

**UMATILLA CITY COUNCIL
REPORT AND DECISION
FOR
PLAN AMENDMENT PA-1-20**

DATE OF HEARING: July 20, 2021

REPORT PREPARED BY: Brandon Seitz, Community Development Director

I. GENERAL INFORMATION AND FACTS

Applicant: City of Umatilla, 700 6th Street, Umatilla, OR 97882.

Land Use Review: Plan amendment to update Goal 9 (Economic Development) of the comprehensive plan.

II. NATURE OF REQUEST AND GENERAL FACTS

The City of Umatilla hired a private consultant Johnson Economics to conduct an Economic Opportunities Analysis (EOA). This analysis includes an inventory of employment land, which provides a snapshot of the currently local capacity to accommodate more business and jobs. The analysis reflects changes in employment, land supply, and macro-economic trends since the City of Umatilla last reviewed local economic development policies. With the new data and information about the City of Umatilla's economic development rises a need to update Goal 9 the Economic Development section of the city's comprehensive plan.

NOTE: The EOA identified the City has a projected need of two 100+ acre sites and two 50-99.9 acres sites. The EOA also identified that the City had one 100+ acres site in our inventory. The 160-acre site is located at the Port of Umatilla's McNary Industrial Park and is identified as Tax Lot 5N28B00000600. The City has now issued permits and construction has commenced for development of the site. The EOA's analysis for the city's project land use need is less than two years old and the best available data. The City will move forward with adopt of the EOA but note the change in inventory for the pending UGB expansion application (PA-2-20). Given the historic level of new growth within the City a complete BLI updated will likely be necessary well before the end of the 20 year planning period.

III. ANALYSIS

The criteria applicable to this request are shown in underlined text and the responses are shown in standard text. All of the following criteria must be satisfied in order for this request to be approved.

CUZO 10-13-3: AMENDMENTS TO THE ZONING TEXT OR MAP:

- A. Approval Criteria: An amendment to this title or official map shall comply with the following criteria:
1. The proposed designation is consistent with and supports the purposes of the portions of the city's comprehensive plan not proposed for amendment, or circumstances have changed

to justify a change in the comprehensive plan.

Findings: The proposed plan amendment will amend Chapter 9 (Economic Development) of the city's comprehensive plan. A draft of the proposed text changes is attached to this report. To summarize Section 9.1 would be replaced in its entirety with the EOA completed by Johnson Economics. Section 9.1 had not been updated since the city's comprehensive plan was acknowledged in 1978 and the information is now outdated. Section 9.2, the Downtown Revitalization and Circulation Plan will not be amended. Section 9.3 was also added to provide a brief overview of the Destination Management Plan completed the City and Chamber.

Conclusion: The primary updates to the comprehensive plan are to updated Section 9.1 based on the Johnson Economics EOA. As address above the previous version had not been amended since 1978 and was no longer relevant. Therefore, the proposed change to the comprehensive plan is considered justified as the plan had not be updated in over 30 years and was no longer relevant. The updated information in the EOA and Destination Management Plan will support the continued development of employment lands located within the UGB and increase opportunities for tourism development.

2. The proposed change will not affect the land supply for the existing zoning designation as related to projected need for the particular land use.
3. The proposed designation will not negatively impact existing or planned public facilities and services. In particular, pursuant to the Oregon transportation planning rule, proposed text and map amendments shall determine whether the proposed change will significantly affect a collector or arterial transportation facility and must comply with the requirements of Oregon administrative rule (OAR) 660-012-0060 as applicable. In the I-82/U.S. 730 interchange area management plan (IAMP) management area, proposed access shall be consistent with the access management plan in section 7 of the IAMP.

Findings: The proposed plan amendment will not change the existing zoning designation for any property with the city's UGB. The proposed plan amendment will be a text amendment to the city's comprehensive plan to update Chapter 9 (Economic Development) with current employment and land supply numbers by incorporating the recently completed EOA.

Conclusion: The proposed plan amendment will not change the existing zoning designations for any property within the city's Urban Growth Boundary (UGB). Therefore, the proposed text amendment will not affect the land supply of the existing zoning designations or negatively impact existing or planned public facilities and services.

4. The site is suitable for the proposed use, considering the topography, adjacent streets, access, size of the site, availability of public facilities, and any other pertinent physical features.
5. Other sites in the city or the vicinity are unsuitable for the proposed use. In other words, ownership and desire to develop a particular use in themselves provide insufficient rationale for changing a zoning designation that does not support the interests of the city as a whole.

