

Community Development Department
P.O. Box 970 ▪ 414 E First Street ▪ Newberg, Oregon 97132
503-537-1240 ▪ Fax 503-537-1272 ▪ www.newbergoregon.gov

DATE: June 11, 2020

TO: Newberg Planning Commission

FROM: Doug Rux, Community Development Director

SUBJECT: Economic Opportunities Analysis Briefing – Key Economic Trends, Preliminary Employment Forecast, Draft Buildable Lands Inventory, Preliminary Site Needs, Preliminary Competitive Advantage

EXECUTIVE SUMMARY:

The City Council approved a contract with ECONorthwest on November 18, 2019 by Resolution No. 2019-3618 to assist the City in conducting an Economic Opportunities Analysis (EOA). On September 16, 2019 the City Council passed Resolution No. 2019-3600 supporting a grant application to the Department of Land Conservation and Development for a Technical Assistance grant. The City was successful in the grant application and was awarded \$20,000 towards the cost of conducting the EOA.

The City Council appointed a Citizens Advisory Committee (CAC) on January 6, 2020. Attachment 1 is the list of the current members of the CAC. A Technical Advisory Committee (TAC) was also established in part to comply with DLCD grant requirements but to also to provide technical review of the work products. Attachment 2 is a list of the TAC members.

A Project Kickoff meeting was held with ECONorthwest on January 6, 2020. The outcome of the meeting was a Project Charter outlining roles and responsibilities for the project (Attachment 3).

The CAC has met three times since the project initiation in January 2020 and TAC has met twice. The first CAC meeting occurred on January 27, 2020 as a briefing and orientation to the project. The CAC and TAC held their first official meetings on technical aspects on April 23, 2020. The meeting was originally scheduled for March 17, 202 but was canceled due to the COVID-19 pandemic. Below is a summary of the material presented on April 23, 2020.

Why do an EOA?

- Legal requirements (Goal 9: Economy)
- Understand existing conditions and forecast future conditions to inform:
 - Economic development strategy
 - Land use policy
 - Coordination

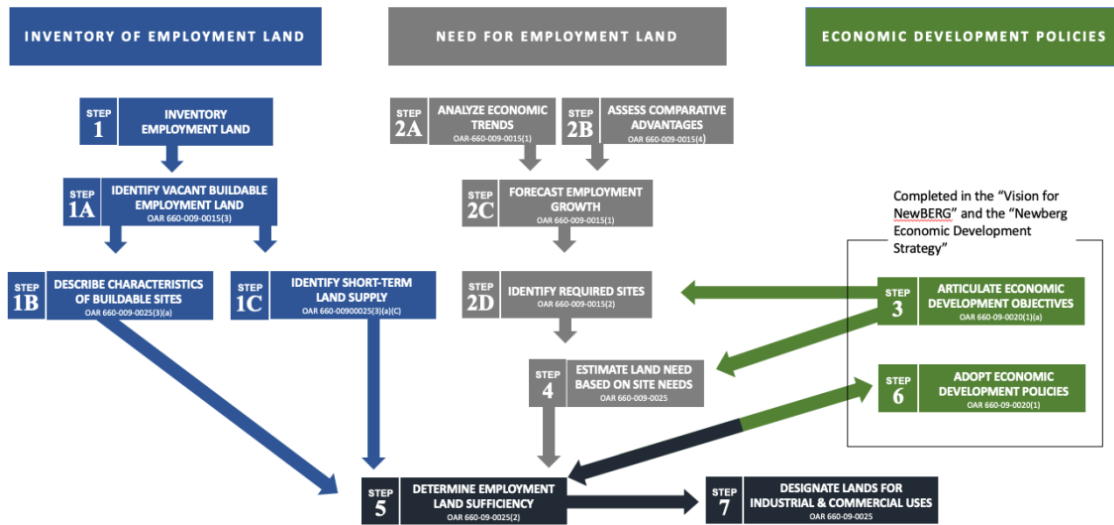
Goal 9: Economy

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Goal 9 & OAR 660-009 Requirements

- Economic Opportunities Analysis
- Economic Development Objectives
- Designate lands for commercial and industrial uses
- Does the city have enough of the needed types of land?
- Identify desired types of employment uses
- Determine the required site characteristics for the employment uses

Project overview



Overview of the Work Program

1. Project Kickoff
2. Trend Analysis & Employment Forecast
3. Buildable Lands Inventory & Site Suitability
4. Employment Land Needs Analysis
5. Strategies to Accommodate Employment Growth
6. Economic Opportunities Analysis Report

Citizens Advisory Committee (CAC) Role

- Provide feedback on trends and site needs, buildable lands inventory, and final EOA document
- Provide local context
- Recommend draft EOA to City Council

Desired Outcomes

The attached minutes (Attachment 4) describe the CAC members' desired outcomes for the project.

Review: Existing Vision and Economic Development Strategy

The CAC reviewed several existing documents such as the A NewBERG Community Vision and 2019 Newberg Economic Development Strategy.

Vision for a NewBERG

In 2040, Newberg is a gem of the Willamette Valley – mirroring the surrounding bucolic landscapes, its cultivated relationships, flourishing culture, thoughtfully enhanced sense of place, strong local economy, and collaborative leadership nourish our thriving community.

Additional details on A NewBERG and the Economic Development Strategy are contained in Attachment 5.

Economic Development Strategy
Key Economic Trends



Employment in Yamhill County

Average Wage for Yamhill Co is \$42,302 (2018).

Newberg accounts for about 27% of employment in Yamhill County.

Construction, manufacturing, professional and business services, and Education and health services are sectors with above average wages.

Natural resources and mining, Trade, transportation and utilities, and Leisure and hospitality are sectors with below average wages.

Employment in Newberg

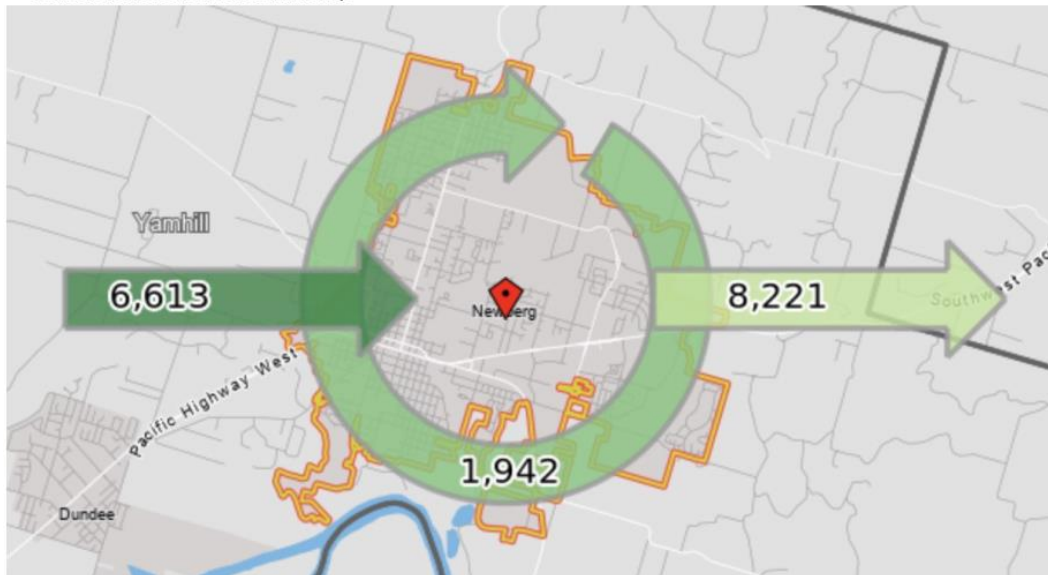
Newberg's sectors with 200+ employees and higher than average city wages (\$43,480) in 2018

- Construction; Natural Resources
- Manufacturing
- Prof., Sc., and Tech. Services; Mgmt of Comp
- Health Care and Social Assistance; Private Education
- Government

Commuting Patterns

Commuting Flows, Newberg, 2017

Source: U.S. Census Bureau, OnTheMap



Preliminary Employment Forecast

Employment Forecast Assumptions

- Employment base
- Growth rates
- Mix of employment
- Employment in residential areas
- Employment density

Covered Total Employment

Covered to Total Employment, Newberg UGB, 2018

| | Covered Employment | Estimated Total Employment | Covered % of Total |
|--|-----------------------|----------------------------------|-----------------------|
| Natural Resources | 72 | 72 | 100% |
| Utilities | 34 | 76 | 45% |
| Construction | 459 | 662 | 69% |
| Manufacturing | 2,085 | 2,324 | 90% |
| Wholesale Trade | 99 | 140 | 71% |
| Retail Trade | 1,083 | 1,441 | 75% |
| Transportation and Warehousing | 88 | 196 | 45% |
| Information | 62 | 105 | 59% |
| Finance and Insurance | 181 | 365 | 50% |
| Real Estate and Rental and Leasing | 105 | 796 | 13% |
| Prof., Sc., and Tech. Services; Mgmt of Comp. | 219 | 544 | 40% |
| Admin. and Support and Waste Mgmt and Remed. Serv. | 139 | 268 | 52% |
| Health Care and Social Assist.; Priv. Edu. | 2,441 | 3,234 | 75% |
| Arts, Entertainment, and Recreation | 54 | 150 | 36% |
| Accommodation and Food Services | 1,292 | 1,459 | 89% |
| Other Services (except Public Administration) | 387 | 701 | 55% |
| Government | 875 | 933 | 94% |
| Total Non-Farm Employment | 9,675 | 13,466 | 72% |

Regional Employment Projections

**OED Regional Employment Projections,
Mid-Willamette Valley Region (Linn, Marion, Polk, and Yamhill Counties),
2017-2027**

| Industry Sector | 2017 | 2027 | Change 2017 - 2027 | | |
|--|----------------|----------------|--------------------|------------|-------------|
| | | | Number | Percent | AAGR |
| Total private | 208,800 | 236,400 | 27,600 | 13% | 1.2% |
| Natural resources and mining | 17,700 | 20,100 | 2,400 | 14% | 1.3% |
| Construction | 14,700 | 17,700 | 3,000 | 20% | 1.9% |
| Manufacturing | 27,700 | 30,100 | 2,400 | 9% | 0.8% |
| Trade, transportation, and utilities | 42,500 | 47,600 | 5,100 | 12% | 1.1% |
| Wholesale trade | 6,200 | 6,900 | 700 | 11% | 1.1% |
| Retail trade | 27,800 | 30,200 | 2,400 | 9% | 0.8% |
| Transportation, warehousing, and utilities | 8,500 | 10,500 | 2,000 | 24% | 2.1% |
| Information | 1,800 | 1,900 | 100 | 6% | 0.5% |
| Financial activities | 9,200 | 9,700 | 500 | 5% | 0.5% |
| Professional and business services | 19,000 | 21,000 | 2,000 | 11% | 1.0% |
| Private educational and health services | 43,700 | 51,800 | 8,100 | 19% | 1.7% |
| Leisure and hospitality | 22,400 | 25,400 | 3,000 | 13% | 1.3% |
| Accommodation and food services | 19,900 | 22,600 | 2,700 | 14% | 1.3% |
| Other services and private households | 10,100 | 11,100 | 1,000 | 10% | 0.9% |
| Government | 52,200 | 55,700 | 3,500 | 7% | 0.7% |
| Total payroll employment | 261,000 | 292,100 | 31,100 | 12% | 1.1% |

**Employment is
forecast to
grow 1.1%**

Source: Oregon Employment Department. Employment Projections by Industry 2017-2027.

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Employment Forecast: Potential Growth Rates

Employment Growth Forecast, Newberg UGB, 2021 to 2041

Employment Base: Estimate 2018 Total Employment in Newberg, about 13,466 jobs.

Growth Rates: Consider potential growth rates.

Newberg grew by 837 covered jobs or at 0.9% AAGR between 2008 and 2018.

| Year | Estimated Employment | |
|----------------------------|------------------------------|-----------------------------|
| | OED Growth Rate (Mid-Valley) | PSU Population Growth Rate* |
| 2021 | 13,929 | 14,175 |
| 2041 | 17,448 | 19,957 |
| Change 2021 to 2041 | | |
| Employees | 3,519 | 5,782 |
| Percent | 25% | 41% |
| AAGR | 1.13% | 1.73% |

Two safe harbor options

1. OED growth rate for Mid-Valley Region (1.13%)
2. PSU population growth rate for Newberg (1.73%)

*Note: PSU population forecast will be updated in Spring/Summer 2020

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Employment Forecast Next Steps

Next steps in the employment forecast include:

- Determining future mix of employment
- Based on existing mix and growth industries?
 - Industrial: 25%
 - Retail Commercial: 11%
 - Commercial (non-retail): 57%
 - Government: 7%
- Consider changes in mix of industries?
- Employment in residential areas
- Employment density

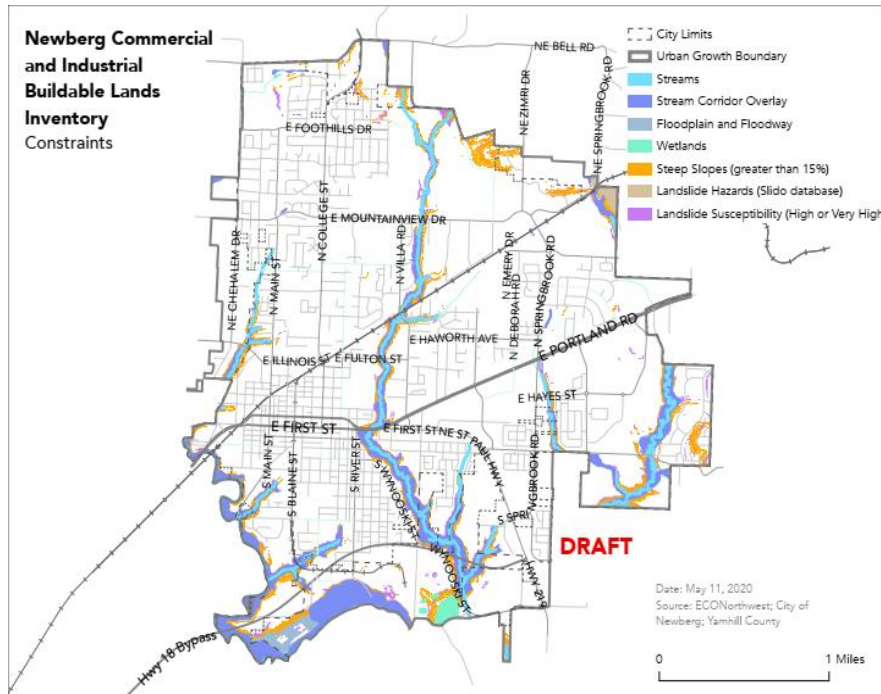
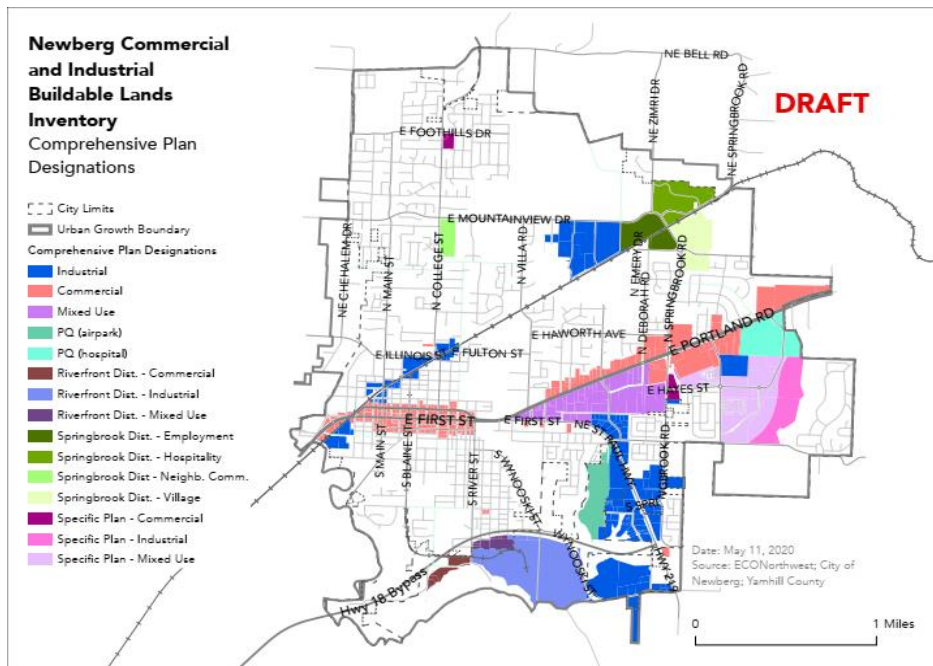
Next Steps

- Refine employment forecast
- Draft buildable lands inventory
- Identify target industries and site needs
- Determine whether the City has sufficient buildable lands (with the necessary characteristics) to meet the forecast of employment growth

The CAC and TAC held their second meeting on May 28, 2020. Material presented and reviewed included the Preliminary BLI results, Site Suitability and Newberg's Competitive Advantage. Additional details can be found in Attachment 6.

Methodology

1. Develop land base
2. Classify land
3. Remove constraints
4. Verification
 - Aerial imagery
 - Staff review

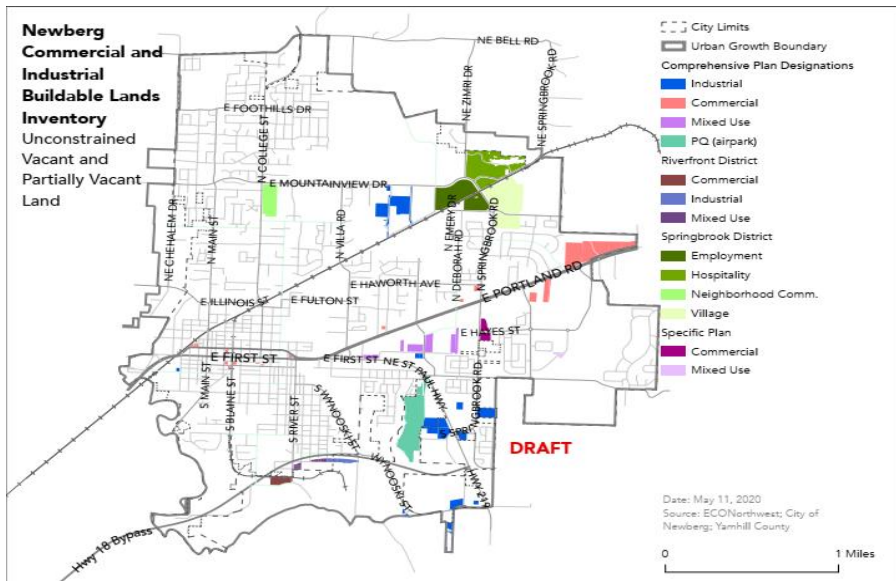
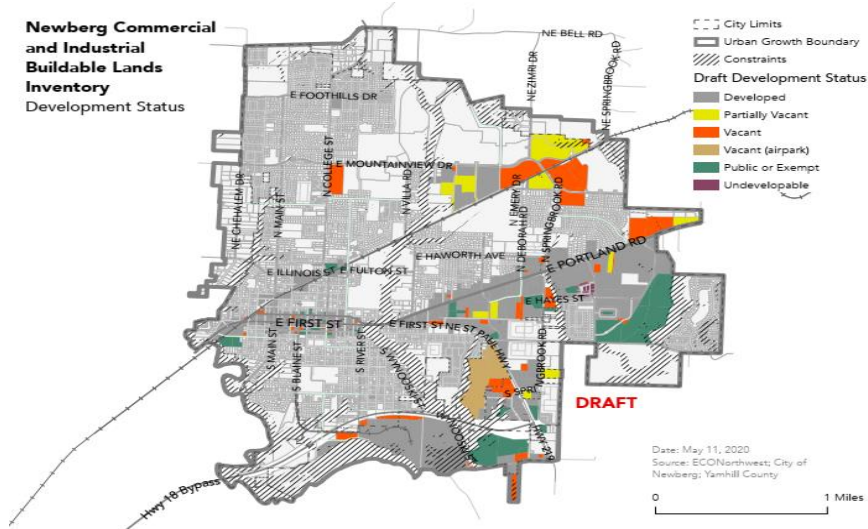


BLI Land Classifications

Definitions

- ❖ Developed
 - Lots fully developed consistent with current zoning. Improved lots unlikely to redevelop within the 20-year period.
- ❖ Partially vacant
 - Lots occupied by a use, but contain enough land to be developed further in current zone.
- ❖ Vacant
 - Lots that have no structures or have buildings with very little improvement value.

