

**City of Scappoose
Ad-Hoc Economic Opportunity Analysis Advisory Committee Meeting
City Hall
January 26, 2010
6:00 p.m.**

Call Meeting to Order and Introductions

City Planner Brian Varricchione called the meeting to order.

Present:

Committee members and consultant team: City Planner Brian Varricchione, Greg Winterowd, Winterbrook Planning, Jesse Winterowd, Winterbrook Planning, Gary Fish, Regional Representative from DLCDC, Dennie Houle, Business Development Officer with Business Oregon, Donna Gedlich, Scappoose City Council, Jerry Johnson, Johnson-Reid, Scott Shumaker, Otak, Brian Rosenthal, Local commercial developer, Marie Gadotti, Local Farmer, Bill Blank, Scappoose Planning Commission, Paula Miranda, Port of St. Helens, Terry Luttrell, Port of St. Helens and Rita Bernhard, Columbia County Commissioner.

Guests: Jeff Bernhard, Scappoose City Council President, Scott Burge, Mayor of the City of Scappoose, Lisa Smith, Interested citizen,

City Planner Brian Varricchione wanted to make sure everyone received the revised agenda.

Elect an EOA Advisory Committee Chair

City Planner Brian Varricchione stated we need to elect a committee chair. He explained the role of the Chair is to run the meetings and then if there are any official communications from this group to Planning Commission or City Council they would go under the signature of the chair. He explained whoever gets the role of chair will be walking the committee through the rest of the meeting.

Donna Gedlich was nominated to serve as the committee chair. Motion passed.

Review and approve May 5, 2009 Ad-Hoc Economic Opportunity Analysis Advisory Committee Meeting Minutes

Chair Gedlich asked if there were any changes to the minutes from May 5, 2009 meeting.

There was a motion and a second to approve the May 5, 2009 Ad-Hoc Economic Opportunity Analysis Advisory Committee Meeting Minutes. Motion passed unanimously.

Discuss draft Economic Opportunities Analysis report

Greg Winterowd explained he is the coordinator of the consultant team and they have been working with City staff for the last several months trying to put together something real for the committee to look at. He explained now we have two documents to look at. One is the economic opportunities analysis that is a requirement of Statewide Planning Goal 9 and we also have an evaluation, which this time has been coordinated closely with the City staff of the suitable sites, employment sites, within the existing urban growth boundary. So we have two documents for the committee to look at tonight. He explained what we have tried to do is listen to what we heard in previous meetings. What we think we heard is that you are interested in looking at both commercial employment lands and industrial employment lands. We want to make sure we have sufficient land to meet 20 year needs. We also want to look carefully at the City's ability that will come later, to provide public facilities land. So we are not bringing land, or changing designations of land that may not be serviceable, that is important. We want to coordinate closely with our friends at the State level, at the County level and at the Port level and that is why we have the TAC to make sure we are all on the same page and trying to work together on things that are of mutual benefit. What we have are a number of questions that we would like you to think about as we move through this presentation. Those are listed as A, B and C on the agenda under the Economic Opportunities Analysis.

- A. **Does the EOA accurately describe Scappoose's economic vision of the way the community should grow?** He explained if we missed something we want to know it now because everything depends on getting it right the first time.
- B. **Do we correctly identify commercial, airport-related, industrial and institutional employment needs with the types of land that may be needed and do these have a reasonable likelihood of actually locating in Scappoose if adequate sites provided?** He explained the reasonable likelihood comes right out of the Administrative Rules which is why it is important that we have some agreement on that. Are we chasing the right types of employment opportunities?
- C. **Does the EOA describe the site characteristics of the types of employments that we suggest are needed?** He explained he is being a little bit facetious but should highway commercial be located near the highway. He explained these are the types of questions that are important to answer and they get more detailed in the EOA itself.

Greg Winterowd stated with that introduction I would like to turn this over to Jerry Johnson who is the principal author of the Economic Opportunity Analysis.