Findings: The intent of these standards is to show that a proposed amendment is necessary to accommodate a proposed use and to show that other sites within the city are not readily available to develop the propose use.

Conclusion: The proposed plan amendment does not apply to a specific site or property, rather applies to the city as a whole. In addition, as addressed above no properties will be rezoned as a result of this plan amendment.

OREGON ADMINISTRATIVE RULES CHAPTER 660, DIVISION 009
660-009-0015 - Economic Opportunities Analysis

Cities and counties must review and, as necessary, amend their comprehensive plans to provide economic opportunities analyses containing the information described in sections (1) to (4) of this rule. This analysis will compare the demand for land for industrial and other employment uses to the existing supply of such land.

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

(2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses. Cities and counties are encouraged to examine existing firms in the planning area to identify the types of sites that may be needed for expansion. Industrial or other employment uses with compatible site characteristics may be grouped together into common site categories.

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

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

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

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

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

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

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

(4) Assessment of Community Economic Development Potential. The economic opportunities analysis must estimate the types and amounts of industrial and other employment uses likely to

occur in the planning area. The estimate must be based on information generated in response to sections (1) to (3) of this rule and must consider the planning area's economic advantages and disadvantages. Relevant economic advantages and disadvantages to be considered may include but are not limited to:

- (a) Location, size and buying power of markets;
- (b) Availability of transportation facilities for access and freight mobility;
- (c) Public facilities and public services;
- (d) Labor market factors;
- (e) Access to suppliers and utilities;
- (f) Necessary support services;
- (g) Limits on development due to federal and state environmental protection laws; and
- (h) Educational and technical training programs.

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

Findings: A majority of the findings and analysis relied on for the proposed amendment are included in the attached Economic Opportunities Analysis (EOA) prepared by Johnson Economics dated October 2019 and is hereby incorporated into the record.

Conclusion: An Economic Opportunities Analysis in compliance with the Oregon Administrative Rule 660-009-0015 prepared by Johnson Economic date October 2019 is attached and hereby incorporated into the record.

660-009-0020 - Industrial and Other Employment Development Policies

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

- (a) Community Economic Development Objectives. The plan must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Policy objectives may identify the level of short-term supply of land the planning area needs. Cities and counties are strongly encouraged to select a competitive short-term supply of land as a policy objective.
- (b) Commitment to Provide a Competitive Short-Term Supply. Cities and counties within a Metropolitan Planning Organization must adopt a policy stating that a competitive short-term supply of land as a community economic development objective for the industrial and other employment uses selected through the economic opportunities analysis pursuant to OAR 660-009-0015.
- (c) Commitment to Provide Adequate Sites and Facilities. The plan must include policies committing the city or county to designate an adequate number of sites of suitable sizes, types and locations. The plan must also include policies, through public facilities planning and transportation system planning, to provide necessary public facilities and transportation facilities for the planning area.

Findings: The City of Umatilla's comprehensive plan is implemented through the economic

development policies. The adopted policies state the economic development objectives and strategies implemented within the planning area. The policies implement the economic development objectives of the city by committing to provide adequate supply of land to support employment growth (Policy 9.4.101). To coordinate with local partners on local and regional economic development projects (Policy 9.4.102). To establish districts that incentives development within the city (Policy 9.4.103) and to establish flexible zoning to encourage redevelopment of downtown (Policies 9.4.104 -9.4.107).

The city is not located within a Metropolitan Planning Organization and is not proposing to adopt policies relating to the short-term supply of land. The city has adopted policies relating to public facilities (Chapter 11) and transportation facilities (Chapter 12).

Conclusion: The proposed comprehensive plan policies implement the economic development objectives of the city. Specifically, Policy 9.4.101 will commit the city to maintain and adequate supply of employment lands to meet the projected need of the city. The city is not located within a Metropolitan Planning Organization and is not proposing to adopt policies relating to the short-term supply of land. The city has adopted polices to provide public facilities and services and implement the city's Transportation System Plan.

NOTE: While the city is not adopted policies to identify a level of short term land supply the city has received 3 applications that would will meet the city's need for additional large lot industrial sites as identified in the EOA by a UGB expansion, rezone and annexation applications. The result would be approximately 450 acres of land zoned for industrial use that would meet the projected need for large lot industrial sites.