- ❖ Undevelopable
 - Vacant tax lots less than 3,000 square feet in size § Public or exempt
- ❖ Lands in public or semi-public ownership



Unconstrained Vacant and Partially Vacant Land

| Zone/Plan Designation | Total Buildable Acres | Buildable Acres on Vacant Lots | Buildable Acres on Partially Vacant Lots |
|---------------------------------|-----------------------|--------------------------------|--|
| Commercial | 105 | 86 | 19 |
| Commercial | 15 | 10 | 6 |
| Riverfront District Commercial | 5 | 5 | |
| Specific Plan Commercial | 4 | 4 | |
| <i>Springbrook District</i> | 81 | 68 | 13 |
| Employment | 22 | 19 | 3 |
| Hospitality | 14 | 4 | 10 |
| Neighborhood Commercial Village | 11 | 11 | |
| | 34 | 34 | |
| Mixed Use | 13 | 9 | 4 |
| Mixed Use | 10 | 6 | 4 |
| Riverfront District Mixed Use | 2 | 2 | |
| Specific Plan Mixed Use | 1 | 1 | |
| Industrial | 30 | 23 | 7 |
| Industrial | 27 | 20 | 7 |
| Riverfront District Industrial | 3 | 3 | |
| Total | 147 | 118 | 29 |

Vacant and Partially Vacant Land: Site Sizes

Buildable acres on vacant and partially vacant lots by size, Newberg UGB

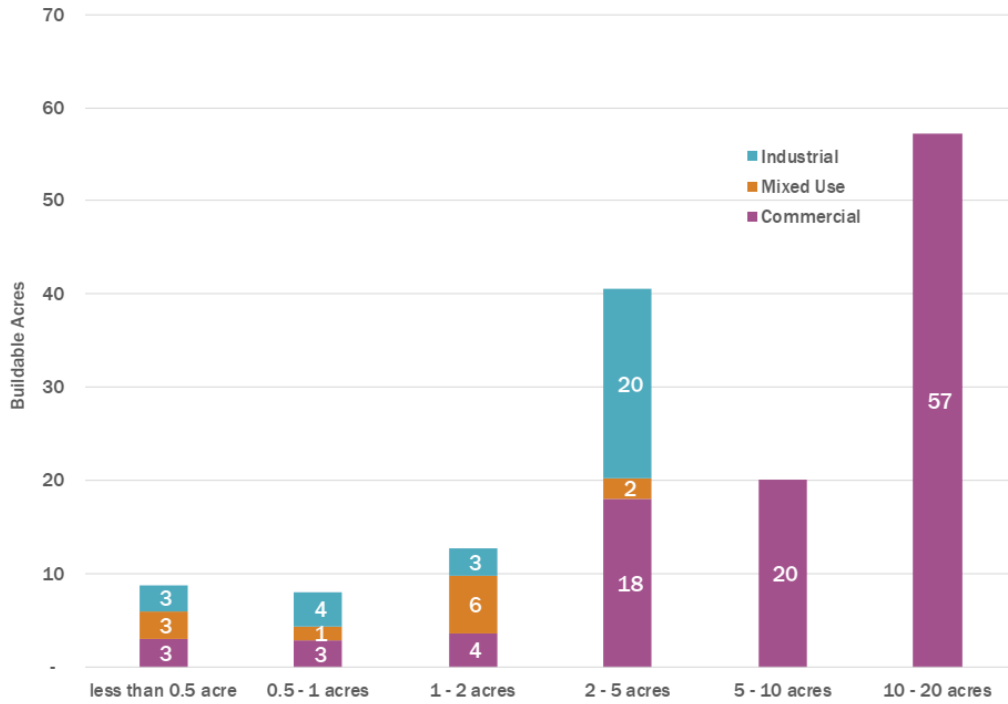
| | Buildable acres in taxlots | | | | | | Total |
|--------------|----------------------------|---------------|-------------|-------------|--------------|---------------|------------|
| | less than 0.5 acre | 0.5 - 1 acres | 1 - 2 acres | 2 - 5 acres | 5 - 10 acres | 10 - 20 acres | |
| Commercial | 3 | 3 | 4 | 18 | 20 | 57 | 105 |
| Mixed Use | 3 | 1 | 6 | 2 | | | 13 |
| Industrial | 3 | 4 | 3 | 20 | | | 30 |
| Total | 9 | 8 | 13 | 41 | 20 | 57 | 148 |

Number of lots with buildable vacant and partially vacant land by size, Newberg UGB

| | Taxlots with buildable acres | | | | | | Total |
|--------------|------------------------------|---------------|-------------|-------------|--------------|---------------|-----------|
| | less than 0.5 acre | 0.5 - 1 acres | 1 - 2 acres | 2 - 5 acres | 5 - 10 acres | 10 - 20 acres | |
| Commercial | 15 | 4 | 2 | 6 | 3 | 5 | 35 |
| Mixed Use | 12 | 2 | 4 | 1 | | | 19 |
| Industrial | 7 | 5 | 2 | 7 | | | 21 |
| Total | 34 | 11 | 8 | 14 | 3 | 5 | 75 |

Vacant and Partially Vacant Land: Site Sizes

Buildable acres on vacant and partially vacant lots by size and plan designation, Newberg UGI



Developed Land: Site Sizes

Developed lots by size, Newberg UGB

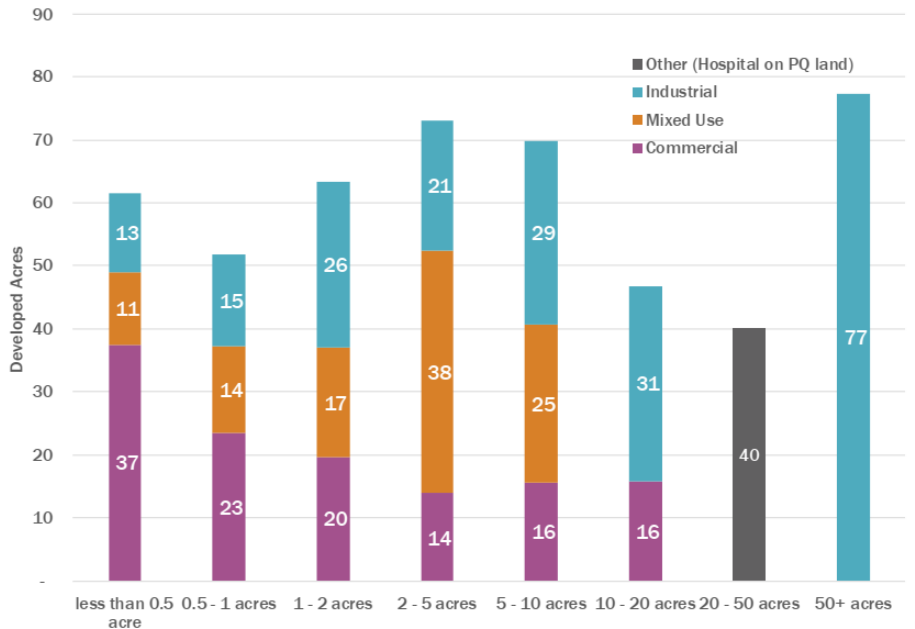
| | Developed acres in taxlots | | | | | | | | Total |
|-----------------------------|----------------------------|---------------|-------------|-------------|--------------|---------------|---------------|-----------|------------|
| | less than 0.5 acre | 0.5 - 1 acres | 1 - 2 acres | 2 - 5 acres | 5 - 10 acres | 10 - 20 acres | 20 - 50 acres | 50+ acres | |
| Commercial | 37 | 23 | 20 | 14 | 16 | 16 | | | 126 |
| Mixed Use | 11 | 14 | 17 | 38 | 25 | | | | 106 |
| Industrial | 13 | 15 | 26 | 21 | 29 | 31 | | 77 | 212 |
| Other (Hospital on PQ Land) | | | | | | | 40 | | 40 |
| Total | 62 | 52 | 63 | 73 | 70 | 47 | 40 | 77 | 484 |

Number of developed lots by size, Newberg UGB

| | Count of taxlots | | | | | | | | Total |
|-----------------------------|--------------------|---------------|-------------|-------------|--------------|---------------|---------------|-----------|------------|
| | less than 0.5 acre | 0.5 - 1 acres | 1 - 2 acres | 2 - 5 acres | 5 - 10 acres | 10 - 20 acres | 20 - 50 acres | 50+ acres | |
| Commercial | 202 | 34 | 14 | 5 | 2 | 1 | | | 258 |
| Mixed Use | 84 | 17 | 13 | 11 | 4 | | | | 129 |
| Industrial | 42 | 20 | 19 | 8 | 5 | 2 | | | 97 |
| Other (Hospital on PQ Land) | | | | | | | 1 | | 1 |
| Total | 328 | 71 | 46 | 24 | 11 | 3 | 1 | 1 | 485 |

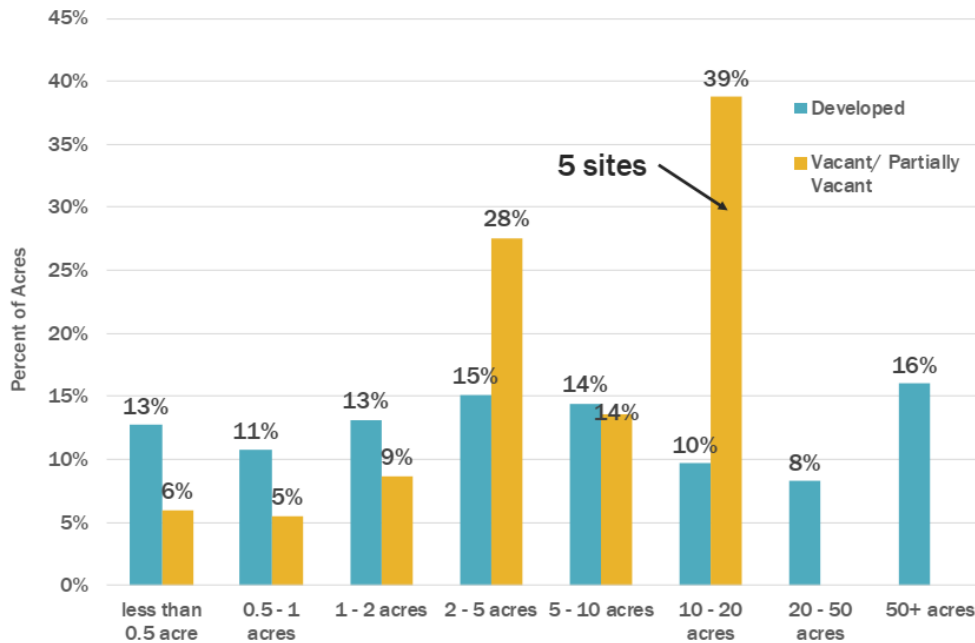
Developed Land: Site Sizes

Developed acres by size and plan designation, Newberg UGB

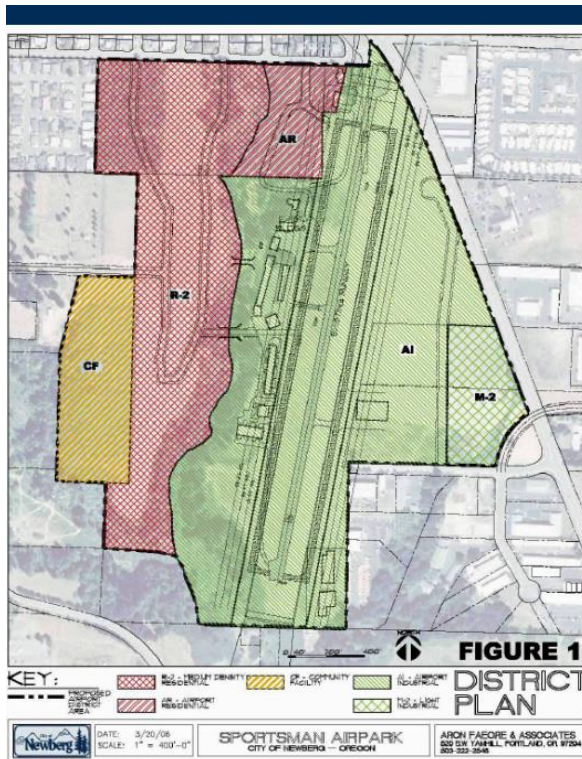


Comparison of Developed and Vacant Land

Developed and vacant or partially vacant land in commercial or industrial plan designations by site size, Newberg UGB



Sportsman Airpark



- 54 total acres in Industrial and Public Quasi-Public designations
 - 29 acres developable, approx. 17% developed (according to Master Plan)

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Limited use of aviation related uses.

Discussion of Site Needs

Target Industries

- Advanced Manufacturing
 - Metals and machinery
- Food/Beverage Processing
 - Wine and Beer
 - Food machinery suppliers (cooling, conveying, etc.)
- General Manufacturing
 - Dental equipment
 - Distribution and logistics
- Technology
 - Health/medical information technology
 - Cyber-security
- Agriculture and Wood Products
 - Secondary Wood Processing
 - Nursery and value-added agricultural products

- Traded Sector High Tech Manufacturing
 - Semiconductors/silicon
 - Imaging and display technology

- Aviation related industries
 - Specialty aircraft equipment and repair
 - Machine shops
 - Other small aviation-related businesses

Attachment 7 contains a detailed list of from the State of Oregon on an Industrial Development Competitiveness Matrix.

Types of Sites Target Industries may Need

| Target Industry | High Tech | Food Proces. | Adv. Mfg. | Gen. Mfg. | Ind. Bus. Park | Reg. Ware-house | Local Ware-house | Special ized |
|---------------------------------------|-----------|--------------|-----------|-----------|----------------|-----------------|------------------|--------------|
| Advanced Manufacturing | ✓ | | ✓ | | ✓ | | | ✓ |
| Food/Beverage Processing | | ✓ | | | | | ✓ | |
| General Manufacturing | | | | ✓ | ✓ | | | |
| Technology | ✓ | | ✓ | | ✓ | | | ✓ |
| Agriculture and Wood Products | | ✓ | | ✓ | ✓ | | ✓ | |
| Traded Sector High Tech Manufacturing | ✓ | | ✓ | | ✓ | | | ✓ |
| Aviation related industries | | | ✓ | ✓ | ✓ | | | ✓ |

Characteristics of Sites by Target Industries

| Site Characteristics | Advanced Mfg. | Food/ Bev. Process. | General Mfg. | Ag. and Wood Products | Traded Sector High Tech Mfg. / Tech. | Aviation Related Ind. |
|------------------------------------|-----------------------------------|--------------------------------|--|-------------------------------------|---|-------------------------------------|
| Site Size (acres) | 5-25+ | 5-25+ | 5-15+ | 5-25+ | 5-100+ | 5-25+ |
| Slope | 0 to 7% | 0 to 5% | 0 to 5% | 0 to 7% | 0 to 5% | 0 to 7% |
| Railroad Access | Not required | Preferred | Preferred | Preferred | Preferred | <i>Depends on specific industry</i> |
| Highway Access (mi. to interstate) | within 15 | within 30 | within 20 | within 5-20 | within 60 | within 20 (or n/a) |
| Special Utility Needs | Electricity redundancy dependency | High pressure water dependency | Higher demand for electricity, gas, and telecom. | <i>Depends on specific industry</i> | High pressure water dependency; Very high utility demands | <i>Depends on specific industry</i> |

Newberg's Competitive Advantage SWOT: Strengths and Weaknesses

Strengths

- Location
 - Proximity to Portland Metro
 - Access to agricultural land
- Transportation
 - Hwy 99W
 - Rail service
- Utilities
 - Water quantity/quality
 - Lower power costs
- Quality of life
 - Services for residents and visitors

Weaknesses

- Transportation
 - Distance from I-5
 - Traffic congestion (99W)
 - Lack of public transit
- Aging infrastructure
- Limited land supply

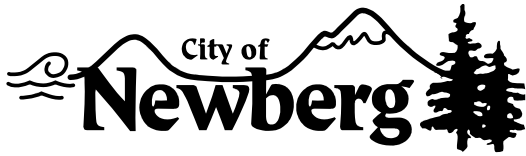
Opportunities

- Education
 - George Fox University
 - Portland Community College resources
- Redevelopment
 - Downtown revitalization
 - Riverfront development
- Tourism
 - Wine industry
 - Hotel development
- Entrepreneurial business incubator

Threats

- Global pandemic
- Business relocation
- Aging population
- Climate change

- Attachments:
1. Citizens Advisory Committee Members
 2. Technical Advisory Committee Members
 3. Project Charter
 4. April 23, 2020 CAC Minutes – Desired Outcomes
 5. CAC Meeting Power Point April 23, 2020
 6. CAC Meeting Power Point May 28, 2020
 7. Business Oregon Industry Profiles 2015



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Ad Hoc Economic Opportunities Analysis Citizens Advisory Committee Membership

Curt Walker, Chair

Carr Biggerstaff, Vice Chair

Gene Piros, Council Liaison

Rick Rogers, Ex-officio

Jim Bush

Alvin Elbert

Rob Hallyburton

Keith Hansen

Philip Higgins

Isa Pena

Allen Routt

Bob Woodruff



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Ad Hoc Economic Opportunities Analysis Technical Advisory Committee Membership

Angela Carnahan, Department of Land Conservation and Development

Patrick O'Connor, Oregon Employment Department

Dennie Houle, Business Oregon

Daniel Fricke, Oregon Department of Transportation

Abisha Stone, Strategic Economic Development Corporation

Lance Woods, Yamhill County

Leigh McIlvaine, Department of Land Conservation and Development



DATE: February 21, 2020
TO: Doug Rux, City of Newberg
FROM: Margaret Raimann and Beth Goodman, ECONorthwest
SUBJECT: Newberg EOA Project Charter

This memorandum presents the draft Project Charter for the City of Newberg's Economic Opportunities Analysis (EOA). It includes the three deliverables listed in Task 1 of our work program:

- Project charter
- Summary of major tasks and action items for the project
- Proposed project schedule

Purpose

For any collaborative process to proceed smoothly it is helpful for those involved to agree at the outset on the purpose of the partnership and on the procedures and principles by which the group understands it will conduct its interactions and decision making. This Charter describes the project's goals and objectives and expectations of the teams. The Charter establishes communication procedures, identifies potential project risks and outlines a recommended strategy for addressing these risks. The Charter will also identify other procedures or operations unique for the project.

Project Goals and Objectives

Goals

ECONorthwest interpreted the following goals for the project based off the Scope of Work for the Newberg EOA.

- Assess Newberg's commercial and industrial land needs.
- Identify key employment and other trends relevant for economic development in Newberg.
- Develop measures to accommodate future employment land needs, informed by public input.
- Develop the analysis and measures consistent with and to implement the NewBERG Community Vision and 2019 Newberg Economic Development Strategy.
- Develop an Economic Opportunities Analysis that is compliant with all applicable statewide land use policies.

