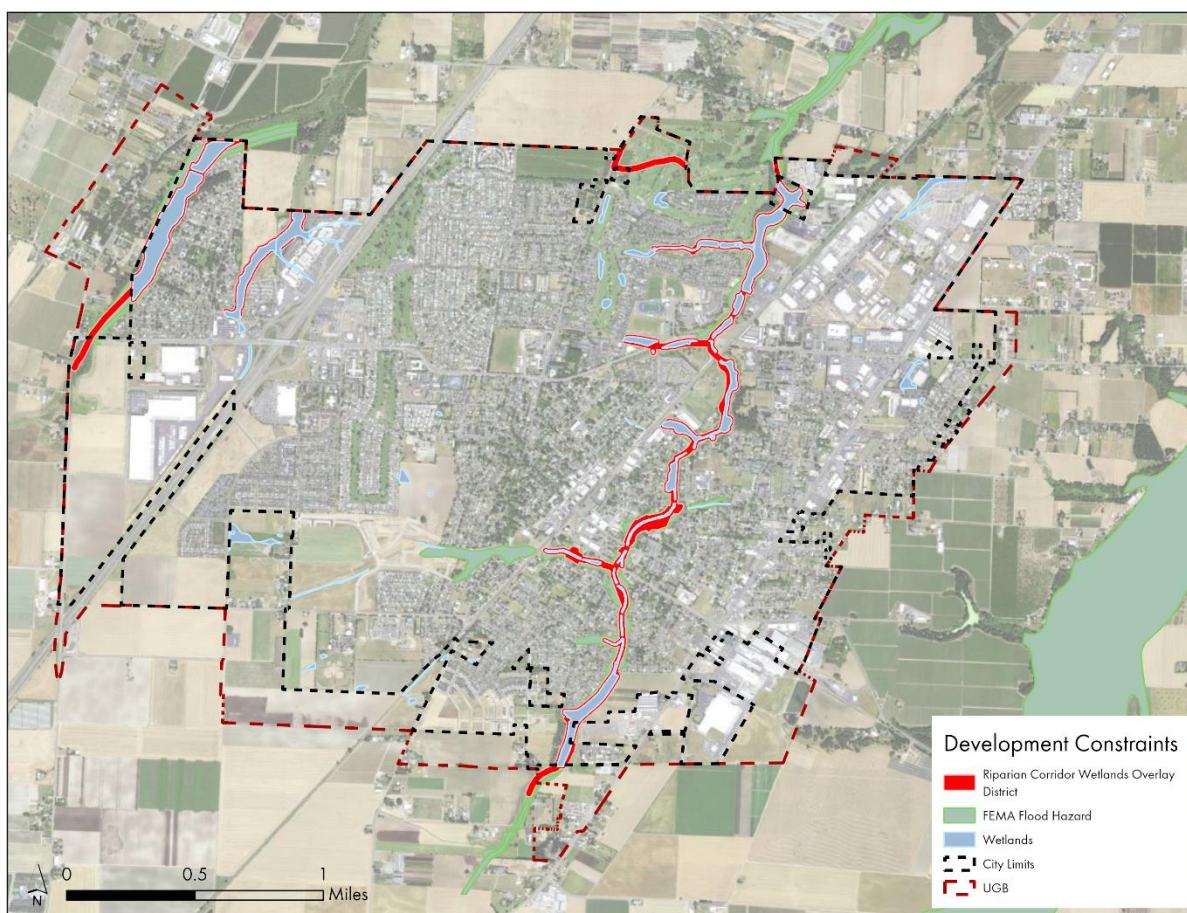


Table 2 provides a summary of the overall amount of constrained areas present within the UGB. Approximately 52 acres of employment land is constrained by FEMA floodplain hazards or the RCWOD overlay.

Table 2: Woodburn Development Constraints

	Constrained (acres)	Unconstrained (acres)	Total (acres)
Employment	51.8	1,250.6	1,302.4
Residential	97.6	1,995.9	2,093.5
Total	145.4	3,250.5	3,395.9

Step 3: Classify Employment Land by Development Status

Employment land within the study area was classified by development status, as follows:

- **“Vacant”** land meets one or more of the following criteria:
 - Equal to or larger than ½ acre and not currently containing permanent improvements.²
 - Equal to or larger than 5 acres where less than ½ acre is occupied by permanent buildings or improvements.³
 - Improvement value is less than \$5,000 or less than 5% of the property’s land value.⁴
- **“Partially Vacant”** land has an improvement value of between 5% and 40% of the land value, or is greater than one acre in size with at least ½ acre not improved (based on aerial photo). Unless aerial photos or other information indicate otherwise, this inventory assumes that 50% of unconstrained land is vacant based on state harbor rules.⁵ A number of partially vacant sites have been adjusted to account for present conditions.
- **“Developed”** land has an improvement value greater than 40% of the land value and/or does not meet the definition of vacant or partially vacant.⁶ In addition, several other types of land were identified as developed, including the following:
 - Land approved for non-employment development (i.e., for residential uses).
 - Land currently used for outdoor storage of equipment or merchandise.
 - Land that is subject to site improvement or expansion plan

Table 3 presents a summary of the land development status organized by zoning inside City limits and by general commercial/industrial designation outside of City limits.

Table 3: Summary of Unconstrained Employment Land Acreage by Development Status

² Safe harbor pursuant to OAR 660-024-0050(3)(a)

³ Safe harbor pursuant to OAR 660-024-0050(3)(b)

⁴ Safe harbor pursuant to OAR 660-038-0120(2)(a)

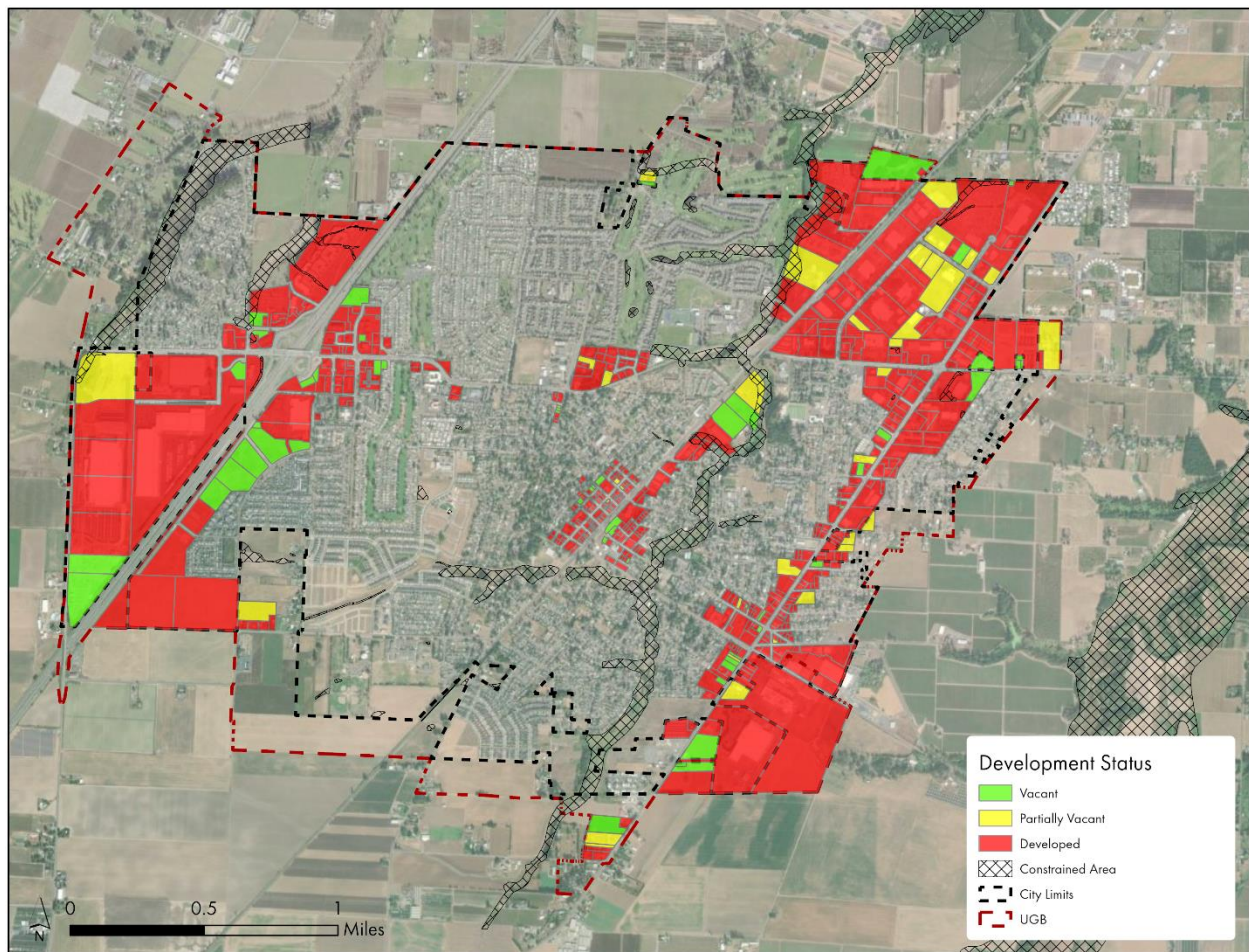
⁵ Safe harbor pursuant to OAR 660-038-0120(2)(b)