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

Findings: The city is not located within a Metropolitan Planning Organization and is not proposing to adopt policies relating to the short-term supply of land.

Conclusion: The city is not located within a Metropolitan Planning Organization and is not proposing to adopt policies relating to the short-term supply of land. This criterion is not applicable.

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

Findings: As addressed above the city has an adopted downtown revitalization plan that is implemented by four Polices (Policies 9.9.104 -9.9.107). These Policies directly refer to the maintenance and development of the downtown business district.

Conclusion: Policies 9.9.104-9.9.107 emphasis development of a pedestrian oriented downtown business districts.

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

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

(6) Cities and counties are strongly encouraged to adopt plan policies pertaining to prime industrial land pursuant to OAR 660-009-0025(8).

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

(a) Tax incentives and disincentives;

(b) Land use controls and ordinances;

(c) Preferential tax assessments;

(d) Capital improvement programming;

(e) Property acquisition techniques;

(f) Public/private partnerships; and

(g) Intergovernmental agreements.

Findings: These criteria allow a city to adopt policies related to brownfield redevelopment, prime industrial land and other policies to encourage development. The City is not proposed to implement policies as allowed by these criteria. Therefore, these criteria are not considered applicable to this amendment.

Conclusion: The above criteria allow a city to adopt policies related to specific economic development conditions but are not required. Therefore, these criteria are not considered applicable to this request.

660-009-0025 - Designation of Lands for Industrial and Other Employment Uses

Cities and counties must adopt measures adequate to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementing measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans.

(1) Identification of Needed Sites. The plan must identify the approximate number, acreage and site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies. Plans do not need to provide a different type of site for each industrial or other employment use. Compatible uses with similar site characteristics may be combined into broad site categories. Several broad site categories will provide for industrial and other employment uses likely to occur in most planning areas. Cities and counties may also designate mixed-use zones to meet multiple needs in a given location.

Findings: As addressed above the proposed text amendment will incorporate the EOA into Chapter 9 of the comprehensive plan. The EOA addresses the number, size and characteristics of sites needed to meet the city projected need during the planning period. As addressed above, Policy 9.4.101 will commit the City to maintain and adequate supply of employment lands to meet the projected need of the City.

Conclusion: Approval of the proposed text amendment would incorporate the recently completed EOA into the comprehensive plan. The EOA identifies the City's projected needs for industrial and commercial sites and identifies specific site deficits (size).

(2) Total Land Supply. Plans must designate serviceable land suitable to meet the site needs identified in section (1) of this rule. Except as provided for in section (5) of this rule, the total acreage of land designated must at least equal the total projected land needs for each industrial or

other employment use category identified in the plan during the 20-year planning period.

Findings: As addressed above the proposed text amendment will incorporate the EOA into chapter 9 of the comprehensive plan. Appendix B of the EOA is a buildable lands inventory that identifies lands that are consider serviceable (vacant or redevelopable parcels) and could meet the site needs for the planning period.

Conclusion: Approval of this amendment will incorporate the EOA into the city's comprehensive plan. The proposed text amendment identifies the current land supply located within the UGB that could meet the projected need for industrial and commercial sites.

(3) Short-Term Supply of Land. Plans for cities and counties within a Metropolitan Planning Organization or cities and counties that adopt policies relating to the short-term supply of land must designate suitable land to respond to economic development opportunities as they arise. Cities and counties may maintain the short-term supply of land according to the strategies adopted pursuant to OAR 660-009-0020(2).

(a) Except as provided for in subsections (b) and (c), cities and counties subject to this section must provide at least 25 percent of the total land supply within the urban growth boundary designated for industrial and other employment uses as short-term supply.

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

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

Findings: The city is not proposing to adopt policies relating to short-term land supply and is not located within a metropolitan planning organization.

Conclusion: The city is not located within a metropolitan planning organization and is not proposing to adopt policies relating to the short-term supply of land. Therefore, these criteria are not applicable.