Objectives

The elements that will support the goals for the Newberg EOA (described above) are the key deliverables outlined in the Scope of Work. They include:

- Trend analysis and employment forecast
- Employment land buildable lands inventory
- Site suitability analysis
- Employment Land Needs Analysis
- Conclusions and Recommendations Report with strategies to address employment growth
- Hearings-ready EOA

Proposed Project Schedule

The following is the general project schedule, subject to adjustments. A detailed project schedule is included in Attachment A. Project Schedule at the end of this memorandum.

| Task | Dates |
|--|-------------------------|
| Task 1: Project Kickoff | January - February 2020 |
| Task 2: Trend Analysis and Employment Forecast | January - March 2020 |
| Task 3: Buildable Lands Inventory and Site Suitability | February - June 2020 |
| Task 4: Employment Land Needs Analysis | June - August 2020 |
| Task 5: Strategies to Accommodate Employment Growth | June - November 2020 |
| Task 6: Economic Opportunities Analysis Report | October - December 2020 |

External Communications Protocols

Doug Rux from the City of Newberg is the city's project manager. Any external communications (e.g., community members, industry representatives, media, etc.) will be routed through Doug.

Team Members

The project's team members include the Technical Advisory Committee, the Citizens Advisory Committee, and the Project Management Team.

Advisory Committees

The purpose of the Technical (TAC) and Citizens Advisory Committees (CAC) is to:

- Review draft work products, advise on public involvement, and consider public input when making recommendations.

- Advise the project management team on matters regarding employment needs, market conditions, and the buildable lands inventory in Newberg.
- Work collaboratively with, and provide guidance to, the staff and consultant project team in the preparation of the Newberg Economic Opportunities Analysis.
- Work collaboratively with, and provide guidance to, the staff and consultant project team in the preparation of the Newberg recommended measures to employment land needs.
- Review, provide input, and recommend a draft Economic Opportunities Analysis to City Council and Planning Commission.

The CAC is made up of citizen advisors, appointed by the Mayor of Newberg on January 6, 2020. The TAC is made up of technical advisors selected by the City’s project manager. The members of the CAC and TAC include:

| Citizens Advisory Committee members | Technical Advisory Committee members |
|---|--------------------------------------|
| Gene Piros, City Councilor | |
| Curt Walker, local developer | |
| Allen Routt, local restaurant owner | |
| Philip Higgins, local real estate broker | |
| Sid Freidman, farmer and former planning advocate | |
| Carr Biggerstaff, Chehalem Valley Innovation Accelerator | |
| Bob Woodruff, local resident | |
| Alvin Elbert, local manufacturing business owner | |
| Keith Hansen, local resident involved in construction industry | |
| Isa Pena, local resident | |
| Jim Bush, resident outside of city and with business analytics experience | |

The following is the proposed meeting schedule for the Technical Advisory Committee and Citizen Advisory Committee:

| Meeting Topic | Date |
|---|--------------------|
| Meeting 1: Trend Analysis and Employment Forecast | March 17, 2020 |
| Meeting 2: Buildable Lands Inventory and Site Suitability | May 6, 2020 |
| Meeting 3: Employment Land Needs Analysis | July 7, 2020 |
| Meeting 4: Strategies to Accommodate Employment Growth | September 15, 2020 |
| Meeting 5: Economic Opportunities Analysis Report | November 10, 2020 |

Project Management Team

The Project Management Team (PMT) includes City and consultant staff listed below.

| Individual | Agency/Firm | Role and Responsibility |
|------------------|---|---------------------------|
| Doug Rux | City of Newberg | Project Manager |
| Brett Musick | City of Newberg | Project Support |
| Lacey Dykgraaf | City of Newberg | Project Support |
| Angela Carnahan | Department of Land Conservation and Development | DLCD Field Representative |
| Beth Goodman | ECONorthwest | Project Director |
| Bob Parker | ECONorthwest | Senior Project Advisor |
| Margaret Raimann | ECONorthwest | Project Manager |

The PMT will meet as needed to provide guidance to the project team; review project deliverables; and make schedule and scope adjustments as needed.

Summary of Major Tasks and Action Items

The summary below lists Consultant (ECONorthwest) and City (Newberg) deliverables as listed in the Scope of Work.

Task 1: Project Kickoff

Consultant Deliverables:

- Project Charter Memorandum
- Summary of major tasks and action items for the Project
- Proposed Project schedule

City Deliverables:

- Copy of relevant comprehensive plan and code sections
- Building permit data to support the EOA
- Information from the 2016 Newberg Downtown Improvement Plan, 2019 Riverfront Master Plan, 2019 A NewBerg Community Vision, 2019 Newberg Economic Development Strategy, Newberg Strategic Tourism Plan, and other relevant city documents
- GIS data
- Prepare project website
- Citizen and Technical Advisory Committee appointments

Task 2: Trend Analysis and Employment Forecast

Consultant Deliverables:

- Draft trend analysis and employment forecast
- Presentation materials to explain draft trend analysis, employment forecast, and findings to the advisory committees, the public, and interest groups
- Facilitate Citizen Advisory Committee meeting (meeting 1)
- Facilitate Technical Advisory Committee meeting (meeting 1)
- Meeting summary notes for advisory committee meetings

City Deliverables:

- Citizen and Technical Advisory Committee meeting notices and agendas
- Briefing to Planning Commission
- Briefing to City Council

Task 3: Buildable Lands Inventory and Site Suitability

Consultant Deliverables:

- Preliminary Draft BLI and site suitability analysis
- Presentation materials to explain preliminary draft BLI and site suitability analysis and findings to the advisory committees, the public, and interest groups.
- Facilitate Citizen Advisory Committee meeting, provide meeting summary notes and other relevant documents (meeting 2)
- Facilitate Technical Advisory Committee meeting, provide meeting summary notes and other relevant documents (meeting 2)
- Public Workshop or Open House facilitation
- Public Workshop or Open House meeting summary

City Deliverables:

- Citizen and Technical Advisory Committee meeting notices and agendas
- Public meeting notice
- Participant sign-in sheets for Citizen and Technical Advisory Committee meetings and Public Workshop or Open House
- Briefing to Planning Commission
- Briefing to City Council

Task 4: Employment Land Needs Analysis

Consultant Deliverables:

- Draft ELNA
- Presentation materials to introduce preliminary ELNA and findings to the Citizen and Technical Advisory Committees, the public, and interest groups
- Facilitate Citizen Advisory Committee meeting and provide summary notes and other relevant documents (meeting 3)
- Facilitate Technical Advisory Committee meeting and provide summary notes and other relevant documents (meeting 3)

City Deliverables:

- Citizen and Technical Advisory Committee meeting notices and agendas
- Participant sign-in sheets for meetings
- Briefing to Planning Commission
- Briefing to City Council

Task 5: Strategies to Accommodate Employment Growth

Consultant Deliverables:

- Draft Conclusions and Recommendations Report with strategies (including changes to City's comprehensive plan and land use regulations) to address employment growth and enhance the Newberg economy
- Presentation materials to introduce the Draft Conclusions and Recommendations Report to the Citizen and Technical Advisory Committees, the public, and interest groups
- Facilitate Citizen Advisory Committee meeting, provide meeting summary notes and other relevant documents (meeting 4)
- Facilitate Technical Advisory Committee meeting, provide meeting summary notes and other relevant documents (meeting 4)
- Presentation materials to explain preliminary accommodation and enhancement strategies, analyses, and findings to the public and interest groups
- Public Workshop or Open House facilitation
- Public meeting summary

City Deliverables:

- Citizen and Technical Advisory Committee meeting notices and agendas
- Public meeting notice
- Participant sign-in sheets for meetings and Public Workshop or Open House
- Briefing to Planning Commission
- Briefing to City Council

Task 6: Economic Opportunities Analysis Report

Consultant Deliverables:

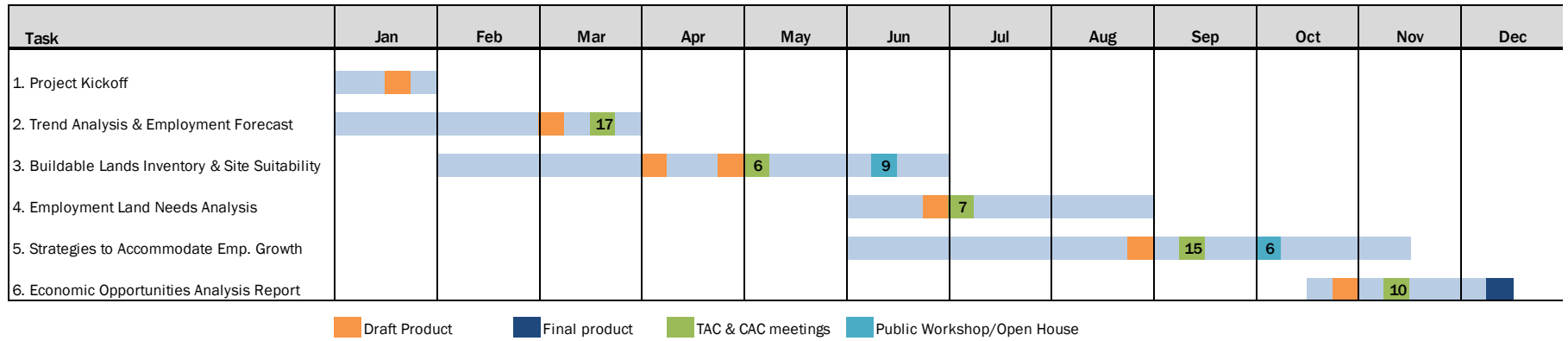
- Draft hearings-ready EOA
- Facilitate Citizen Advisory Committee meetings to refine employment recommendations, provide meeting summary notes and other relevant documents, and review draft EOA (meeting 5)
- Facilitate Technical Advisory Committee meetings to refine employment recommendations, provide meeting summary notes and other relevant documents, and review draft EOA (meeting 5)
- Final draft hearings-ready EOA

City Deliverables:

- Citizen and Technical Advisory Committee meeting notices and agendas

-
- Participant sign-in sheets for meeting
 - Briefing to Planning Commission
 - Briefing to City Council

Attachment A. Project Schedule



AD HOC ECONOMIC OPPORTUNITIES ANALYSIS CITIZENS ADVISORY COMMITTEE
Meeting Minutes
April 23, 2020 6:00 PM
NEWBERG CITY HALL

Meeting held electronically due to COVID-19 pandemic

(This is for historical purposes as meetings are permanent retention documents and this will mark this period in our collective history)

Chair Curt Walker called meeting to order at 6:00pm

ROLL CALL

Members Present: Curt Walker, Chair
 Carr Biggerstaff, Vice Chair
 Jim Bush
 Alvin Elbert
 Rob Hallyburton
 Keith Hansen
 Philip Higgins
 Isa Pena
 Allen Routt
 Bob Woodruff

Members Absent: Rick Rogers
 Gene Piros

Staff Present: Doug Rux, Community Development Director
 Brett Musick, Senior Engineer

Consultants: Beth Goodman, ECO Northwest
 Margaret Raimann, ECO Northwest

PUBLIC COMMENTS:

None

CONSENT CALENDAR:

Approval of the January 27, 2020 EOA CAC meeting minutes

MOTION: Carr Biggerstaff and Philip Higgins moved to approve the January 27, 2020 EOA CAC Meeting Minutes, Motion carried 10/0

ECONOMIS OPPORTUNITIES ANALYSIS

Introduction:

Beth Goodman had each member gave a brief introduction by going around the virtual room. Beth is with ECO Northwest working with the City of Newberg on the Economic Opportunities Analysis and have done projects like this with dozens of cities across Oregon.

Margaret Raimann is with ECO Northwest supporting Beth on this Economic Opportunities Analysis project.

Keith Hanson is a small business owner and contractor here in Newberg.

Philip Higgins owns a commercial real estate brokerage and is involved in various economic development activities as well as commercial development throughout Yamhill County.

Alvin Elbert owns a machine shop in Newberg and has been in business for the last 40 years.

Jim Bush has lived in Newberg several years, is retired and an active volunteer in the community.

Bob Woodruff has been on the City of Newberg School Board for the last 5 years.

Carr Biggerstaff has a couple local businesses. He has been working on a regional economic development strategy, and is the Chehalem Valley chief wrangler of the innovation accelerator.

Brett Musick City of Newberg Public Works Senior Engineer.

Allen Routt is a local business restaurant owner.

Curt Walker has been a builder in the Newberg area and other parts of Oregon which is now slowing down. He now gets involved with citizen organizations and local committees.

Isa Pena is a longtime resident of Newberg and is involved in immigrant rights work throughout the State as well as locally.

Rob Hallyburton is representing the Friends of Yamhill County, is retired and this is his first assignment in this capacity.

Review Project Charter:

CDD Rux noted the orientation session back in January, the Economic Opportunities Analysis and that Newberg tried to do an Urban Growth Boundary expansion a number of years ago and the process was not successful. He noted Newberg continues to grow and that we have some challenges with our industrial land supply. Newberg has lost a number of companies in the last 3 years because there was no space for them to expand. There was no vacant building space for them to relocate to, so they picked up and moved out of town to places such as Tualatin, Donald, Salem etc., which caused a loss of our employment base.

CDD Rux noted that a Housing Needs Analysis was done in June, which ECO Northwest consulted on and was shared with City Council. The other piece to look at is the Urban Growth Boundary expansion which the City Council has indicated to do an evaluation on to see if we need to do it or not. We need an Economic Opportunities Analysis and have engaged ECO Northwest to help us through the process. This is partially funded through the Department of Land Conservation and Development. We have a technical advisory committee that is involved in the project as well, which met this afternoon. CDD Rux also noted that over the last five years a lot of work has been done, the Downtown Plan, Riverfront Plan, Economic Development Strategy, and Community Visioning Program. We have updated all of the functional plans for infrastructure, such as the Transportation, Water, Wastewater and Stormwater plans. A lot of work has been done to get to this particular point in time.

CDD Rux thanked all of the members up front for participating and giving their time.

Overview of EOA:

Beth Goodman gave a PowerPoint presentation on the Overview of EOA. Beth commented Oregon the land use system has 19 goals which includes housing, opportunities for development, natural resource protection and mitigation looking at the economy of a city. This project is goal 9 of our 19 goals and so you have legal requirements and that is why you do an EOA. The State requires that each city have a comprehensive plan with an economy element which is your Economic Development policies and the EOA is the factual base of the policies.

Beth noted you want to understand your existing conditions and forecast future conditions to inform your Economic Development Strategy. Do you have enough land to accommodate your commercial and industrial growth over the next 20 years? Do you have redevelopment opportunities and rezoning opportunities? Coordination is the heart of an Economic Development Strategy and she will share some EOA information that can be useful for coordination.

Beth shared the statewide planning goal to provide an adequate opportunity throughout the State were a variety of economic activities vital to the health welfare and prosperity of Oregon citizens. Beth went over the Administrative Rule OAR 660-009. The Economic Opportunities Analysis is mostly how much land we have and what land is needed for the future. It is looking at National and State trends in Economic Development. The nature of Newberg's economy's within the context of Yamhill County and Mid-Willamette Valley more broadly. It's looking at what are the economic competitive advantages and disadvantages for Newberg within the regional context. This study provides a bases for looking at designating land for commercial and industrial uses.

Beth said the question is, does Newberg have enough land for the types that are needed for expected growth? We will be looking at both the types of growth, starting with some of the information from the economic development strategy and then comparing to the characteristics of sites that are vacant and can be redeveloped in Newberg.

Beth continued by showing the diagram of buildable land inventory, commercial and industrial within Newberg UGB. They will be identifying from that land what is vacant or partially vacant and doesn't have constraints like steep slopes or floodways, wetlands, etc. on it. They will be looking at the characteristics of the site like the size of the site and site topography. Also looking at what land is within short-term supply, what land inside of Newberg is vacant to potentially be developable and develops within a year of application.

Beth continued with employment growth land and how much growth is in the future and the need for employment land. They look at the regional, national and local trends. They assess comparative advantages and develop a forecast for employment growth. Based on the employment growth and damages they identify target industries. For example let's say food processing, we look at what kind of site do you need, what size site, the need of water and wastewater access and maybe the site doesn't have access to enough water. That would not be a good target industry for them, so we look at the target industries and what type of sites they require and do a comparison. Step 1B describes characteristics of buildable sites, Step 2D looks at required sites. Then we give an estimate based on land and site needs.

Beth noted the right side of the diagram which is economic development policies, the objectives, goals, strategies and adopted Economic Development Policies. This project could result in some changes depending on the willingness of the city.

Beth went onto step 5, determine whether or not you have enough land within the city and within the Urban Growth Boundary to accommodate expected growth. If you don't have enough land then you go off the other side of the chart to designate land for commercial and industrial uses.

Member Hallyburton noted that the city has adopted Economic Development Policies and asked if the Economic Development objectives are adopted as part of the comprehensive plan.

CDD Rux responded we have not taken that step yet, we wanted to get through the Economic Opportunity Analysis first. Once we've done that we can go back and look at our Economic Development Strategy and identify what adjustments need to be done. Then we update the Comprehensive Plan policies and make all necessary adjustments and ensure that the policies align.

Beth continued with a brief overview of ECO Northwest's work program. Project kickoff, trend analysis, employment forecast, buildable lands inventory, site suitability, employment land needs analysis, strategies to accommodate employment growth and Economic Opportunities Analysis Report. Beth noted the member's role is to provide feedback on the things brought up and to tell her team where they got it wrong and if they got it right. In the end the hope is the committee will be able to recommend the draft of the EOA to present to City Council for approval after changes are made in the document to reflect the input made by the committee.

Desired Outcomes:

Beth opened up to discussion of what outcomes do CAC members expect and want from this study.

Member Higgins referred to Extreme Sports and 3 different businesses that relocated because they couldn't expand in town due to no available land. He was involved in helping businesses move that were an asset to the community. He is opposed to Newberg just as a bedroom community for Portland.

Chair Walker commented that Newberg has struggled for years and that a number of industries wanted to expand or relocate here in Newberg and there wasn't available land for them to build on. He thinks it's one of the most important things that we work on and look for answers so that we can give this community opportunity to expand with good employment so people can live and work here.

Vice Chair Biggerstaff said the whole process is what he is interested in. That we need to be smart about growing a balanced economy. We have a lot of people in the region that would like to live and work here and not have to drive to Hillsboro or Beaverton etc.. We have lost a lot of quality businesses that pay good salaries because Newberg didn't have the facilities to expand here. We may be in the heart of wine country and tourism but that's not the only industry that we need, we need to bring balance. He said we have a lot of prime agricultural land and growers around us and we have been thoughtful about what kinds of complementary industry would benefit them, for example, you mention food packing production. We need to think this through so that we not only have a residential community or an Oregon Community but a very balanced economy.

Member Woodruff commented that it seems like Newberg at this transition point is going from being a small town to being a medium size city. He would like to see that we articulate this path and go through this transition and don't lose what Newberg is. Newberg is special and we don't want to restrict ourselves so much that we don't keep the businesses and employment.

Member Pena agreed with Member Woodruff. That Newberg is a strong and has a growing population. We are seeing our city really transform from a small town to a medium sized city. She noted a win for her would be making sure that we have a balance of maintaining the essence of Newberg but also allowing for opportunities for growth.

Member Bush agreed with some of the comments made and the idea of providing balance. He noted he is looking forward to hearing the analysis and research data results the consultants come up with and providing feedback on those results.

Member Hansen liked what Member Bush had to say. He noted he would like to see the uniqueness of Newberg preserved but not getting locked in and being prepared for what's coming next.