⁶ Safe harbor pursuant to OAR 660-038-0120(2)(c)

	Vacant	Partially Vacant	Developed	Total
Commercial General (CG)	45.5	9.0	321.5	376.0
Commercial Office (CO)	4.1	2.2	32.5	38.8
Downtown Dev. & Conserv. (DDC)	0.7	0.4	14.2	15.3
Mixed Use Village (MUV)	0.5	0.2	17.8	18.5
UGB Commercial	8.7	28.0	20.5	57.3
Commercial/Mixed use Subtotal	59.5	39.9	406.6	506.0
Light Industrial (IL)	32.2	18.5	376.4	427.1
Industrial Park (IP)	2.1	37.3	151.5	190.8
UGB Industrial	23.7	0.0	102.9	126.6
Industrial Subtotal	58.1	55.8	630.7	744.6
Total	117.6	95.6	1,037.3	1,250.6

Figure 4 illustrates the development status of employment land types within the City’s UGB.

Figure 4: Employment Land by Development Status



Step 4: Inventory Results

The following assumptions were used to determine the net acreage of land within the City.

- 50% of all employment land identified as partially vacant.
- 15% of vacant industrial employment land (Light Industrial, Industrial Park zones).
- 20% of vacant commercial employment land (Commercial General, Commercial Office, Downtown Development & Conservation, Mixed Use Village zones).
- 5% of additional reduction on vacant, partially vacant Commercial General zone in consideration of multi-family housing development.

The 50% deduction is based on safe harbor rules in OAR 660-038-0120(2)(b), which assumes half the site is available to support additional economic development. The 15% and 20% deductions for vacant industrial and commercial employment lands are to account for potential infrastructure improvements on vacant land. Typically, infrastructure improvements include right-of-way dedications for street improvements.⁷ The additional 5% reduction reflects the fact that residential use is allowed in the General Commercial zone and several recent developments of that type have occurred in that zone.

Table 4 below provides a summary for each zone and Table 5 classifies the developable lands by size.

Table 4: Net Developable Acres of Employment Land

	Vacant	Partially Vacant	Total
Commercial General (CG)	34.1	4.1	38.2
Commercial Office (CO)	3.3	1.1	4.4
Downtown Development & Conservation (DDC)	0.6	0.2	0.8
Mixed Use Village (MUV)	0.4	0.1	0.5
UGB Commercial	7.0	14.0	21.0
Commercial/Mixed use Subtotal	45.3	19.5	64.8
Light Industrial (IL)	27.4	9.2	36.6
Industrial Park (IP)	1.8	18.6	20.4
UGB Industrial	20.2	0.0	20.2
Industrial Subtotal	49.4	27.9	77.3
Total	94.7	47.4	142.1

⁷ Note, OAR 660-024-0040(10) allows a safe harbor deduction of 25% for a residential buildable land inventory to account for streets and roads, parks, and school facilities. There is no equivalent rule in the OAR for an employment buildable land inventory. Notwithstanding, this employment buildable land inventory applies deductions because street and road improvements are anticipated for development of vacant properties. The lower amount is because, in part, parks and school facilities aren't typically built on commercial and industrial properties. Similarly, commercial and industrial properties typically require larger lot sizes and incorporate private roads or accessways, necessitating less land for public dedication.

Table 5: Remaining Inventory by Net Developable Acres

	Number of lots	Share
Commercial/Mixed use		
0 – 5 acres	69	97.2%
5 – 10 acres	2	2.8%
>10 acres	0	0%
Commercial/Mixed use Subtotal	71	
Industrial		
0 – 5 acres	17	73.9%
5 – 20 acres	6	26.1%
>20 acres	0	0
Industrial Subtotal	23	
Total	94	

Appendix C: Buildable Lands Inventory