(4) If cities and counties are required to prepare a public facility plan or transportation system plan by OAR chapter 660, division 011 or division 012, the city or county must complete subsections (a) to (c) of this section at the time of periodic review. Requirements of this rule apply only to city and county decisions made at the time of periodic review. Subsequent implementation of or amendments to the comprehensive plan or the public facility plan that change the supply of serviceable land are not subject to the requirements of this section. Cities and counties must:

(a) Identify serviceable industrial and other employment sites. The affected city or county in consultation with the local service provider, if applicable, must make decisions about whether a site is serviceable. Cities and counties are encouraged to develop specific criteria for deciding whether or not a site is serviceable. Cities and counties are strongly encouraged to also consider whether or not extension of facilities is reasonably likely to occur considering the size and type of uses likely to occur and the cost or distance of facility extension;

(b) Estimate the amount of serviceable industrial and other employment land likely to be needed during the planning period for the public facilities plan. Appropriate techniques for estimating land needs include but are not limited to the following:

(A) Projections or forecasts based on development trends in the area over previous years;

and

(B) Deriving a proportionate share of the anticipated 20-year need specified in the comprehensive plan.

(c) Review and, if necessary, amend the comprehensive plan and the public facilities plan to maintain a short-term supply of land. Amendments to implement this requirement include but are not limited to the following:

(A) Changes to the public facilities plan to add or reschedule projects to make more land serviceable;

(B) Amendments to the comprehensive plan that redesignate additional serviceable land for industrial or other employment use; and

(C) Reconsideration of the planning area's economic development objectives and amendment of plan objectives and policies based on public facility limitations.

(d) If a city or county is unable to meet the requirements of this section, it must identify the specific steps needed to provide expanded public facilities at the earliest possible time.

Findings: The proposed text amendment is not part of periodic review. Therefore, the requirements of this rule are not applicable to this request.

Conclusion: The proposed text amendment is not part of period review. Therefore, as requirements of this rule are not applicable.

(5) Institutional Uses. Cities and counties are not required to designate institutional uses on privately owned land when implementing section (2) of this rule. Cities and counties may designate land in an industrial or other employment land category to compensate for any institutional land demand that is not designated under this section.

Findings: Institutional uses are considered in the EOA and included in the forecast for needed site. However, the EOA finds that the city has a sufficient land supply to meet the city's projected with the exception of large lot industrial sites.

Conclusion: As addressed in the EOA the city has sufficient land to meet the city's land supply needs through the planning period with the exception of large lot industrial sites. Therefore, the city finds that the institutional land demand can be met with the existing supply of employment lands located within the UGB.

(6) Compatibility. Cities and counties are strongly encouraged to manage encroachment and intrusion of uses incompatible with industrial and other employment uses. Strategies for managing encroachment and intrusion of incompatible uses include, but are not limited to, transition areas around uses having negative impacts on surrounding areas, design criteria, district designation, and limiting non-essential uses within districts.

Findings: The city has implemented zoning regulation for all of the existing commercial and industrial zones that require additional setback and other measures to limit the impact uses not compatible with industrial or commercial uses.

Conclusion: The city has implemented design, development standards in all of the existing employment land (industrial and commercial) zoning districts. These standards minimum the potential encroachment and intrusion of uses not compatible with employment uses. Therefore, no change are necessary to comply with this requirement.

(7) Availability. Cities and counties may consider land availability when designating the short-

term supply of land. Available land is vacant or developed land likely to be on the market for sale or lease at prices consistent with the local real estate market. Methods for determining lack of availability include, but are not limited to:

(a) Bona fide offers for purchase or purchase options in excess of real market value have been rejected in the last 24 months;

(b) A site is listed for sale at more than 150 percent of real market values;

(c) An owner has not made timely response to inquiries from local or state economic development officials; or

(d) Sites in an industrial or other employment land category lack diversity of ownership within a planning area when a single owner or entity controls more than 51 percent of those sites.

Findings: The availability of land within the UGB is identified in the buildable land inventory (appendix B of the EOA). Appendix B of the EOA is included as part of exhibit b and incorporated here by reference.

Conclusion: The methodology for determining the availability of land within the UGB is identified in the buildable land inventory (appendix B of the EOA).

(8) Uses with Special Siting Characteristics. Cities and counties that adopt objectives or policies providing for uses with special site needs must adopt policies and land use regulations providing for those special site needs. Special site needs include, but are not limited to large acreage sites, special site configurations, direct access to transportation facilities, prime industrial lands, sensitivity to adjacent land uses, or coastal shoreland sites designated as suited for water-dependent use under Goal 17. Policies and land use regulations for these uses must:

(a) Identify sites suitable for the proposed use;

(b) Protect sites suitable for the proposed use by limiting land divisions and permissible uses and activities that interfere with development of the site for the intended use; and

(c) Where necessary, protect a site for the intended use by including measures that either prevent or appropriately restrict incompatible uses on adjacent and nearby lands.