Member Hallyburton noted he is interested in Newberg being able to provide the land and public facilities that is needed to accommodate its economic development needs, while trying to avoid unnecessary negative impacts on the industry outside our UGB.

Member Elbert noted we have had a lot of industrial land conversions over the years and that as we move forward with the conversion that industrial stays as it is.

Beth noted one of the things she heard was the transition from a small town to medium sized town and to retain its small town atmosphere. She said to take pieces of Newberg you love forward is going to come down to Newberg policies in part.

Review Community Vision and Economic Development Strategy:

Beth continued with the Community Vision that was completed last summer and the Economic Development Strategy which was developed in 2016 and was updated last year to more closely align with Community Vision and Economic Development Strategy. There were other studies the city has done such as the Riverfront Plan and other redevelopment opportunities in town they will be building on.

Beth noted the broadest vision for Newberg is the gem of the Willamette Valley, mirroring the surrounding landscapes, cultivated relationships, flourishing culture, the enhanced sense faith, strong local economy and collaborative leadership to nourish the thriving community.

Beth showed a screen shot of the Economic Development goals from the strategy, the first goal is about industrial development which she will get back to later today for discussion. She also wants to talk about target industries, recruitment and retention of industrial businesses in the traded sector participating in Economic Development with in the regional partners. She added making sure that you have services is important. That vacant land is nice but not very useful for urban uses without water, wastewater, storm drainage, electricity, natural gas, telecommunications and transportation. So you have to make sure your vacant land is serviceable. Goal 2 is about commercial development and capabilities in retaining existing businesses, redeveloping vacant land, underutilized commercial sites and supporting creation of new businesses. She noted they will be looking at those opportunities and certainly one of the challenges is about retaining businesses and that businesses stay alive through this pandemic.

Beth continued with Create a Premier Business and Workforce Development Program. This is stepping beyond land use and looking at labor availability. Help in supporting people build their own businesses with things like innovation accelerator, getting a better mix of uses in downtown and looking at workforce development opportunities.

Beth continued with Goal 4, Complete Funding, administrative and organizational actions for the Downtown Improvement Plan. She noted Newberg is in the middle of an Urban Renewal district study to see if it's something that is of interest in doing. There is an Economic or Business Improvement District, to help infrastructure to create development funding tools, complete regulatory improvement to zoning code, to develop a downtown partnership, create the downtown Development Ombudsperson position and develop a parking management plan.

Beth noted Goal 5 is to make Newberg/Chehalem Valley a regional, national and international tourist destination. This is the other type of target industry other than industrial. She mentioned she heard talk about having a full economy so having industrial type jobs as well as services for people who live, work and visit Newberg.

Beth said they will be thinking about the strategy when doing the analysis and seeing how the findings fit or don't fit into this.

Key Economic Trends and Preliminary Employment Forecast:

Margaret Raimann talked about key economic trends and employment forecast. Data tables she looked at are 2008 and 2018 as period of comparison. Oregon employment department quarterly census of employment and wages most recently available data and the table she is showing is for Yamhill County. Margaret highlighted the sectors that showed the greatest increase in employment and compared those to the average wage in Yamhill County which was about \$42,000 in 2018. She showed sectors highlighted in orange as those that had the

greatest increase in employment and were also below average wage. That includes trade, in natural resources, mining, transportation and utilities as well as hospitality. Also showed those highlighted sectors in blue are those higher than average wage and also a larger increase in employment, which includes construction, manufacturing, professional business services, education and health services. The average annual growth rate was about 1.1% with an increase of about 3,800 employees. Margaret noted to put in perspective with Newberg, Newberg accounts for about 27% of employment in Yamhill County.

Margaret showed a slide with Newberg UGB 2008 to 2018 with highlighted sectors with more than 200 employees with a higher-than-average wage which in 2018 was slightly higher than Yamhill County at about \$43,000. She then showed the same growth rate in another table where Newberg came in slightly lower at .9%.

Member Bush asked about defining covered employment and Margaret replied covered employment is employees covered by unemployment insurance.

Beth noted this is the gold standard of data and it is the most firm data to be used throughout the entire study.

Member Woodruff asked about how much land each of those sectors need. For example how much land does a typical retail need, or typical manufacturer need? Beth responded they will be looking at land needs for all different types of businesses, looking at the employment forecast and site needs discussion. Each type of business or target industry will be different.

Margaret continued onto the next slide which is data from 2017 showing commuting flows in and out of Newberg in terms of residents and workers. There are 6,600 people who commute into Newberg for work. This is about 77% of workers in Newberg and 8,000 people who live in Newberg who work outside the area. There is about 2,000 people who live and work in Newberg. That is about 23% of the total workers in Newberg. The percentage of people commuting into Newberg are 7% from McMinnville, 4% from Portland, 3% from Sherwood and smaller percentages from other Portland regions. Margaret noted the regional and local trends is an example of data that will be included in the EOA document.

Member Elbert asked about if this data was available for McMinnville area. Margaret responded yes the information is available and they can provide that as a reference point.

Member Pena wanted to clarify that the commuting flows pattern is the same data set as covered employees. Beth responded this is different, they are partially using the covered employment data and then they use some IRS data about where people live and do some statistical data connection.

Member Bush questioned, with the current situation and people working from home but their physical work location is headquartered outside of Newberg, is this data entry there. Beth responded that she doesn't think the data from the IRS about people who work from home is available and that it is confidential. She will look into this and see if there is a more recent source of data that can be used.

Beth went onto the preliminary employment forecast and noted that they are planning for a 20 year forecast. She noted with the pandemic and what it is doing to our economy is unique, it is way bigger than we've seen in most of our lifetimes and so the current situation with long range planning aspect will be brought into this.

Beth noted the key assumption in the employment forecast is the employment base which is the covered employment. Employment that is located in residential areas doesn't need commercial or industrial land but does need residential land. She showed on the chart covered employment and who's covered by unemployment insurance. This doesn't include sole proprietors or people who work 1099. A lot of workers are not accounted for in covered employment. Beth noted they try to estimate the total employment for Newberg but can get the covered employment and total employment for Yamhill County. For example Yamhill County has 72% of non-farm employment is covered meaning 28% of total employment isn't represented in covered employment.

Beth continued with the presentation explaining total non-farm employment, the covered employment, estimated total employment and the covered percent of the total and how they come to the total of 13466 estimated total employment.

Beth continued on with the next slide and the employment forecast potential growth rate. She noted they do a 2021 to 2041 forecast, and start with 2021 because the city is expecting to adopt the EOA in 2021. Beth said they are forecasting growth from 13,929 to 17,448 people using the same average annual growth rate to get from 2018 total jobs to 2021 total jobs. That is why the OED growth rate is 13,929. Beth explained the 1.13% OED growth rate and the 1.73% PSU population growth rate, that in the Oregon Administrative Rules have to do with Urban Growth Boundaries is called Safe Harbor options for forecasting employment growth. As long as you apply to Safe Harbor correctly, then the city effectively cannot be challenged in court over it. This is important because it is probable that the city will be looking at an Urban Growth Boundary expansion after this EOA project. The Oregon Employment Department Safe Harbor is based on the 2017 to 2027 forecast for Lynn, Marion, Polk, and Yamhill Counties. Beth said they are looking at 1.13% average annual growth rate over that period of time for the three counties and so they use the Safe Harbor that says you can assume the City of Newberg will grow at the same rate as the Oregon Employment Department forecast for the region Newberg is in. Assuming that employment is going to grow at the same rate as population, 5,782 new employees growing at 1.73% average annual growth rate for the PSU population growth rate.

Beth noted that PSU will have a new population forecast out in June this year so they are going to relook at the growth rate of 1.73% based on the new forecast and will present the new growth rate at that time. She also noted with the current employment situation and social distancing her suggestion is if you make a decision about this particular piece in finalizing the employment forecast later, once you have a sense of what is a more stable unemployment estimate.

Beth noted that she heard from the Oregon Employment Department today and that across the State unemployment is around 17%. There is some hope that will not go over 20% until businesses open up again, social distancing can be relaxed and the unemployment rate will go down.

Member Elbert commented on the spike in unemployment.

Member Woodruff commented he likes the idea of holding off on committing to these numbers until we have a better idea and data to figure out what's coming next.

Beth continued with the next step in the employment forecast and refining the forecast for mix of future employment. Right now there is 25% in industrial, 11% retail commercial, 57% commercial (non-retail), and 7% government. Beth noted you need to consider changes in mix of industries. In the future what is the mix of employment going to be? She noted seeing changes in these numbers, for example she would not expect to see retail commercial going up and government is likely to continue to grow at about the same rate as population.

Beth noted that we'll be taking government employment out of the mix. The city's going to be addressing government land needs for government employment through a separate analysis, looking at the city's public uses and needs, things like government offices, public schools, utilities, wastewater treatment and things needed in the community.

Beth noted we will also be looking at buildable land inventory and employment densities in Newberg. What densities are we seeing for industrial development for retail commercial and commercial development? They will also be looking at the different types of employment zones. You will probably see that most industrial employment is located in the industrial zone, and that some retail commercial employment is located in commercial zones. Beth mentioned she will be bringing all this information back to the committee.

Beth continued with the next steps which is the buildable land inventory, identifying target industries and site needs. She opened for discussion about target industries and ultimately determine whether the city has enough buildable land to meet the forecast of employment growth.

CDD Rux noted the city has put together the Riverfront Master Plan which is a different pattern than the old plan and that he will get with Margaret and Beth to take it into consideration. If the members have time to go to our city web site to review the Riverfront Master Plan and look at what the community came up with. He noted the current owner West Rock is seeking a buyer of their real estate assets at this time.

Member Bush commented on the employment forecast and asked if healthcare is in the mix, is it considered commercial non-retail? Beth responded yes it is commercial non-retail and will be described in more detail in the final documents.

Beth continued on with target industries which is an important piece of the Economic Development Strategy. The history about how these target industries came about is they were developed through the Economic Development Strategy in 2016 and more recently in 2019. There has been a lot of opportunity for citizen stakeholders in Newberg to have input on these.

Beth noted the strategy is to assess the local economy by building on the 4 key existing traded sector industries which are advanced manufacturing, technology, agriculture and wood products. While targeting the traded sector of high tech manufacturing, general manufacturing, aviation trades and the food and beverage processing industry. She noted they will also be looking at the fact that you need land for services for people who live, work and visit Newberg. The need for target industries such as grocery stores, doctor's offices, veterinary, restaurants, hair salons and all the things people need and like to do. This will be a part of the next steps in the next meeting.

Next Steps:

CDD Rux noted the next meeting will be in June and that he will get back to the members via email to let everyone know the meeting time and date.

ITEMS FROM COMMITTEE MEMBERS

None

ADJOURNMENT:

Chair Walker adjourned meeting at 7:30 pm

APPROVED BY THE ECONOMIC OPPORTUNITIES ANALYSIS CITIZENS ADVISORY COMMITTEE this May 28, 2020



Curt Walker, EOA CAC Chair



Doug Rux, Recording Secretary

Newberg EOA: CAC Meeting 1

April 23, 2020

- Introductions
- Project Overview
 - Introduction to an EOA
 - Desired Outcomes
 - Existing Policies
- Key Economic Trends in Newberg
- Preliminary Employment Forecast

Project Overview

Why do an EOA?

- Legal requirements (Goal 9: Economy)
- Understand existing conditions and forecast future conditions to inform:
 - Economic development strategy
 - Land use policy
 - Coordination

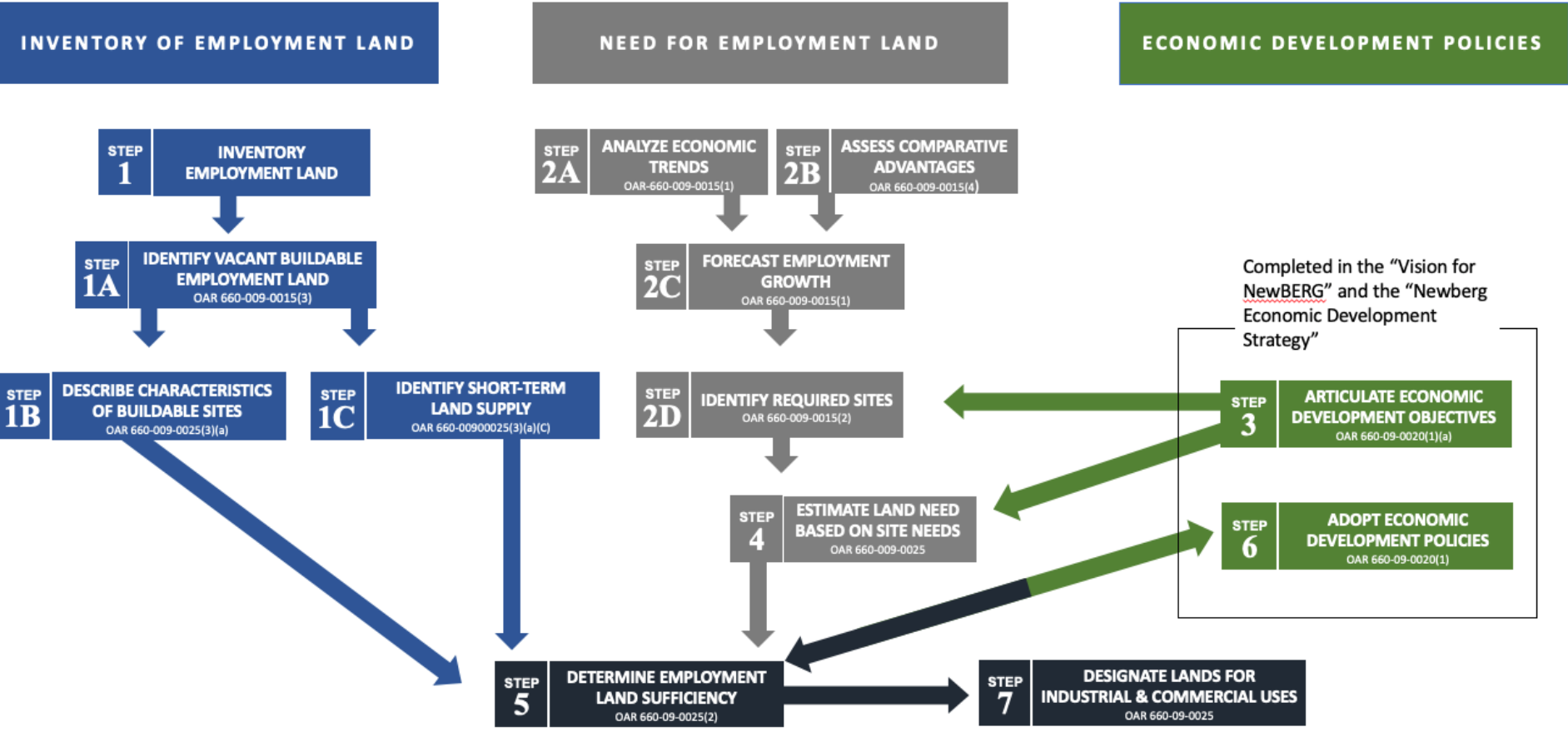
Goal 9: Economy

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Goal 9 & OAR 660-009 Requirements

- Economic Opportunities Analysis
- Economic Development Objectives
- Designate lands for commercial and industrial uses
- Does the city have enough of the needed types of land?
 - Identify desired types of employment uses
 - Determine the required site characteristics for the employment uses

Project Overview



Overview of ECONorthwest's Work Program

1. Project Kickoff
2. Trend Analysis & Employment Forecast
3. Buildable Lands Inventory & Site Suitability
4. Employment Land Needs Analysis
5. Strategies to Accommodate Employment Growth
6. Economic Opportunities Analysis Report

Citizens Advisory Committee (CAC) Role

- Provide feedback on trends and site needs, buildable lands inventory, and final EOA document
- Provide local context
- Recommend draft EOA to City Council

Discussion: Desired Outcomes

What outcomes do CAC members expect and want from this study?



PROUD PAST. FLOURISHING FUTURE

COMMUNITY VISION

AUGUST 2019



Photo: Linda Shapiro

NEWBERG ECONOMIC DEVELOPMENT STRATEGY

Executive Summary

Updated November 2019



Review: Existing Vision and Economic Development Strategy

Vision for a NewBERG

In 2040, Newberg is a gem of the Willamette Valley – mirroring the surrounding bucolic landscapes, its cultivated relationships, flourishing culture, thoughtfully enhanced sense of place, strong local economy, and collaborative leadership nourish our thriving community.

Economic Development Strategy

From “A NewBERG” Economic Development Goals

GOAL 1: ENHANCE INDUSTRIAL DEVELOPMENT CAPABILITIES AND OPPORTUNITIES

| | STRATEGY | LEAD ORGANIZATION | TIMELINE | | |
|---|---|-------------------|--------------------------|--------------------------|--------------------------|
| | | | SHORT | MID | LONG |
| 1 | Assess the local economy by building on the four (4) key existing traded sector industries of Advanced Manufacturing, Technology, Agriculture and Wood Products; while targeting Traded Sector High Tech Manufacturing, General Manufacturing, Aviation related industry and Food/Beverage Processing | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 | Retention and expansion of existing industrial businesses | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 | Recruitment of traded sector companies | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 | Participate and partner with regional, state, and federal organizations | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 | Recruitment of traded sector companies | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 | Increase the supply of industrial and commercial/retail land | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 | Ensure adequate utilities (water, sewer, storm draining, electricity, natural gas and telecommunications) to support industrial growth | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 | Improve transportation access for industrial land | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Economic Development Strategy

GOAL 2: ENHANCE COMMERCIAL DEVELOPMENT CAPABILITIES AND OPPORTUNITIES

| | STRATEGY | LEAD ORGANIZATION | TIMELINE | | |
|---|--|-------------------------|--------------------------|--------------------------|--------------------------|
| | | | SHORT | MID | LONG |
| 1 | Retain existing commercial/retail businesses in Newberg | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 | Redevelop vacant and underutilized commercial/retail sites | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 | Support creation of new retail/commercial businesses | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Economic Development Strategy

GOAL 3: CREATE A PREMIER BUSINESS AND WORKFORCE DEVELOPMENT PROGRAM

| | STRATEGY | LEAD ORGANIZATION | TIMELINE | | |
|---|--|-------------------------|--------------------------|--------------------------|--------------------------|
| | | | SHORT | MID | LONG |
| 1 | Foster entrepreneurial business formation | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 | Maintain the Chehalem Valley Innovation Accelerator | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 | Enhance business mix in Downtown Newberg | Realtors | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 | Improve workforce development | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 | Enhanced Chehalem Valley Chamber of Commerce resources | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 | Market employment training opportunities to employers and employees | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 | Create business financing program | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 | Leverage the region's educational opportunities to support workforce development | TBD | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Economic Development Strategy

GOAL 4: COMPLETE FUNDING, ADMINISTRATIVE, AND ORGANIZATIONAL ACTIONS FOR NEWBERG DOWNTOWN IMPROVEMENT PLAN

| STRATEGY | LEAD ORGANIZATION | TIMELINE | | |
|---|----------------------------|--------------------------|--------------------------|------|
| | | SHORT | MID | LONG |
| 1 Create an Urban Renewal District | City of Newberg | <input type="checkbox"/> | | |
| 2 Create an Economic or Business Improvement District | City of Newberg | <input type="checkbox"/> | | |
| 3 Create development funding tools | City of Newberg | <input type="checkbox"/> | | |
| 4 Complete regulatory improvements | City of Newberg | <input type="checkbox"/> | | |
| 5 Develop downtown partnership | City of Newberg | <input type="checkbox"/> | | |
| 6 Create the Downtown Development Ombudsperson position | Newberg Downtown Coalition | <input type="checkbox"/> | | |
| 7 Develop parking management plan | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | |

Economic Development Strategy

GOAL 5: MAKE NEWBERG / CHEHALEM VALLEY A REGIONAL, NATIONAL & INTERNATIONAL TOURIST DESTINATION

| | STRATEGY | LEAD ORGANIZATION | TIMELINE | | |
|---|--|-------------------------|--------------------------|--------------------------|--------------------------|
| | | | SHORT | MID | LONG |
| 1 | Develop a Vision for Newberg as a tourist destination | City of Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 | Increase and maintain support for tourism organizations in Newberg | Chehalem Valley Chamber | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 | Increase tourist/visitor counts in Newberg | Visit Newberg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 | Continue Transient Lodging Tax Program | Visit Newberg | <input type="checkbox"/> | | |

NEED FOR EMPLOYMENT LAND



Key Economic Trends

Employment in Yamhill County

Change in Covered Employment by Industry, Yamhill County, 2008-2018

**Average
Wage for
Yamhill Co
is \$42,302
(2018).**

**Newberg
accounts for
about
27% of
employment
in Yamhill
County.**

| Industry Sector | 2008 | 2018 | Change 2008 - 2018 | | | Average Wage (2018) |
|-------------------------------------|---------------|---------------|--------------------|------------|-------------|------------------------|
| | | | Number | Percent | AAGR | |
| Total private coverage | 27,764 | 32,155 | 4,391 | 16% | 1.5% | \$ 41,201 |
| Natural resources and mining | 2,926 | 3,669 | 743 | 25% | 2.3% | \$ 37,840 |
| Construction | 1,760 | 1,977 | 217 | 12% | 1.2% | \$ 51,966 |
| Manufacturing | 6,592 | 6,896 | 304 | 5% | 0.5% | \$ 52,331 |
| Trade, transportation and utilities | 4,547 | 4,844 | 297 | 7% | 0.6% | \$ 35,692 |
| Information | 213 | 242 | 29 | 14% | 1.3% | \$ 54,512 |
| Financial activities | 1,077 | 1,007 | -70 | -6% | -0.7% | \$ 54,405 |
| Professional and business services | 1,630 | 1,940 | 310 | 19% | 1.8% | \$ 48,464 |
| Education and health services | 5,212 | 6,392 | 1,180 | 23% | 2.1% | \$ 43,299 |
| Leisure and hospitality | 2,704 | 3,792 | 1,088 | 40% | 3.4% | \$ 20,279 |
| Other services | 1,082 | 1,386 | 304 | 28% | 2.5% | \$ 24,071 |
| Unclassified | 19 | 9 | -10 | -53% | -7.2% | \$ 51,094 |
| Total all government | 4,702 | 4,184 | -518 | -11% | -1.2% | \$ 50,765 |
| | 32,464 | 36,338 | 3,874 | 12% | 1.1% | \$ 42,302 |

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2008-2018.