Jerry Johnson explained as Greg has talked about all this is done under the Goal 9 Statutes in the State of Oregon Rules and the real advantage of this has been greatly improved in recent years is it allows jurisdictions to be what is termed aspirational, which means you can make determinations of what you would like to be. You are not allowed to be delusional, which is why when we talked about reasonable likelihood you can aspire

to things that maybe aren't plausible and the State is not going to look kindly on those things so when we take a look at Goal 9 or EOA analysis we are typically looking at some basic broad macro trends at a National level, this is a 20 year forecast. We take a look at some State trends, some forecasts for the region. The specific position that you are in the City of Scappoose and the City of Scappoose' Urban Growth Boundary is you are proximate to a very large metropolitan area that allows you for some spillover growth from there as well so it is not solely stuff generated from Scappoose you could be part of this broader region. In fact the economic region that is typically defined by the Federal Government includes Columbia County as part of the broader Portland metropolitan area, consolidated metropolitan statistical area. It recognizes a lot of cross commute patterns and there are a lot of the relationship between those economies so you are not completely separated. He explained the work they did took a look at the National and local trends, took a look at some base employment forecast and tried to isolate some target industries. He explained one of the things the State likes to see is you identify in some level of specificity the type of industries you would really like to see locate, encourage, foster further growth in those particular industries and then we convert that growth or the needs associated with employment profile we are talking about to what that we means in terms of land supply. Then you are allowed to go back and make sure you are actually accommodating what you are hoping to get. The idea with the State Land Use System is that you take a lot of what you are going to need for the next 20 years and then are you actually accommodating what you really expect or are hoping to get. He explained so when we take a look at the target industries and we pull out a few of these one is the airport related industrial uses, the commercial uses, institutional employment types with the reasonable likelihood of being able to locate in Scappoose in a 20 year horizon. He explained what we are hoping to get from everybody is feedback did we find the right ones, are there ones that we are missing that the committee would like us to look in to a little bit further and expand on this, are there ones that the committee feels they should take out just because they are not plausible. He explained that is the feed back that they are hoping to get out of this group. He explained that forecast at the end gets converted to land need which can be very specific on acreage, location criteria then we have to balance it against your supply, but the demand side is what we are trying to deal with our people.

Brian Rosenthal explained he noticed a few things in the report that he didn't think were quite accurate. He explained on page 22 of the EOA draft about a third of the way down and it talks about "Some speculate that retail has struggled in Scappoose because there is a small downtown and access is difficult off Highway 30." He said other than a few areas, we are in downtown right now, there is no access issue here. He explained on the other side of the highway there are some access issues, because there is a one way on Columbia and it is limited. He wouldn't like to see in town classified as a problematic area. He stated there is no access issue here, in fact it is one of the best access points in town because it has a light, it has a turning lane and you are only a block and half off, so you couldn't ask for better other than being on the highway physically.

Brian Rosenthal stated right below that on page 22 there is a comment about the Weston Project and it is saying that 14,000 square feet remain empty. He is pretty certain that number is off. Jerry Johnson replied the thing with the 20 year issue is we start looking at

issues like vacant space it is almost inappropriate to even talk about a 14,000 square foot because by the time this thing is adopted it could change three times. Mayor Burge explained the reason why it is vacant is really isn't as much to do with people not wanting to place businesses in the site but the cost of placing businesses in the site. He stated that place is empty because the rent is too high. Jerry Johnson explained that is one of the things we run into a lot is the State Land Use System doesn't recognize owners that have unrealistic expectations of pricing.

There was a discussion on retail commercial in the area and having visibility from the highway.

Chair Gedlich stated on page 22 of the EOA draft there is an error regarding Fred Meyer being built in 2001, it was built in 1996. She stated she didn't see anything in the draft about hotels or motels. Brian Rosenthal directed everyone to page 29 of the draft. Jerry Johnson replied there was an overnight lodging piece pulled out. He explained we can actually set up, if it is desired to be something that you would like to encourage you can actually pull out specific hotel/motel demands pieces above and beyond. He explained we didn't have a lot of forecast in that specific industry but you can actually make that, forecasts are based on underlying growth trends, the forecast you can say targeted maybe we haven't had a lot of hotel/motel growth. We would like to see a better hotel/motel mix. Chair Gedlich would like to do that because if you are looking at 20 years down the road you would like to think that the population would double, or almost double, so we would be talking ten to twelve thousand people. She thinks at that point we would need a hotel and or motel so people aren't staying in Portland or going to St. Helens. Jerry Johnson replied we can add that as a target if people are good with that.