Findings: The EOA considers the availability of land within the city's UGB and considers the need for uses that required special siting characteristics (size). The EOA identifies the need for two additional 50 to 99 acres sites and one 100+ acres parcel within the UGB to meet the city project land supply need. However, the city is not proposing to adopt objectives or policies providing for uses with special site needs. Therefore, these criteria are not applicable.

Conclusion: The proposed text amendment does not include objective or policies providing for uses with special site needs. Therefore, these criteria are not applicable.

660-009-0030 - Multi-Jurisdiction Coordination

(1) Cities and counties are strongly encouraged to coordinate when implementing OAR 660-009-0015 to 660-009-0025.

(2) Jurisdictions that coordinate under this rule may:

(a) Conduct a single coordinated economic opportunities analysis; and

(b) Designate lands among the coordinating jurisdictions in a mutually agreed proportion.

Findings: These criteria allow for counties and cities to coordinate when implementing OAR 660-009-0015 to 660-009-0025 but are not required. The City recently completed and adopted a Residential and Housing Needs Assessment (HNA) and proceeded with the EOA to update the

city's inventory and need for both residential and employment lands. The County was provided notice of the of the Goal 10 update, adoption of the HNA, and was provided notice of the proposed update. In addition, as required by the joint management agreement between the city and county the city will seek to have the county co-adopt both amendments.

Conclusion: These criteria allow of coordination when implementing OAR 660-009-0015 to 660-009-0025 but are not required. Therefore, these criteria are not applicable.

IV. SUMMARY AND RECOMMENDATION

The applicant, City of Umatilla, is proposing to amend the City of Umatilla Comprehensive Plan. The economic opportunity analysis has six primary sections. Economic trends, target industries, employment land needs, capacity, reconciliation, and economic development potential and conclusions. The proposed plan amendment will incorporate the relevant sections of the Umatilla economic opportunity analysis into Chapter 9 of the Comprehensive Plan. The request appears to meet all of the applicable criteria and standards for this type of request. Therefore, based on the information in Sections I and II of this report, and the above criteria, findings of fact and conclusions addressed in Section III, the Umatilla City Council approves Plan Amendment (PA-1-20).

VI. EXHIBITS

Exhibit A – Draft Text Change

Exhibit B – Economic Opportunity Analysis

Exhibit A – Draft Text Change

Chapter 9 of the City of Umatilla Comprehensive Plan will be replaced in its entirety as provided below.

CHAPTER 9

GOAL 9: ECONOMIC DEVELOPMENT

SECTION 9.0 ECONOMIC DEVELOPMENT GOAL

To provide for employment opportunities, revenue generation and economic stability.

SECTION 9.1. ECONOMIC DEVELOPMENT BACKGROUND AND DISCUSSION

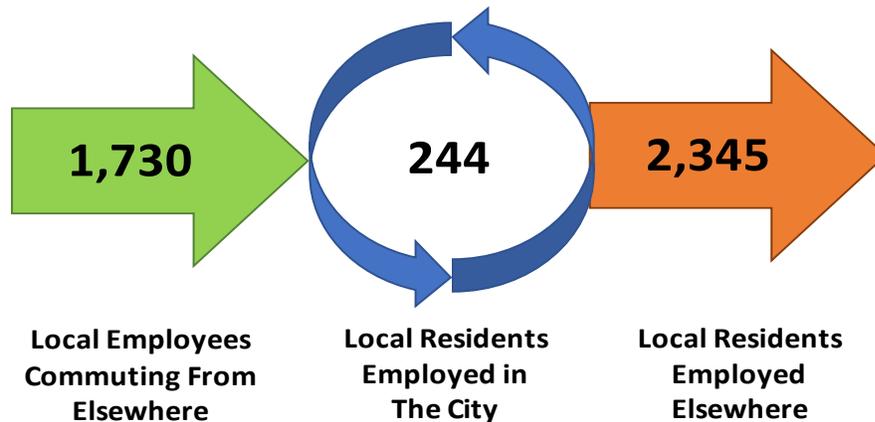
The regional economy has been relatively stable over the past 20 years. Irrigated agriculture and agri-business have been a sustaining economic force, as well as government sector employment (Two-Rivers Correctional Facility, Umatilla School District are the largest public sector employers). More recently, large industrial facilities including data centers and small manufacturing, have helped create a more diverse local economy. Meanwhile, retail and commercial developments have been stagnant.