Blue rectangles show sectors with substantial employment and above average wages and orange denotes below average wages

Employment in Newberg

Newberg's sectors with 200+ employees and higher than average city wages (\$43,480) in 2018 are highlighted in blue.

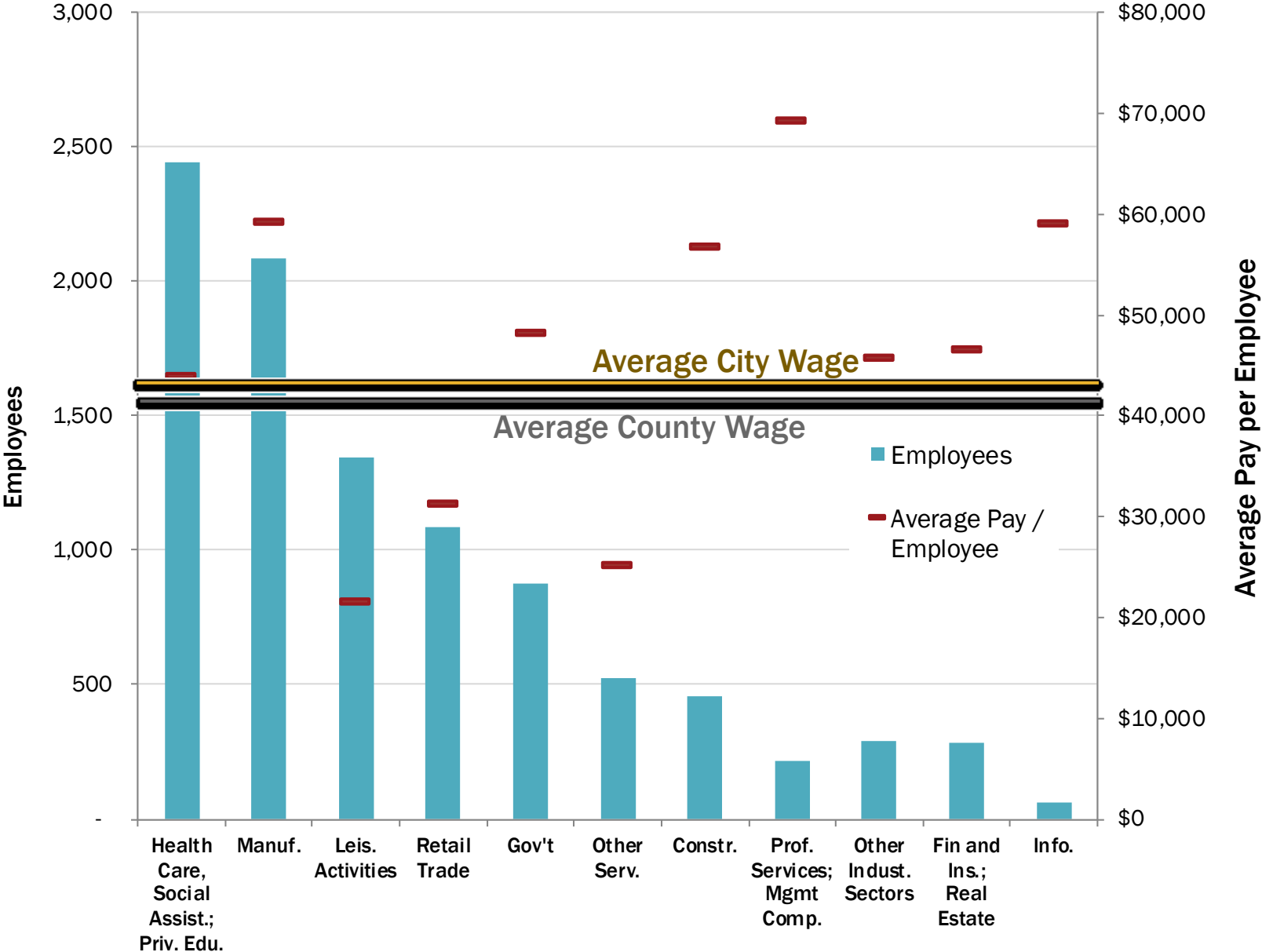
Change in Covered Employment by Industry, Newberg UGB, 2008-2018

| Sector | 2008 Employment | 2018 Employment | Change (Number) | Change (Percent) | AAGR |
|--|--------------------|--------------------|--------------------|---------------------|-------------|
| Construction; Natural Resources | 420 | 531 | 111 | 26% | 2.4% |
| Manufacturing | 2,475 | 2,085 | (390) | -16% | -1.7% |
| Wholesale Trade | 66 | 99 | 33 | 50% | 4.1% |
| Retail Trade | 872 | 1,083 | 211 | 24% | 2.2% |
| Transportation and Warehousing; Utilities | 93 | 122 | 29 | 31% | 2.8% |
| Information | 55 | 62 | 7 | 13% | 1.2% |
| Finance and Insurance | 178 | 181 | 3 | 2% | 0.2% |
| Real Estate and Rental and Leasing | 95 | 105 | 10 | 11% | 1.0% |
| Prof., Sc., and Tech. Services; Mgmt of Comp. | 189 | 219 | 30 | 16% | 1.5% |
| Admin. and Support and Waste Mgmt and Remed. Ser | 115 | 139 | 24 | 21% | 1.9% |
| Health Care and Social Assist.; Priv. Edu. | 2,050 | 2,441 | 391 | 19% | 1.8% |
| Arts, Entertainment, and Recreation | 33 | 54 | 21 | 64% | 5.0% |
| Accommodation and Food Services | 849 | 1,292 | 443 | 52% | 4.3% |
| Other Services (except Public Administration) | 376 | 387 | 11 | 3% | 0.3% |
| Government | 972 | 875 | (97) | -10% | -1.0% |
| Total | 8,838 | 9,675 | 837 | 9% | 0.9% |

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2008-2018.

Employment in Newberg

Covered Employment by Industry, Newberg UGB, 2018



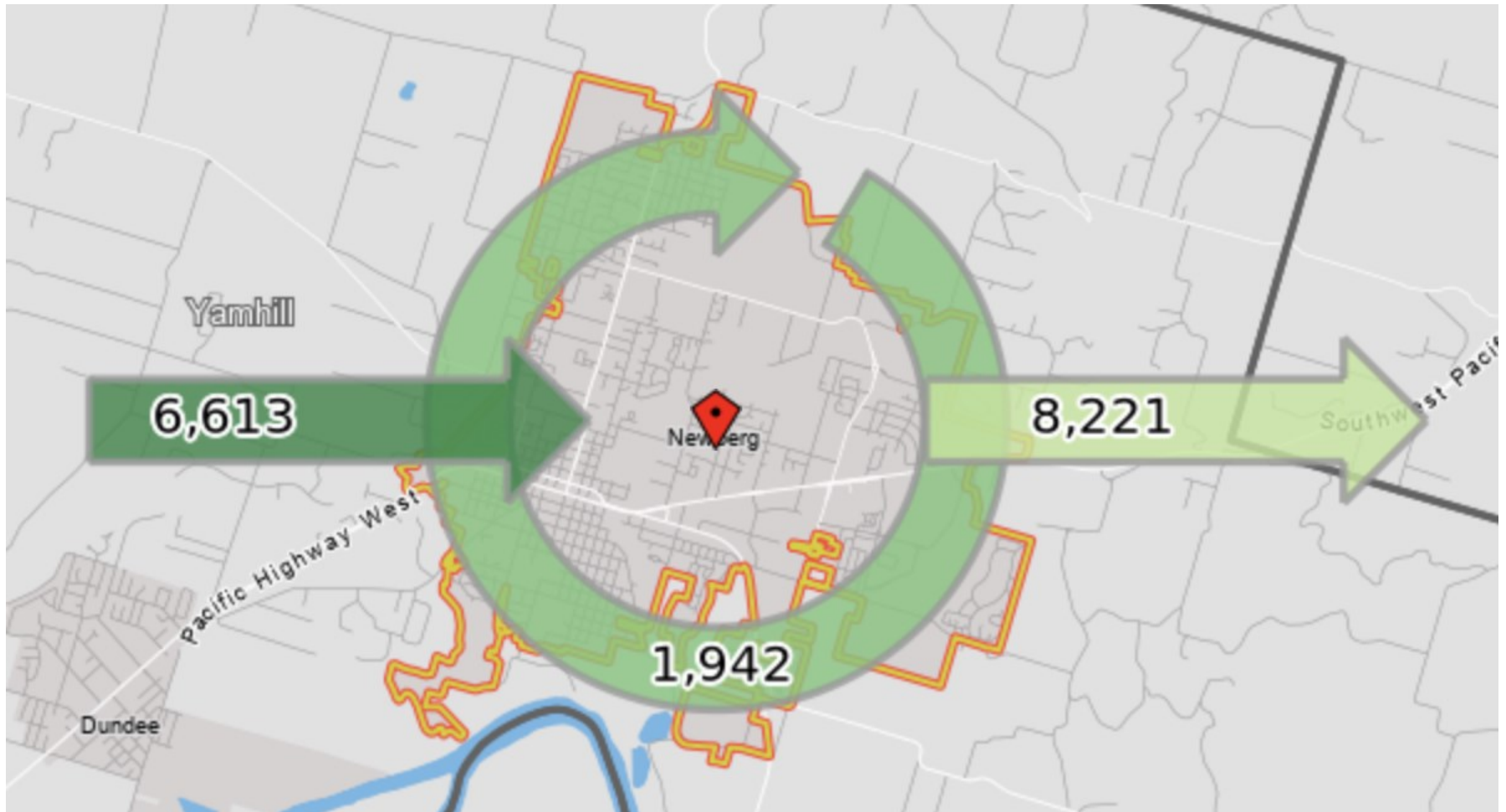
Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

Considering Many Factors Affecting Economic Growth

Commuting Patterns

Commuting Flows, Newberg, 2017

Source: U.S. Census Bureau, OnTheMap



Preliminary Employment Forecast

Employment Forecast Assumptions

- Employment base ←
- Growth rates ←
- Mix of employment
- Employment in residential areas
- Employment density

Please note: The numbers in the employment forecast are subject to change, with refinement of the EOA

Covered to Total Employment

Covered to Total Employment, Newberg UGB, 2018

| | Covered Employment | Estimated Total Employment | Covered % of Total |
|--|-----------------------|----------------------------------|-----------------------|
| Natural Resources | 72 | 72 | 100% |
| Utilities | 34 | 76 | 45% |
| Construction | 459 | 662 | 69% |
| Manufacturing | 2,085 | 2,324 | 90% |
| Wholesale Trade | 99 | 140 | 71% |
| Retail Trade | 1,083 | 1,441 | 75% |
| Transportation and Warehousing | 88 | 196 | 45% |
| Information | 62 | 105 | 59% |
| Finance and Insurance | 181 | 365 | 50% |
| Real Estate and Rental and Leasing | 105 | 796 | 13% |
| Prof., Sc., and Tech. Services; Mgmt of Comp. | 219 | 544 | 40% |
| Admin. and Support and Waste Mgmt and Remed. Serv. | 139 | 268 | 52% |
| Health Care and Social Assist.; Priv. Edu. | 2,441 | 3,234 | 75% |
| Arts, Entertainment, and Recreation | 54 | 150 | 36% |
| Accommodation and Food Services | 1,292 | 1,459 | 89% |
| Other Services (except Public Administration) | 387 | 701 | 55% |
| Government | 875 | 933 | 94% |
| Total Non-Farm Employment | 9,675 | 13,466 | 72% |

Regional Employment Projections

OED Regional Employment Projections, Mid-Willamette Valley Region (Linn, Marion, Polk, and Yamhill Counties), 2017-2027

| Industry Sector | 2017 | 2027 | Change 2017 - 2027 | | |
|--|----------------|----------------|--------------------|------------|-------------|
| | | | Number | Percent | AAGR |
| Total private | 208,800 | 236,400 | 27,600 | 13% | 1.2% |
| Natural resources and mining | 17,700 | 20,100 | 2,400 | 14% | 1.3% |
| Construction | 14,700 | 17,700 | 3,000 | 20% | 1.9% |
| Manufacturing | 27,700 | 30,100 | 2,400 | 9% | 0.8% |
| Trade, transportation, and utilities | 42,500 | 47,600 | 5,100 | 12% | 1.1% |
| Wholesale trade | 6,200 | 6,900 | 700 | 11% | 1.1% |
| Retail trade | 27,800 | 30,200 | 2,400 | 9% | 0.8% |
| Transportation, warehousing, and utilities | 8,500 | 10,500 | 2,000 | 24% | 2.1% |
| Information | 1,800 | 1,900 | 100 | 6% | 0.5% |
| Financial activities | 9,200 | 9,700 | 500 | 5% | 0.5% |
| Professional and business services | 19,000 | 21,000 | 2,000 | 11% | 1.0% |
| Private educational and health services | 43,700 | 51,800 | 8,100 | 19% | 1.7% |
| Leisure and hospitality | 22,400 | 25,400 | 3,000 | 13% | 1.3% |
| Accommodation and food services | 19,900 | 22,600 | 2,700 | 14% | 1.3% |
| Other services and private households | 10,100 | 11,100 | 1,000 | 10% | 0.9% |
| Government | 52,200 | 55,700 | 3,500 | 7% | 0.7% |
| Total payroll employment | 261,000 | 292,100 | 31,100 | 12% | 1.1% |

**Employment is
forecast to
grow 1.1%**

Employment Forecast: Potential Growth Rates

Employment Growth Forecast, Newberg UGB, 2021 to 2041

Employment Base: Estimate 2018 Total Employment in Newberg, about 13,466 jobs.

Growth Rates: Consider potential growth rates.

Newberg grew by 837 covered jobs or at 0.9% AAGR between 2008 and 2018.

| Year | Estimated Employment | |
|----------------------------|---------------------------------|--------------------------------|
| | OED Growth Rate (Mid-Valley) | PSU Population Growth Rate* |
| 2021 | 13,929 | 14,175 |
| 2041 | 17,448 | 19,957 |
| Change 2021 to 2041 | | |
| Employees | 3,519 | 5,782 |
| Percent | 25% | 41% |
| AAGR | 1.13% | 1.73% |

Two safe harbor options

1. OED growth rate for Mid-Valley Region (1.13%)
2. PSU population growth rate for Newberg (1.73%)

*Note: PSU population forecast will be updated in Spring/Summer 2020

Employment Forecast Next Steps

Next steps in the employment forecast include:

- Determining future mix of employment
 - Based on existing mix and growth industries?
 - Industrial: 25%
 - Retail Commercial: 11%
 - Commercial (non-retail): 57%
 - Government: 7%
 - Consider changes in mix of industries?
- Employment in residential areas
- Employment density

Next Steps

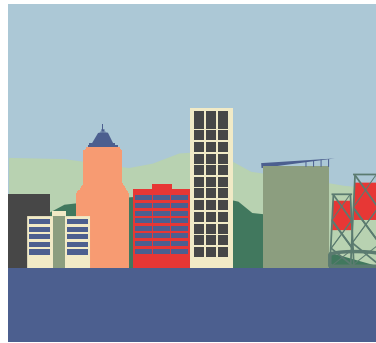
- Refine employment forecast
- Draft buildable lands inventory
- Identify target industries and site needs
- Determine whether the City has sufficient buildable lands (with the necessary characteristics) to meet the forecast of employment growth.