Brian Rosenthal discussed the issue of tourism and not seeing that mentioned in the draft. He explained there is quite a bit here that if you are looking for opportunities it would be good to push that.

Mayor Burge asked about the bottom of page 21 where it states: Aviation firms have attempted to locate in Scappoose. Oregon Business Development Department (OBDD) staff report that firms have tried to find a site in Scappoose, but there is a lack of suitable land. OBDD has to turn away firms seeking to locate in Scappoose. He asked if there are policies that we can put into place as policymakers to address or help when those businesses are looking to come around Scappoose too. He asked is there something that we can do. He stated he is just looking for more specifics, not the names of the companies, he is just wondering why the sale was lost. Jerry Johnson explained a lot of the complaints they get from the business officers is they weren't even in the game because the companies came in and laid out something very distinct for example: they need a 20 acre site, with natural gas to the site and rail service, etc. and they just go through the inventory and find nothing, so they aren't even in the game for that.

Jerry Johnson explained one of the things that the State does now with the Goal 9 is you have to meet your 20 year demand but you have to actually have your 5 year ready

demand available right now for your 5 year ready demand and that is important because a lot of things they are missing are economic development plans.

Bill Blank stated going back to what the Mayor was saying earlier about the fact that when people are not here because they are buying where their jobs are and I think the thing we are talking about here is identifying exactly where the locations are so we can establish places so we can have jobs to bring people here to spend the money here so then it falls into place. Identifying exactly what you are doing here is great because what we have to do is figure out exactly how much is needed to attract the people and either we break up in smaller groups and clusters to identify each different thing and decide how we are going to market this. Once we do it I think you actually have to have an aggressive marketing campaign, once you identify it you have to really go out and get them.

Marie Gadotti stated I think there are a lot of them that are waiting to come if the land is available.

Jesse Winterowd stated we are going to have to downplay it a little bit more than we did in the early version to this about the impact of what Metro is doing in the Portland area but it is greatly to your advantage that the Portland Metropolitan area is not accommodating their large lot industrial needs for many policy reasons.

Council President Bernhard feels the committee needs to continue to focus on the airport area and utilizing those spaces out there. He truly believes it all has to start in that particular area out there. Paula Miranda replied she couldn't agree with him more.

Paula Miranda explained she has talked to a lot of people in the Portland area that would like to come to Scappoose but there isn't anything that she is aware of that would work for them.

Greg Winterowd said if you look at the next agenda item for the next meeting if we can get our arms around how much and what kind of employment land we need, the next step is to look at where it goes and how to serve it. He explained that is who Scott Shumaker is here from Otak, he is our civil engineer looking at those public facility issues that Paula addressed and that is very important to do that but it is not something that we necessarily need to do at this meeting because we don't have the information base to do it yet, we have some but not enough.

Lisa Smith asked for one point of clarification: You threw out there on the table that you were aware of businesses that could possibly or industries that could possibly spill over. She was looking for a little more specifics on what kind of industries those might be. Jerry Johnson replied when we took a look at industry sectors that are difficult to locate, now the need for site size that you may be able to compete for some would have been more manufacturing based. Right now the Portland Metropolitan area because of the shortage of land we are also getting higher land costs, we have difficulty in getting sites. You know you are enough off I-5, though you actually have a fairly nice way to get to I-5

both north and south if you go up through Longview that you could play for some of the distribution pieces which that stuff is widely available and difficult to get located in the Portland metropolitan area because it is fairly price sensitive and the land prices for industrial are getting up to a point where it is difficult to locate those anymore.

Marie Gadotti discussed the issue of making use of the channel.

Lisa Smith stated there is a question on the table, are we going to talk about targets. She explained she is kind of liking the distribution warehouse situation as far as being realistic from a major transportation arena, possibly it is a big land user but it is also could fall in the wage level that has been discussed. She stated the local nurseries, the Scappoose farmer's market and our own restaurant industry might be something to give consideration to.