ECONorthwest

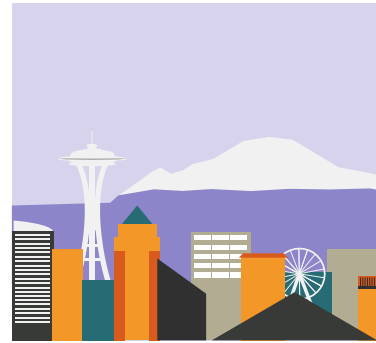
ECONOMICS • FINANCE • PLANNING



Eugene



Portland



Seattle



Boise

Newberg EOA: CAC Meeting 2

May 28, 2020

- Introductions
- Preliminary BLI results
- Site suitability
- Newberg's competitive advantage

Preliminary BLI Results



Methodology
















1. Develop land base
2. Classify land
3. Remove constraints
4. Verification
 - Aerial imagery
 - Staff review
5. Present draft results

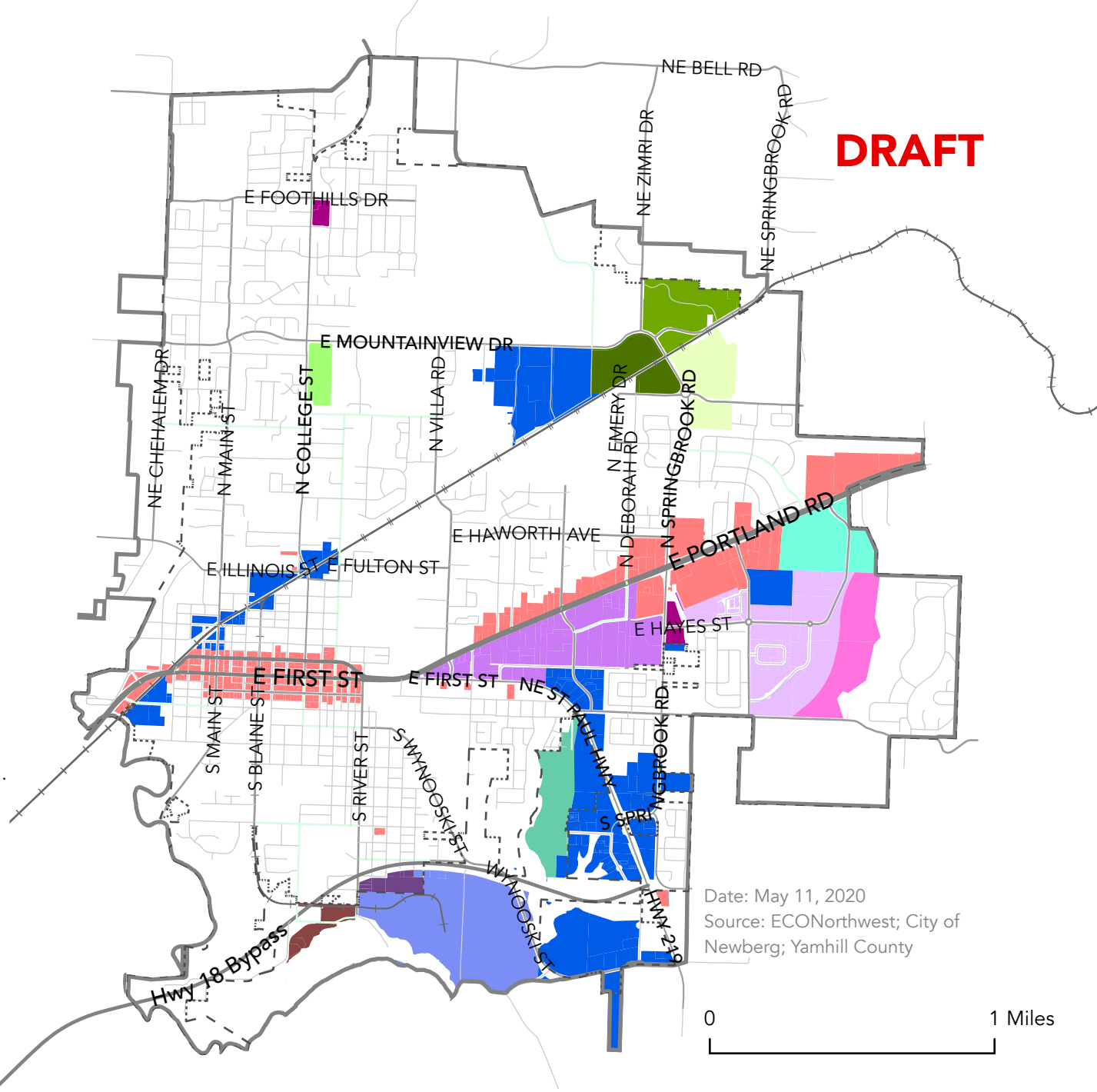
Newberg Commercial and Industrial Buildable Lands Inventory

Comprehensive Plan Designations

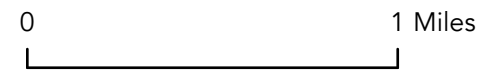
DRAFT

-  City Limits
-  Urban Growth Boundary
- Comprehensive Plan Designations**

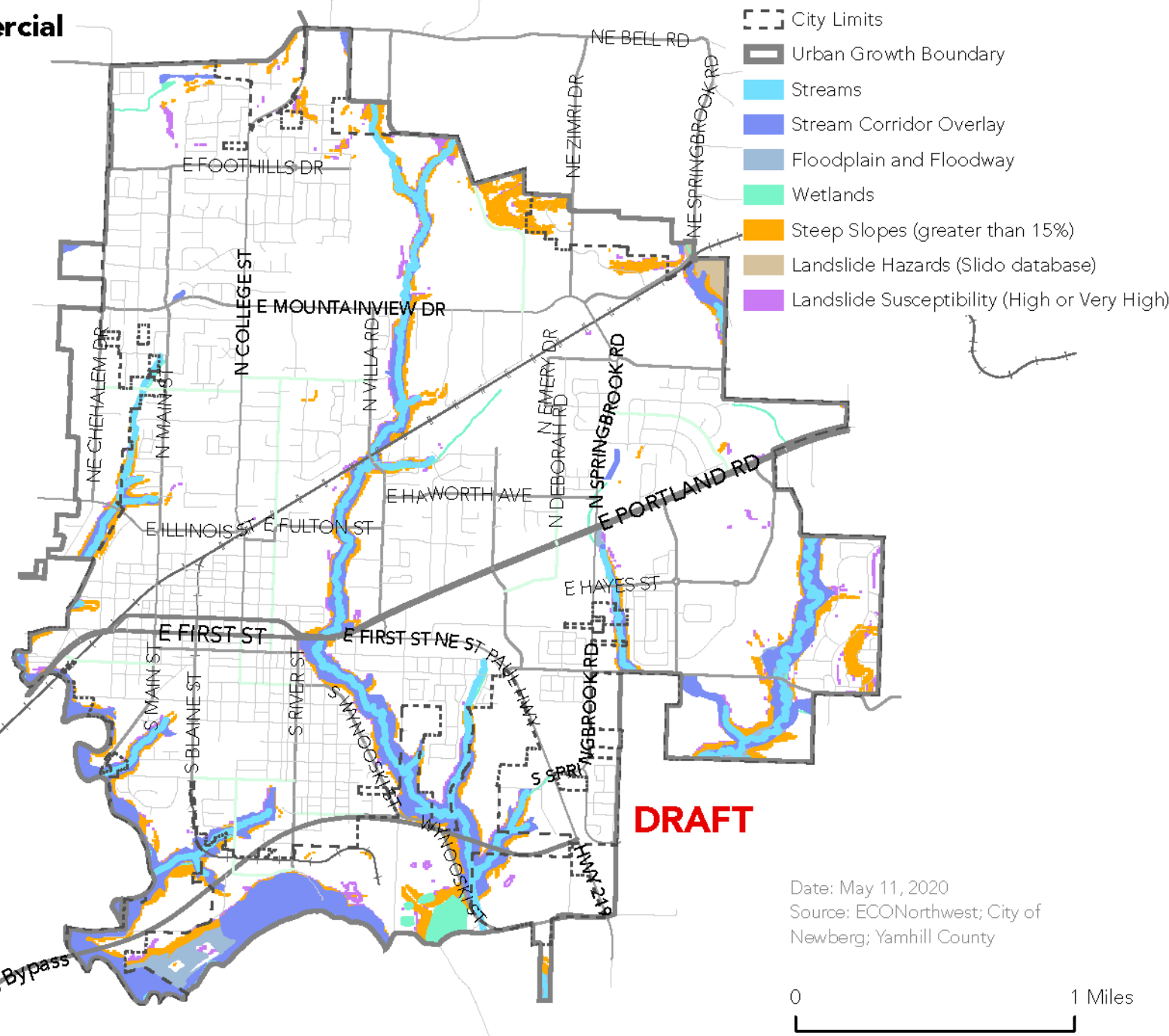
-  Industrial
-  Commercial
-  Mixed Use
-  PQ (airport)
-  PQ (hospital)
-  Riverfront Dist. - Commercial
-  Riverfront Dist. - Industrial
-  Riverfront Dist. - Mixed Use
-  Springbrook Dist. - Employment
-  Springbrook Dist. - Hospitality
-  Springbrook Dist. - Neighb. Comm.
-  Springbrook Dist. - Village
-  Specific Plan - Commercial
-  Specific Plan - Industrial
-  Specific Plan - Mixed Use



Date: May 11, 2020
 Source: ECONorthwest; City of Newberg; Yamhill County



Newberg Commercial and Industrial Buildable Lands Inventory Constraints



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Date: May 11, 2020
 Source: ECONorthwest; City of Newberg; Yamhill County

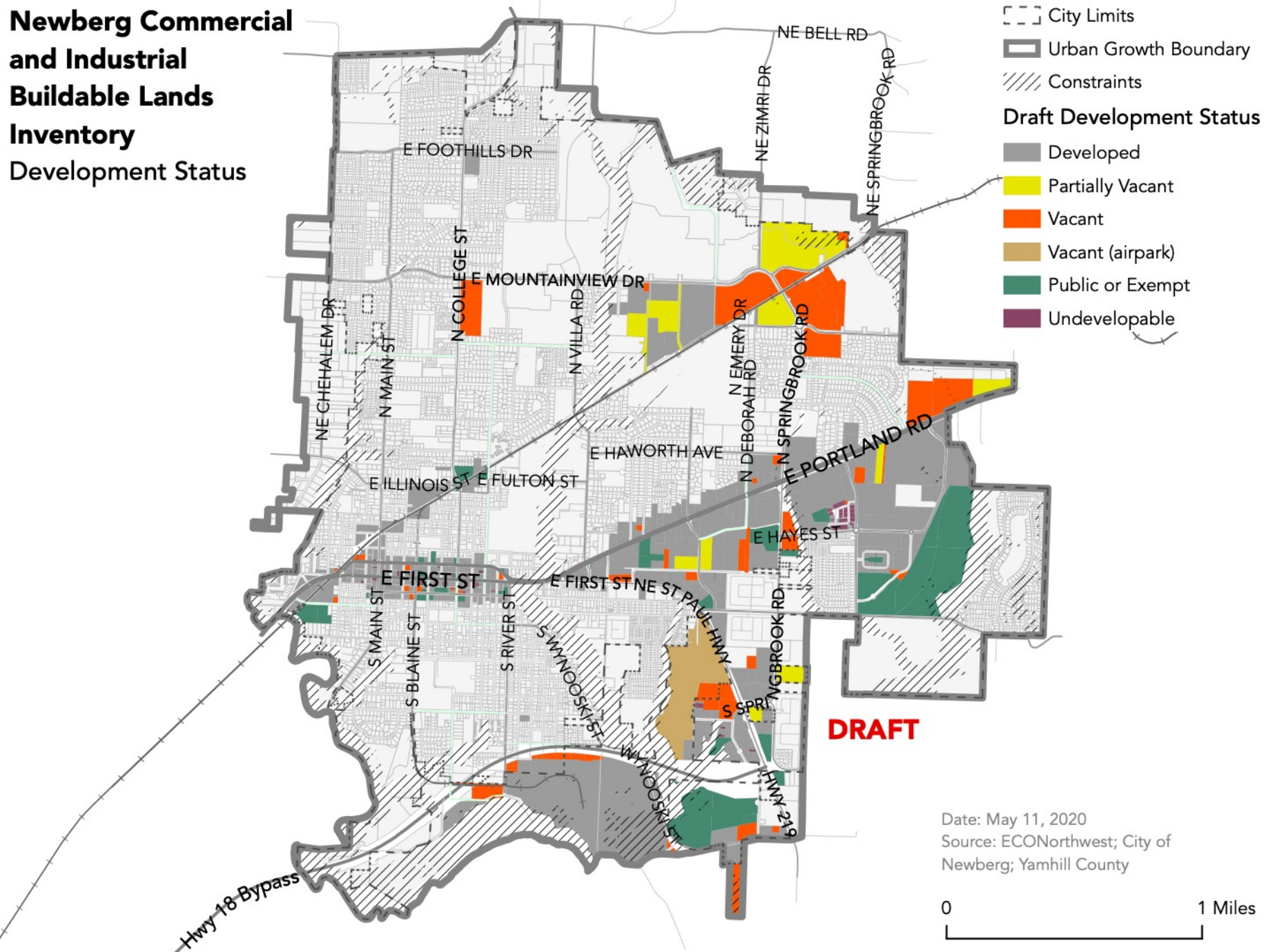
0 1 Miles

Definitions

- **Developed**
 - Lots fully developed consistent with current zoning. Improved lots unlikely to redevelop within the 20-year period.
- **Vacant**
 - Lots that have no structures or have buildings with very little improvement value.
- **Partially vacant**
 - Lots occupied by a use, but contain enough land to be developed further in current zone.
- **Undevelopable**
 - Vacant tax lots less than 3,000 square feet in size
- **Public or exempt**
 - Lands in public or semi-public ownership⁷

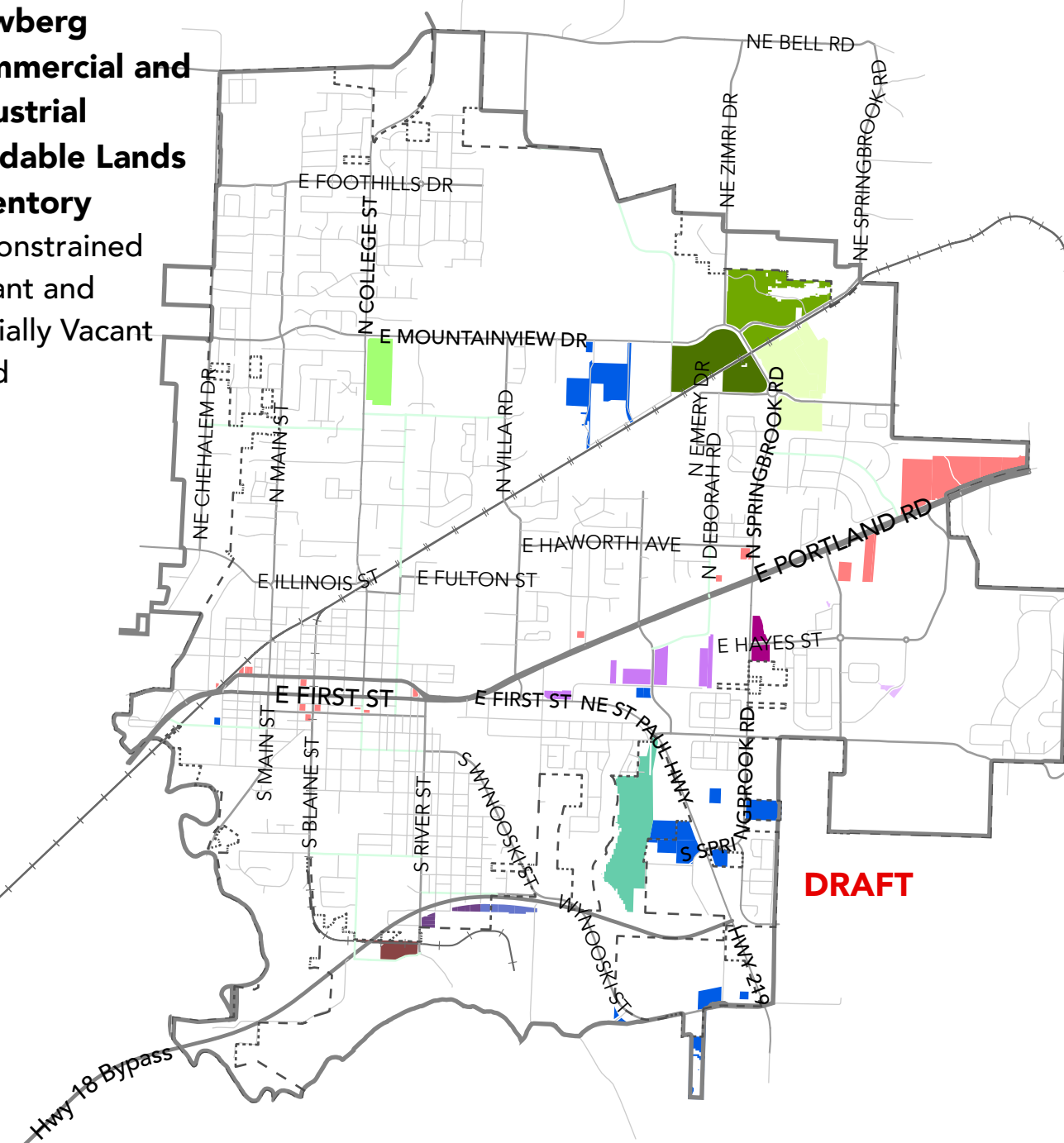
Newberg Commercial and Industrial Buildable Lands Inventory

Development Status



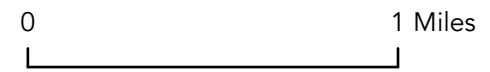
Newberg Commercial and Industrial Buildable Lands Inventory

Unconstrained Vacant and Partially Vacant Land



- City Limits
- Urban Growth Boundary
- Comprehensive Plan Designations**
- Industrial
- Commercial
- Mixed Use
- PQ (airpark)
- Riverfront District**
- Commercial
- Industrial
- Mixed Use
- Springbrook District**
- Employment
- Hospitality
- Neighborhood Comm.
- Village
- Specific Plan**
- Commercial
- Mixed Use

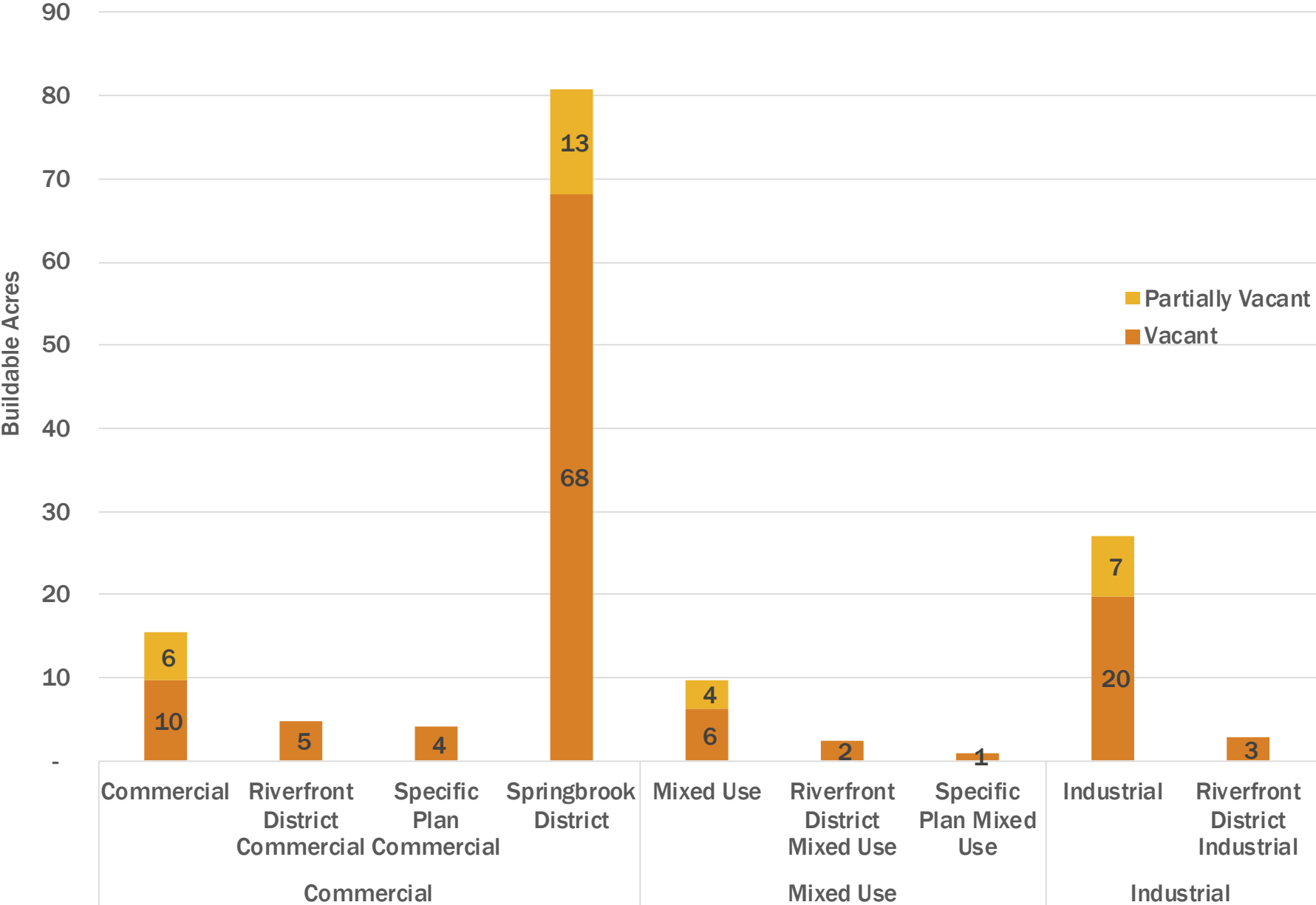
Date: May 11, 2020
 Source: ECONorthwest; City of Newberg; Yamhill County