Greg Winterowd explained both Brian and Jesse are taking notes on what you are saying so that in the EOA itself we can add some text that set the stage for the policy element that comes down the road. So this is useful discussion.

Mayor Burge explained a part of this analysis for him is when he is going to look at making a policy would be what do we have in our toolbox between the Port, the County and the City currently, what don't we have in our toolbox and is available out there and some discussion on what would make sense.

Greg Winterowd explained we will be working on something called an economic development strategy and we will want to involve the Port with that and the City and the County to make sure we are all on the same page and we will address policies. So once we decide what we want, is this the right type of mix, the airport related, the industrial, the commercial, with a focus on downtown, which we also picked up tonight, is that something that we aspire to what to achieve as a community, if that is right, if we have got the numbers generally right and that kind of thing, the next step is do we have enough land and can we serve the land we got and any land we need in addition to that and if so how. That is the next meeting that Scott will be leading the charge on. We are also going to have transportation people here if we get the numbers down. We also have to address State Wide Planning Goal requirements that deal with agricultural land that sort of thing and do that carefully, but the first step is really trying to say is the mix of employment that we are talking about seem reasonable and generally did we get the location requirements down. Those are critical things that we need from you to go on to the next step tonight.

Review Summary of Scappoose Land Need & Supply Issues

Greg Winterowd asked the committee is there a general agreement on the amount of land and the type of land that suggested in the EOA that Scappoose needs. He stated we need more discussion on that big picture question before moving on to supply. Jesse Winterowd stated with the caveat that we will be adding some overnight lodging to make

sure we have room for a few facilities at least. Greg Winterowd stated we will emphasize also downtown.

Lisa Smith stated in your report you talked about employment numbers and I guess functionally the entire forecast for how much land might be necessary for commercial or for industrial is based on figure 23 that is the start place for the calculations if I am understanding this. Jesse Winterowd replied right.

Lisa Smith stated she was a little startled when she saw the number 2,400 being an estimated number of jobs in Scappoose. She asked did she misread that. Jesse Winterowd replied those numbers are based on people paying unemployment insurance for their workers in the UGB.

Greg Winterowd asked if we have agreement on the three questions under agenda item number 4.

Council President Bernhard explained he would like to talk a little more about high tech and how we can bring high tech to the area. He would just like to add to the wish list high tech. Jesse Winterowd replied we can put on high tech, we have done a lot of work on high tech. It has some specific location requirements that are difficult but you have some of the requirements. Mayor Burge stated the only other thing he would add is a data center.

Jesse Winterowd explained agenda item number 5 is looking at the land supply to contrast with the need. He explained he came to the previous hearing with an initial stab at this map based on County tax assessor data and it was not very informative or useful so what we did from that point was he worked with Brian and looked at this from aerial photos and actually came and looked on the ground to see what is going on here, looked at actual businesses that were on properties and incorporated our mapping of floodplains into this map and we used the Administrative Rule for Economic Development in our definitions to define vacant and potentially redevelopable land in Scappoose. So what we see on the map is most of the industrial land is found in the large industrial area in the north and much of the commercial land that we felt could be developable or vacant or redevelopable in the southern portion of the City. So these are mostly larger lots as you can see by the definition on page 2, OAR 660-009-005(14) defines Vacant Land as “a lot or parcel: a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.” He stated that is a fairly limiting vacant land category but we look at a lot of the industrial land up north that had no industrial development on it and we included that as developed land that is likely to be redeveloped.

Jesse Winterowd stated that is the map the results are that we have found a total of 5 tax lots including 81 topographically suitable, meaning less than 10% slope and not in the floodplain acres and that is meeting the definition of vacant. We also have another 72 acres of land that we saw was technically developed but likely to be redeveloped because

it has a house or small farm on a very large piece of industrial land so it comes out to be 150 acres of industrial land that is suitable for the targeted industries. He explained there is a much smaller supply of commercial land, 24 acres and 8 lots that we found are vacant and 10 lots totaling 7 acres of redevelopable land.

There was a discussion on the airport being zoned public use airport.

Paula Miranda wants to make sure the balance of aviation and other industrials are there.

Rita Bernhard explained don't forget there are some pieces out there by the airport that are privately owned also.

Brian Rosenthal discussed the issue of the property along Highway 30 and Dutch Canyon, he asked Jesse Winterowd that he is saying it is complicated because it is currently residential. Jesse Winterowd replied that is currently. Mayor Burge stated and the Comp Plan says it is going to residential. Jesse Winterowd replied right. Mayor Burge stated so what you are saying in order for us to really look at that as commercial the Council and the City needs to amend the Comp Plan at some point. There was a lot of discussion amongst the group.

Brian Rosenthal stated I thought we were suppose to look within the UGB for land first before we look outside and if this is available land within the UGB and it is suitable for the purpose I don't know how it couldn't be included in that. Greg Winterowd replied first of all if this group would like us to look at the capacity of that for commercial we will do that for next time. He explained second point there is an interplay between residential need and employment need. We haven't looked in detail at residential land needs but we do know you have had a lot of residential development and we also have to maintain compliance with the housing goal by maintaining a 20 year supply. He doesn't believe the size of the area we are talking about is going to cause a huge problem but if we were to start looking at all the residential in the UGB then we begin to ask the question how have we met the housing needs. Lisa Smith replied this is specific because it appears to be badly zoned in the first place.

Lisa Smith asked if there is a way in your suitability analysis that you could provide us with the land shown in a way, aviation and this airport related industrial, it is kind of, it has always been a hot topic in Scappoose and it is a topic that you really need to be able to clearly indicate we have this land available for airport related aviation because of the specific needs of it, but we have this land for other, because we don't want to put all of our eggs in one basket. She stated it gets hard when you just use purple for everybody industrial. So could we like do something that takes the airport apart. Greg Winterowd stated there is a sequence to this thing but we are not going to follow it because we listen to what you are saying. So we are going to come back at the next meeting with working with City Planner Brian Varricchione to come up with a draft map that will be in a sense hypothetical because it doesn't exist yet, you haven't adopted it.

There was a discussion amongst committee members.

Greg Winterowd stated what we need to have is we are doing a 20 year City wide inventory. The only thing he can absolutely guarantee in the next 20 year is everything will change but we need a base of information to work from. There was discussion on some of the lands in the UGB that have filled in. Greg Winterowd stated the question he would ask is can you prove that is compacted, that is ready to build, if you can get a civil engineer to give us some evidence, then we will look at it, but just the fact there is some dirt piled in a floodplain doesn't mean the City of Scappoose or the Port can go in and say this land is suitable now and development ready, so that is why the substantial evidence. He explained part of the reality, and this is important, that we all face in the UGB game is, is there substantial evidence that a reasonable person would agree to that has been constantly applied so we can decide what is suitable or not.

Dennie Houle explained he was involved in YMSI locating out there and part of the problem was the map was so old it didn't reflect reality then that was before filling took place. He explained new mapping has been done since then.

Dennie Houle stated he hears what Greg Winterowd said. He asks what evidence do we have of soil suitability of the problems that currently have identified, do we just assume everything is fine. Greg Winterowd stated if we have officially adopted floodplain maps, if we had a civil engineer that had cleared with FEMA, a study that said it was outside the floodplain that would be fine but to use what he would call anecdotal evidence, which we all know that in 10 years that floodplain is going to be a different location from where it is now but we don't know where that is so what we have to do is use the best available data that is consistently applied and that's tough. Lisa Smith stated for that property we need to confirm and we need to have our ducks in a row or we are going to get blasted out of the water. Please take another look of that property that is in the triangle, make absolutely certain it is correct, there are good reasons for us to do that. City Planner Brian Varricchione explained right now the property owner has requested the County to apply to FEMA for a letter of that map revision and that is pending. So as of today it is considered wet. Lisa Smith stated on this piece of property please take a look at it.

Set the next meeting date ~ March 2, 2010 and April 6, 2010 at 6:00 p.m. in the Scappoose Council Chambers located at City Hall.

Chair Gedlich adjourned the meeting at 8:00 p.m.

Minutes typed by Susan M Reeves, CMC, City Recorder