Unconstrained Vacant and Partially Vacant Land

| Zone/Plan Designation | Total Buildable Acres | Buildable Acres on Vacant Lots | Buildable Acres on Partially Vacant Lots |
|--------------------------------|-----------------------|--------------------------------|--|
| Commercial | 105 | 86 | 19 |
| Commercial | 15 | 10 | 6 |
| Riverfront District Commercial | 5 | 5 | |
| Specific Plan Commercial | 4 | 4 | |
| <i>Springbrook District</i> | 81 | 68 | 13 |
| Employment | 22 | 19 | 3 |
| Hospitality | 14 | 4 | 10 |
| Neighborhood Commercial | 11 | 11 | |
| Village | 34 | 34 | |
| Mixed Use | 13 | 9 | 4 |
| Mixed Use | 10 | 6 | 4 |
| Riverfront District Mixed Use | 2 | 2 | |
| Specific Plan Mixed Use | 1 | 1 | |
| Industrial | 30 | 23 | 7 |
| Industrial | 27 | 20 | 7 |
| Riverfront District Industrial | 3 | 3 | |
| Total | 147 | 118 | 29 |

Unconstrained Vacant and Partially Vacant Land



Vacant and Partially Vacant Land: Site Sizes

Buildable acres on vacant and partially vacant lots by size, Newberg UGB

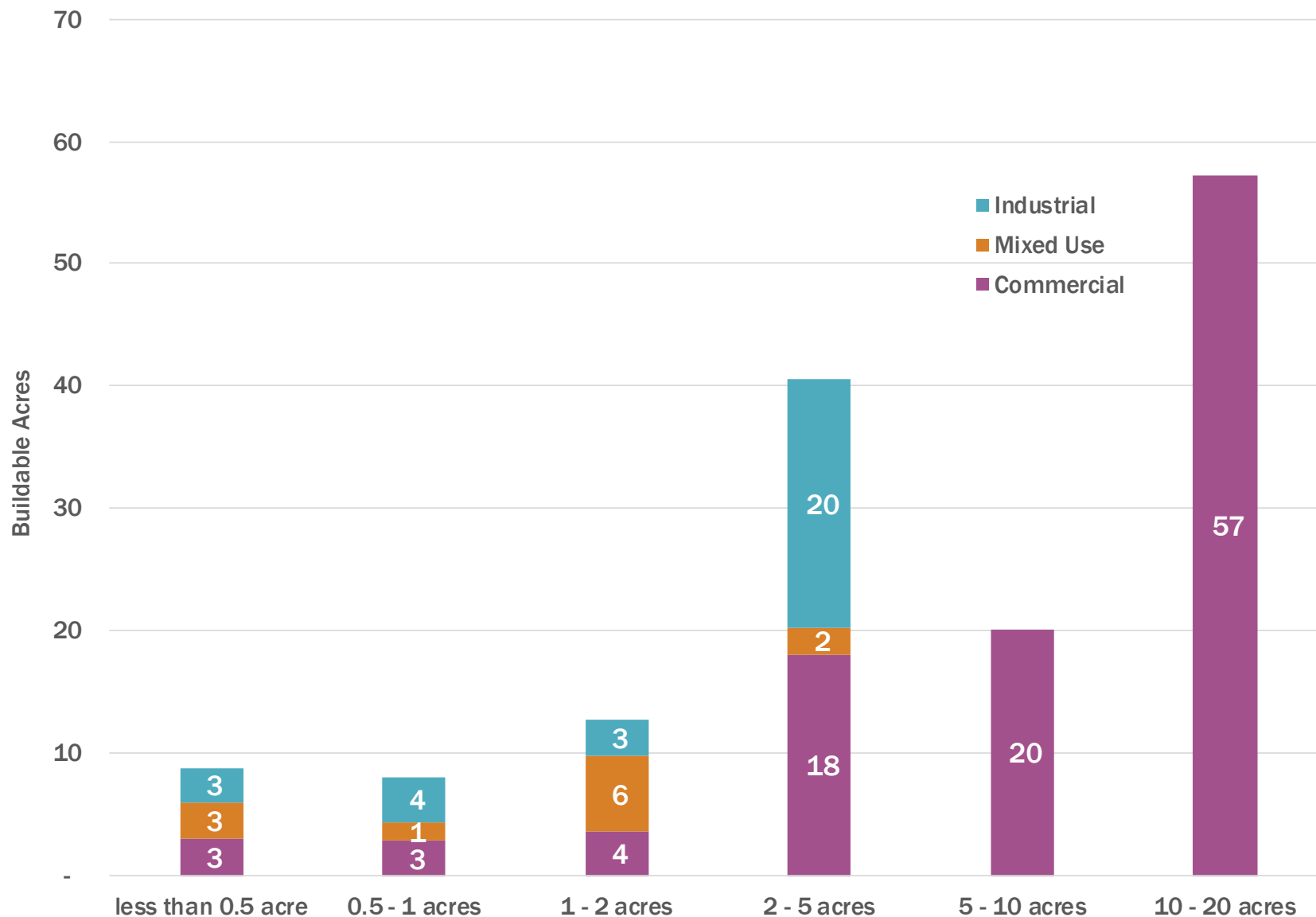
| | Buildable acres in taxlots | | | | | | Total |
|--------------|----------------------------|---------------|-------------|-------------|--------------|---------------|------------|
| | less than 0.5 acre | 0.5 - 1 acres | 1 - 2 acres | 2 - 5 acres | 5 - 10 acres | 10 - 20 acres | |
| Commercial | 3 | 3 | 4 | 18 | 20 | 57 | 105 |
| Mixed Use | 3 | 1 | 6 | 2 | | | 13 |
| Industrial | 3 | 4 | 3 | 20 | | | 30 |
| Total | 9 | 8 | 13 | 41 | 20 | 57 | 148 |

Number of lots with buildable vacant and partially vacant land by size, Newberg UGB

| | Taxlots with buildable acres | | | | | | Total |
|--------------|------------------------------|---------------|-------------|-------------|--------------|---------------|-----------|
| | less than 0.5 acre | 0.5 - 1 acres | 1 - 2 acres | 2 - 5 acres | 5 - 10 acres | 10 - 20 acres | |
| Commercial | 15 | 4 | 2 | 6 | 3 | 5 | 35 |
| Mixed Use | 12 | 2 | 4 | 1 | | | 19 |
| Industrial | 7 | 5 | 2 | 7 | | | 21 |
| Total | 34 | 11 | 8 | 14 | 3 | 5 | 75 |

Vacant and Partially Vacant Land: Site Sizes

Buildable acres on vacant and partially vacant lots by size and plan designation, Newberg UGB



Developed Land: Site Sizes

Developed lots by size, Newberg UGB

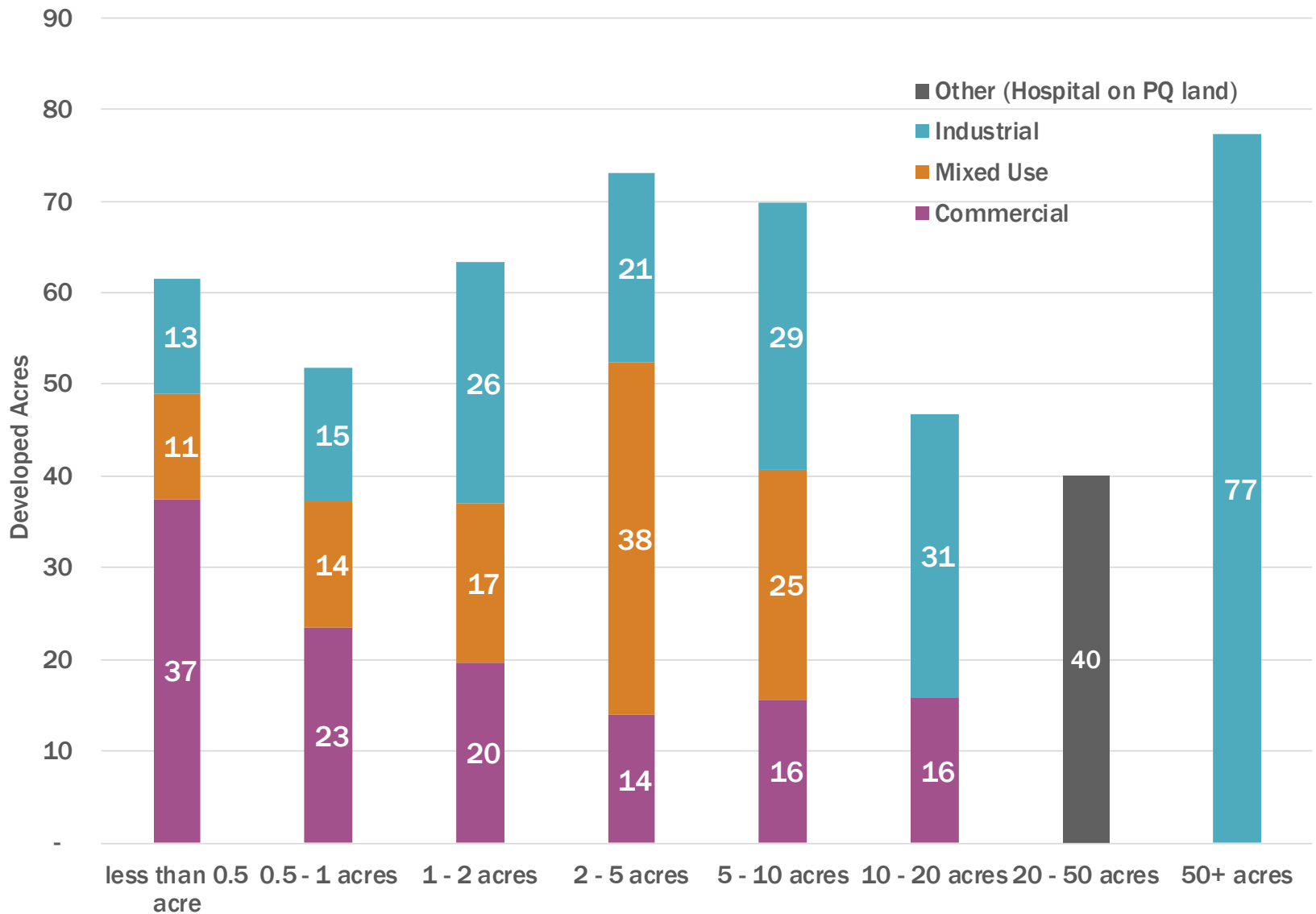
| | Developed acres in taxlots | | | | | | | | Total |
|-----------------------------|----------------------------|-----------|-------------|-------------|-----------|-----------|-----------|-----------|------------|
| | less than | 0.5 - 1 | 1 - 2 acres | 2 - 5 acres | 5 - 10 | 10 - 20 | 20 - 50 | 50+ acres | |
| | 0.5 acre | acres | | | | | | | |
| Commercial | 37 | 23 | 20 | 14 | 16 | 16 | | | 126 |
| Mixed Use | 11 | 14 | 17 | 38 | 25 | | | | 106 |
| Industrial | 13 | 15 | 26 | 21 | 29 | 31 | | 77 | 212 |
| Other (Hospital on PQ Land) | | | | | | | 40 | | 40 |
| Total | 62 | 52 | 63 | 73 | 70 | 47 | 40 | 77 | 484 |

Number of developed lots by size, Newberg UGB

| | Count of taxlots | | | | | | | | Total |
|-----------------------------|------------------|-----------|-------------|-------------|-----------|----------|----------|-----------|------------|
| | less than | 0.5 - 1 | 1 - 2 acres | 2 - 5 acres | 5 - 10 | 10 - 20 | 20 - 50 | 50+ acres | |
| | 0.5 acre | acres | | | | | | | |
| Commercial | 202 | 34 | 14 | 5 | 2 | 1 | | | 258 |
| Mixed Use | 84 | 17 | 13 | 11 | 4 | | | | 129 |
| Industrial | 42 | 20 | 19 | 8 | 5 | 2 | | 1 | 97 |
| Other (Hospital on PQ Land) | | | | | | | 1 | | 1 |
| Total | 328 | 71 | 46 | 24 | 11 | 3 | 1 | 1 | 485 |

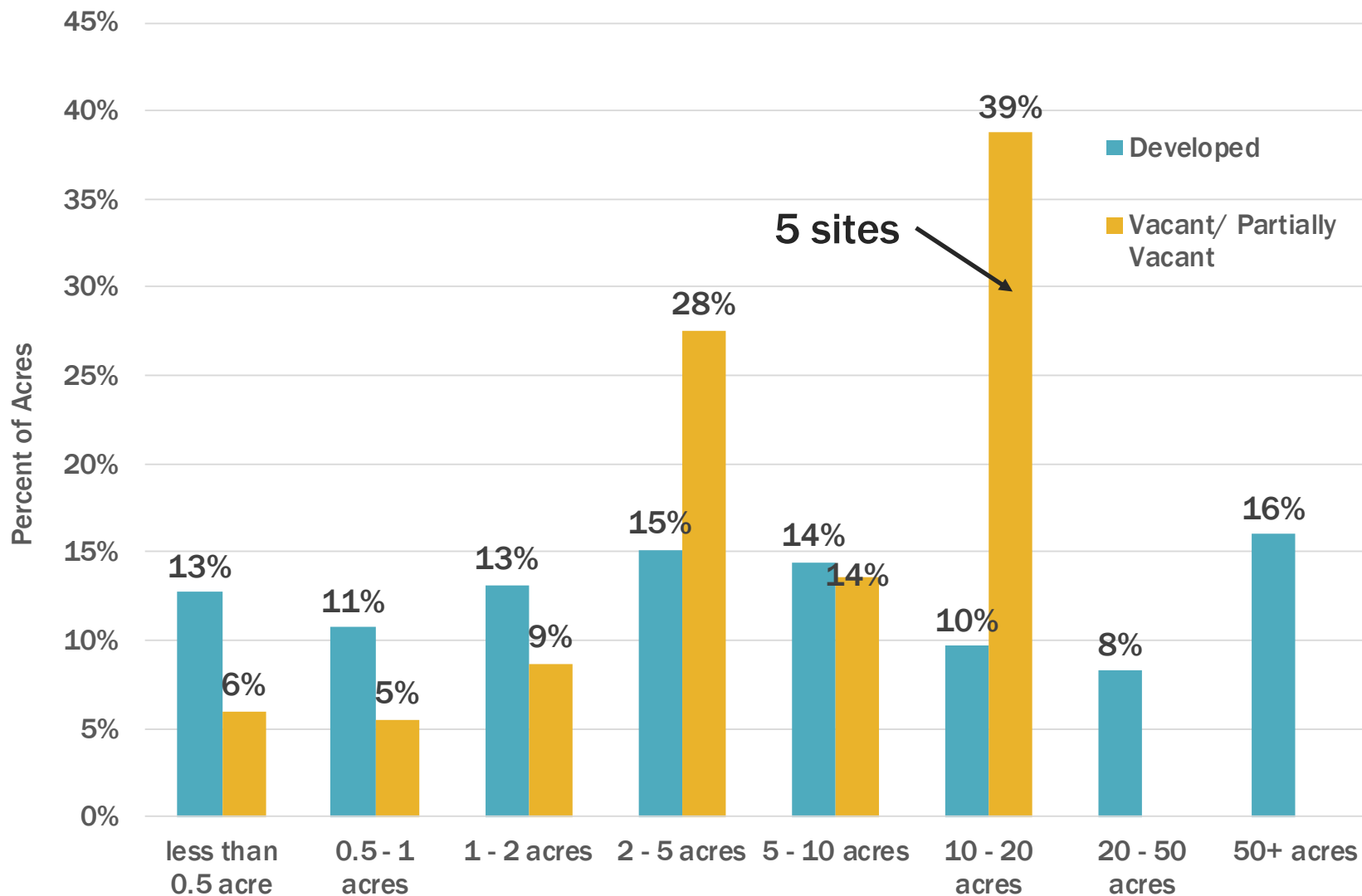
Developed Land: Site Sizes

Developed acres by size and plan designation, Newberg UGB

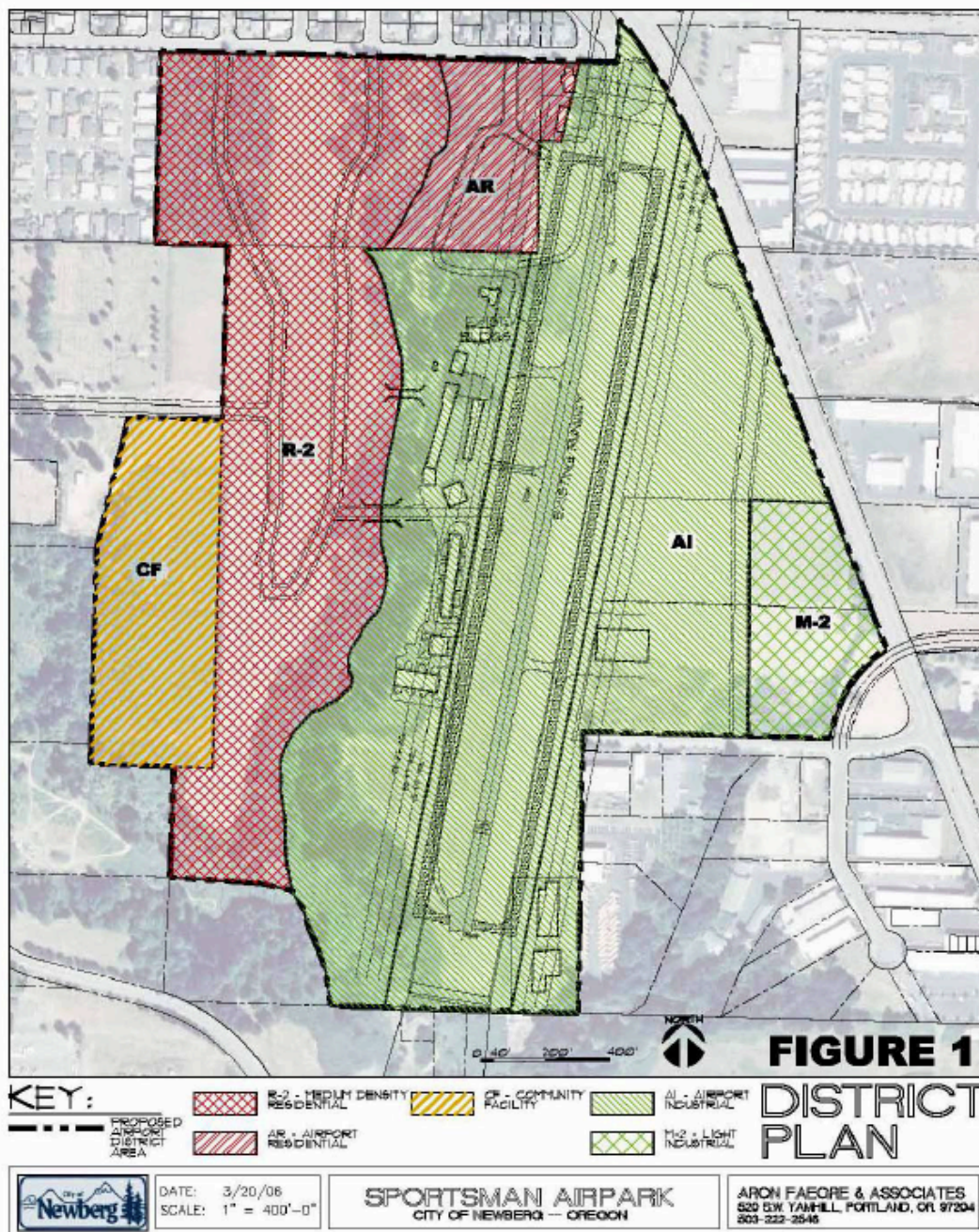


Comparison of Developed and Vacant Land

Developed and vacant or partially vacant land in commercial or industrial plan designations by site size, Newberg UGB



Sportsman Airpark



- 54 total acres in Industrial and Public Quasi-Public designations
 - 29 acres developable, approx. 17% developed (according to Master Plan)

Permitted uses

- Aviation-related activities
- Emergency flight services (and necessary services)
- Law enforcement, firefighting, search and rescue operations
- Flight instruction
- Aircraft service and maintenance
- Aircraft rental/sales
- Aerial mapping/surveying
- Air cargo and warehousing/distribution
- Aviation and space technology development/research

Discussion of Site Needs

Target Industries

- **Advanced Manufacturing**
 - Metals and machinery
- **Food/Beverage Processing**
 - Wine and Beer
 - Food machinery suppliers (cooling, conveying, etc.)
- **General Manufacturing**
 - Dental equipment
 - Distribution and logistics
- **Technology**
 - Health/medical information technology
 - Cyber-security
- **Agriculture and Wood Products**
 - Secondary Wood Processing
 - Nursery and value-added agricultural products
- **Traded Sector High Tech Manufacturing**
 - Semiconductors/silicon
 - Imaging and display technology
- **Aviation related industries**
 - Specialty aircraft equipment and repair
 - Machine shops
 - Other small aviation-related businesses

Characteristics of Sites by Industries

STATE OF OREGON - Infrastructure Finance Authority
Industrial Development Competitiveness Matrix



| PROFILE CRITERIA | | Production Manufacturing | | Value-Added Manufacturing and Assembly | | Light / Flex Industrial | | | Warehousing & Distribution | | Specialized | | | |
|-------------------------|--|-----------------------------------|---|--|-----------------------------------|-------------------------|---|---------------------------|-----------------------------------|---|---|-----------------------|-----------------------|--------------------------|
| | | A | B | C | D | E | F | G | I | H | J | K | L | |
| | | Heavy Industrial / Manufacturing | High-Tech / Clean-Tech Manufacturing | Food Processing | Advanced Manufacturing & Assembly | General Manufacturing | Industrial Business Park and R&D Campus | Business / Admin Services | Regional Warehouse / Distribution | Local Warehouse / Distribution | UVA Manufacturing / Research | Data Center | Rural Industrial | |
| 1 | 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 | | | | | | | | | | | | | | |
| 2 | TOTAL SITE SIZE** | Competitive Acreage* | 10 - 100+ | 5 - 100+ | 5 - 25+ | 5 - 25+ | 5 - 15+ | 20 - 100+ | 5 - 15+ | 20 - 100+ | 10 - 25+ | 10 - 25+ | 10 - 25+ | 5 - 25+ |
| 3 | COMPETITIVE SLOPE: | Maximum Slope | 0 to 5% | 0 to 5% | 0 to 5% | 0 to 7% | 0 to 5% | 0 to 7% | 0 to 12% | 0 to 5% | 0 to 5% | 0 to 7% | 0 to 7% | 0 to 5% |
| TRANSPORTATION | | | | | | | | | | | | | | |
| 5 | TRIP GENERATION: | Average Daily Trips per Acre | 40 to 60 (ADT / acre) | 40 to 60 (ADT / acre) | 50 to 60 (ADT / acre) | 40 to 60 (ADT / acre) | 40 to 50 (ADT / acre) | 60 to 150 (ADT / acre) | 170 to 180 (ADT / acre) | 40 to 80 (ADT / acre) | 40 to 80 (ADT / acre) | 40 to 80 (ADT / acre) | 20 to 30 (ADT / acre) | 40 to 50 (ADT / acre) |
| 6 | MILES TO INTERSTATE OR OTHER PRINCIPAL ARTERIAL: | Miles | w/ in 10 | w/ in 10 | w/ in 30 | w/ in 15 | w/ in 20 | N/A | N/A | w/ in 5 (only interstate or equivalent) | w/ in 5 (only interstate or equivalent) | N/A | w/ in 30 | N/A |
| 7 | RAILROAD ACCESS: | Dependency | Preferred | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Avoid | N/A |
| 8 | PROXIMITY TO MARINE PORT: | Dependency | Preferred | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Not Required | N/A |
| 9 | PROXIMITY TO REGIONAL COMMERCIAL AIRPORT: | Dependency | Preferred | Competitive | Preferred | Competitive | Preferred | Required | Preferred | Preferred | Preferred | Preferred | Competitive | N/A |
| | | Distance (Miles) | w/ in 60 | w/ in 60 | w/ in 60 | w/ in 30 | w/ in 60 | w/ in 30 | w/ in 60 | w/ in 60 | w/ in 60 | w/ in 60 | w/ in 30 | w/ in 60 |
| ## | PROXIMITY TO INTERNATIONAL AIRPORT: | Dependency | Preferred | Competitive | Preferred | Competitive | Preferred | Competitive | Preferred | Preferred | Preferred | Competitive | Preferred | N/A |
| | | Distance (Miles) | w/ in 300 | w/ in 300 | w/ in 300 | w/ in 100 | w/ in 300 | w/ in 100 | w/ in 300 | w/ in 300 | w/ in 300 | w/ in 300 | w/ in 100 | w/ in 300 |
| UTILITIES | | | | | | | | | | | | | | |
| ## | WATER: | Min. Line Size (Inches/Dmtr) | 8" - 12" | 12" - 16" | 12" - 16" | 8" - 12" | 6" - 10" | 8" - 12" | 4" - 6" | 4" - 8" | 4" - 6" | 4" - 8" | 16" | 4" - 8" |
| | | Min. Fire Line Size (Inches/Dmtr) | 10" - 12" | 12" - 18" | 10" - 12" | 10" - 12" | 8" - 10" | 8" - 12" | 6" - 10" | 10" - 12" | 6" - 8" | 6" - 10" | 10"-12" | 6" (or alternate source) |
| | | High Pressure Water Dependency | Preferred | Required | Required | Preferred | Not Required | Preferred | Not Required | Not Required | Not Required | Not Required | Not Required | Required |

Types of Sites Target Industries may Need

| Target Industry | High Tech | Food Proces. | Adv. Mfg. | Gen. Mfg. | Ind. Bus. Park | Reg. Warehouse | Local Warehouse | Special-ized |
|---------------------------------------|-----------|--------------|-----------|-----------|----------------|----------------|-----------------|--------------|
| Advanced Manufacturing | ✓ | | ✓ | | ✓ | | | ✓ |
| Food/Beverage Processing | | ✓ | | | | | ✓ | |
| General Manufacturing | | | | ✓ | ✓ | | | |
| Technology | ✓ | | ✓ | | ✓ | | | ✓ |
| Agriculture and Wood Products | | ✓ | | ✓ | ✓ | | ✓ | |
| Traded Sector High Tech Manufacturing | ✓ | | ✓ | | ✓ | | | ✓ |
| Aviation related industries | | | ✓ | ✓ | ✓ | | | ✓ |

Characteristics of Sites by Target Industries

| Site Characteristics | Advanced Mfg. | Food/ Bev. Process. | General Mfg. | Ag. and Wood Products | Traded Sector High Tech Mfg. / Tech. | Aviation Related Ind. |
|------------------------------------|-----------------------------------|--------------------------------|--|-------------------------------------|---|-------------------------------------|
| Site Size (acres) | 5-25+ | 5-25+ | 5-15+ | 5-25+ | 5-100+ | 5-25+ |
| Slope | 0 to 7% | 0 to 5% | 0 to 5% | 0 to 7% | 0 to 5% | 0 to 7% |
| Railroad Access | Not required | Preferred | Preferred | Preferred | Preferred | <i>Depends on specific industry</i> |
| Highway Access (mi. to interstate) | within 15 | within 30 | within 20 | within 5-20 | within 60 | within 20 (or n/a) |
| Special Utility Needs | Electricity redundancy dependency | High pressure water dependency | Higher demand for electricity, gas, and telecom. | <i>Depends on specific industry</i> | High pressure water dependency; Very high utility demands | <i>Depends on specific industry</i> |

Newberg's Competitive Advantage

ECONNorthwest
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SWOT: Strengths and Weaknesses

Strengths

- Location
 - Proximity to Portland Metro
 - Access to agricultural land
- Transportation
 - Hwy 99W
 - Rail service
- Utilities
 - Water quantity/quality
 - Lower power costs
- Quality of life
 - Services for residents and visitors

Weaknesses

- Transportation
 - Distance from I-5
 - Traffic congestion (99W)
 - Lack of public transit
- Aging infrastructure
- Limited land supply

SWOT: Opportunities and Threats

Opportunities

- Education
 - George Fox University
 - Portland Community College resources
- Redevelopment
 - Downtown revitalization
 - Riverfront development
- Tourism
 - Wine industry
 - Hotel development
- Entrepreneurial business incubator

Threats

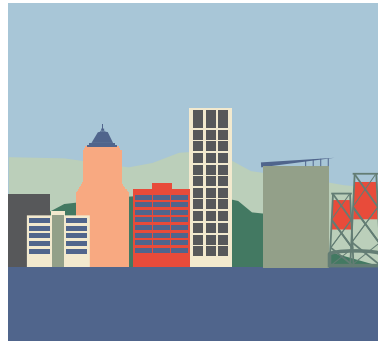
- Global pandemic
- Business relocation
- Aging population
- Climate change

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Eugene



Portland



Seattle



Boise

STATE OF OREGON - Infrastructure Finance Authority
Industrial Development Competitiveness Matrix



| PROFILE | | Production Manufacturing | | Value-Added Manufacturing and Assembly | | Light / Flex Industrial | | | Warehousing & Distribution | | Specialized | | | |
|----------------|--|---|--------------------------------------|--|-----------------------------------|-------------------------|---|---------------------------|-----------------------------------|---|---|-----------------------|----------------------------|-----------------------------|
| | | A | B | C | D | E | F | G | I | H | J | K | L | |
| | | Heavy Industrial / Manufacturing | High-Tech / Clean-Tech Manufacturing | Food Processing | Advanced Manufacturing & Assembly | General Manufacturing | Industrial Business Park and R&D Campus | Business / Admin Services | Regional Warehouse / Distribution | Local Warehouse / Distribution | UVA Manufacturing / Research | Data Center | Rural Industrial | |
| 1 | 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 | | | | | | | | | | | | | | |
| 2 | TOTAL SITE SIZE** | Competitive Acreage* | 10 - 100+ | 5 - 100+ | 5 - 25+ | 5 - 25+ | 5 - 15+ | 20 - 100+ | 5 - 15+ | 20 - 100+ | 10 - 25+ | 10 - 25+ | 10 - 25+ | 5 - 25+ |
| 3 | COMPETITIVE SLOPE: | Maximum Slope | 0 to 5% | 0 to 5% | 0 to 5% | 0 to 7% | 0 to 5% | 0 to 7% | 0 to 12% | 0 to 5% | 0 to 5% | 0 to 7% | 0 to 7% | 0 to 5% |
| TRANSPORTATION | | | | | | | | | | | | | | |
| 5 | TRIP GENERATION: | Average Daily Trips per Acre | 40 to 60 (ADT / acre) | 40 to 60 (ADT / acre) | 50 to 60 (ADT / acre) | 40 to 60 (ADT / acre) | 40 to 50 (ADT / acre) | 60 to 150 (ADT / acre) | 170 to 180 (ADT / acre) | 40 to 80 (ADT / acre) | 40 to 80 (ADT / acre) | 40 to 80 (ADT / acre) | 20 to 30 (ADT / acre) | 40 to 50 (ADT / acre) |
| 6 | MILES TO INTERSTATE OR OTHER PRINCIPAL ARTERIAL: | Miles | w/ in 10 | w/ in 10 | w/ in 30 | w/ in 15 | w/ in 20 | N/A | N/A | w/ in 5 (only interstate or equivalent) | w/ in 5 (only interstate or equivalent) | N/A | w/ in 30 | N/A |
| 7 | RAILROAD ACCESS: | Dependency | Preferred | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Avoid | N/A |
| 8 | PROXIMITY TO MARINE PORT: | Dependency | Preferred | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Preferred | Preferred | Not Required | Not Required | N/A |
| 9 | PROXIMITY TO REGIONAL COMMERCIAL AIRPORT: | Dependency | Preferred | Competitive | Preferred | Competitive | Preferred | Required | Preferred | Preferred | Preferred | Preferred | Competitive | N/A |
| | | Distance (Miles) | w/ in 60 | w/ in 60 | w/ in 60 | w/ in 30 | w/ in 60 | w/ in 30 | w/ in 60 | w/ in 60 | w/ in 60 | w/ in 60 | w/ in 30 | N/A |
| ## | PROXIMITY TO INTERNATIONAL AIRPORT: | Dependency | Preferred | Competitive | Preferred | Competitive | Preferred | Competitive | Preferred | Preferred | Preferred | Competitive | Preferred | N/A |
| | | Distance (Miles) | w/ in 300 | w/ in 300 | w/ in 300 | w/ in 100 | w/ in 300 | w/ in 100 | w/ in 300 | w/ in 300 | w/ in 300 | w/ in 100 | w/ in 300 | N/A |
| UTILITIES | | | | | | | | | | | | | | |
| ## | WATER: | Min. Line Size (Inches/Dmtr) | 8" - 12" | 12" - 16" | 12" - 16" | 8" - 12" | 6" - 10" | 8" - 12" | 4" - 6" | 4" - 8" | 4" - 6" | 4" - 8" | 16" | 4" - 8" |
| | | Min. Fire Line Size (Inches/Dmtr) | 10" - 12" | 12" - 18" | 10" - 12" | 10" - 12" | 8" - 10" | 8" - 12" | 6" - 10" | 10" - 12" | 6" - 8" | 6" - 10" | 10"-12" | 6" (or alternate source) |
| | | High Pressure Water Dependency | Preferred | Required | Required | Preferred | Not Required | Preferred | Not Required | Not Required | Not Required | Not Required | Required | Not Required |
| | | Flow Gallons per Day per Acre | 1600 (GPD / Acre) | 5200 (GPD / Acre) | 3150 (GPD / Acre) | 2700 (GPD / Acre) | 1850 (GPD / Acre) | 2450 (GPD / Acre) | 1600 (GPD / Acre) | 500 (GPD / Acre) | 500 (GPD / Acre) | 1600 (GPD / Acre) | 50-200 (Gallons per MWh) † | 1200 (GPD / Acre) |
| ## | SEWER: | Min. Service Line Size (Inches/Dmtr) | 6" - 8" | 12" - 18" | 10" - 12" | 10" - 12" | 6" - 8" | 10" - 12" | 6" - 8" | 4" | 4" | 6" | 8"-10" | 4" - 6" (or on-site source) |
| | | Flow (Gallons per Day per Acre) | 1500 (GPD / Acre) | 4700 (GPD / Acre) | 2600 (GPD / Acre) | 2500 (GPD / Acre) | 1700 (GPD / Acre) | 2000 (GPD / Acre) | 1600 (GPD / Acre) | 500 (GPD / Acre) | 500 (GPD / Acre) | 1300 (GPD / Acre) | 1000 (GPD / Acre) ‡ | 1000 (GPD / Acre) |
| ## | NATURAL GAS: | Preferred Min. Service Line Size (Inches/Dmtr) | 4" - 6" | 6" | 4" | 6" | 4" | 6" | 2" | 2" | 2" | 2" | 4" | N/A |
| | | On Site | Competitive | Competitive | Preferred | Competitive | Competitive | Competitive | Preferred | Preferred | Preferred | Preferred | Preferred | Preferred |
| ## | ELECTRICITY: | Minimum Service Demand | 2 MW | 4-6 MW | 2-6 MW | 1 MW | 0.5 MW | 0.5 MW | 0.5 MW | 1 MW | 1 MW | 0.5 MW | 5-25 MW | 1 MW |
| | | Close Proximity to Substation | Competitive | Competitive | Not Required | Competitive | Preferred | Competitive | Preferred | Not Required | Not Required | Not Required | Required, could be on site | Not Required |
| | | Redundancy Dependency | Required | Preferred | Not Required | Required | Not Required | Competitive | Required | Not Required | Not Required | Not Required | Required | Not Required |
| ## | TELECOMMUNICATIONS: | Major Communications Dependency | Preferred | Required | Preferred | Required | Required | Required | Required | Preferred | Preferred | Required | Required | Preferred |
| | | Route Diversity Dependency | Not Required | Required | Not Required | Required | Not Required | Preferred | Required | Not Required | Not Required | Not Required | Required | Not Required |
| | | Fiber Optic Dependency | Preferred | Required | Preferred | Required | Preferred | Required | Required | Preferred | Preferred | Required | Required | Not Required |
| ## | SPECIAL CONSIDERATIONS: | <p>Adequate distance from sensitive land uses (residential, parks, large retail centers) necessary. High throughput of materials. Large yard spaces and/or buffering required. Often transportation related requiring marine/rail links.</p> <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>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>Increased setbacks may be required. Onsite utility service areas. Avoid sites close to wastewater treatment plants, landfills, sewage lagoons, and similar land uses. Lower demands for water and sewer treatment than Production High-Tech Manufacturing.</p> <p>Surrounding environment of great concern (vibration, noise, air quality, etc.).</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>Relatively higher parking ratios may be necessary. Will be very sensitive to labor force and the location of other similar centers in the region. High reliance on telecom infrastructure.</p> <p>Transportation routing and proximity to/from major highways is crucial. Expansion options required. Truck staging requirements mandatory. Minimal route obstructions between the site and interstate highway such as rail crossings, drawbridges, school zones, or similar obstacles.</p> <p>Transportation infrastructure such as roads and bridges to/from major highways is most competitive factor.</p> <p>Must be located within or near FAA-regulated UAV testing sites. Moderate utility demands. Low reliance on transportation infrastructure.</p> <p>Larger sites may be needed. The 25 acre site requirement represents the more typical site. 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>Located in more remote locations in the state. Usually without direct access (within 50 miles) of Interstate or City of more than 50,000 people.</p> | | | | | | | | | | | | |

Mackenzie; Business Oregon

Terms:

| | |
|---|--|
| <p>More Critical</p> <p>↑</p> <p>Less Critical</p> | <p>'Required' factors are seen as mandatory in a vast majority of cases and have become industry standards</p> |
| | <p>'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.</p> |
| | <p>'Preferred' increases the feasibility of the subject property and its future reuse. Other factors may, however, prove more critical.</p> |
| <p>* Competitive Acreage: Acreage that would meet the site selection requirements of the majority of industries in this sector.</p> | |
| <p>**Total Site: Building footprint, including buffers, setbacks, parking, mitigation, and expansion space</p> | |
| <p>† 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).</p> | |
| <p>‡ 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.</p> | |