Commuting has a significant impact on employment and employment opportunities. In the 2019 Employment Lands Analysis conducted for the city, Johnson Economics found that “local residents and employees commute broadly within Umatilla County and beyond. In the City of Umatilla, the local workforce was estimated at roughly 2,589 in 2017, of which 2,345 (90%) travelled outside of the city for employment while an estimated 244 both lived and worked within the city limits.” See Figure 9.1 Below

At the same time, an estimated 1,730 workers commuted into the city for employment, making up over 85% of the local job base of roughly 1,975. (These figures include covered employment and do not capture all forms of self-employment or contracting. Therefore, these figures are best used as an imprecise indicator of the overall pattern.)

This pattern is familiar to many communities across the state, but the extent to which local residents commute elsewhere for employment, and residents of other communities commute in for local jobs, seems somewhat more stark in the case of Umatilla. Commuting patterns are an important element in the local economy. They are indicative of the labor shed from which companies can draw workers, the extent to which job creation translates into increased demand for housing, goods, and services and the overall balance of population and employment in the community.” Johnson Economics, Employment Opportunities Analysis, September 2019.

Figure 9.1



9.1.100 INDUSTRIAL AND JOB GROWTH OPPORTUNITIES

A number of projects are anticipated for Umatilla and the surrounding area. The Umatilla Chemical Depot with approximately 1,000 acres zoned for commercial and industrial use will be available for development as soon as the land is transferred from the United States Army to the Columbia Development Authority. The Port of Umatilla has small and medium sized parcels zoned for industrial development. The Bureau of Indian Affairs owns a 200 acre parcel to the east of Umatilla. Data center development is likely to continue in the region, as well as small manufacturing, food processing and retail and commercial revitalization.

According to the 2019 Johnson Economics report, there are a number of target industries for city, based on the strengths and advantages and established economic development goals. Target industries include data center and cloud storage services, manufacturing (traditional and advanced), tourism and retail, transportation, warehousing and distribution and health care industries.

SECTION 9.2 DOWNTOWN REVITALIZATION AND CIRCULATION PLAN

9.2.010 Introduction

The Downtown Revitalization and Circulation Plan will help the City of Umatilla redevelop the downtown as a vital, pedestrian-oriented center and create an efficient transportation system. The plan identifies a series of projects and strategies that will enhance the pedestrian environment in the community and improve the transportation system.

The plan identifies opportunities for downtown redevelopment, transportation improvements and defines a project implementation strategy, which if properly implemented, should result in significant revitalization of the downtown area. The plan is intended to function as a specific plan with key policies, projects, and programs that guide public and private investment in the community.

9.2.020 *Project Study Area*

The downtown revitalization plan has a general study area defined by the Columbia River to the north, Umatilla River to the south, Powerline Road to the west, and Umatilla River Road to the east. The interchange improvement component of the project will be documented in a separate report and encompasses a study area east of Umatilla River Road to the I-82 interchange with Highway 730. More specific elements of the downtown revitalization plan focused on Highway 730 (6th Street) and one block north to 5th Street and one block south to 7th Street. *Figure 9.2-1* shows the study area.

While plan recommendations are focused on the downtown area of the City, the project study area includes the downtown area and its immediate surroundings. Activities of influence and connections surrounding the downtown were considered to be important factors during the development of the plan.

9.2.030 *Planning Process*

The planning process used to produce the City of Umatilla's Downtown Revitalization Plan is unique in several respects. First, a market analysis was integrated into the study to provide a strategic basis for implementing elements of the Plan. Concepts and design ideas were expressed graphically, to make them more understandable and help the community envision elements of the Plan. The public involvement process was designed to reach a broad segment of the local community and to include people of all age groups in the development of the Plan. During the early stages of the planning process, a broad spectrum of revitalization ideas was considered, but only practical and achievable ideas were included listed as project goals and objectives. Finally, the Plan has been coordinated with the Circulation Plan aimed at alleviating traffic issues associated with the Downtown Revitalization Plan.

More detailed information that resulted from the charrette and public workshops is provided later. Listed below are the major steps included in the planning process and the project meetings that were held.

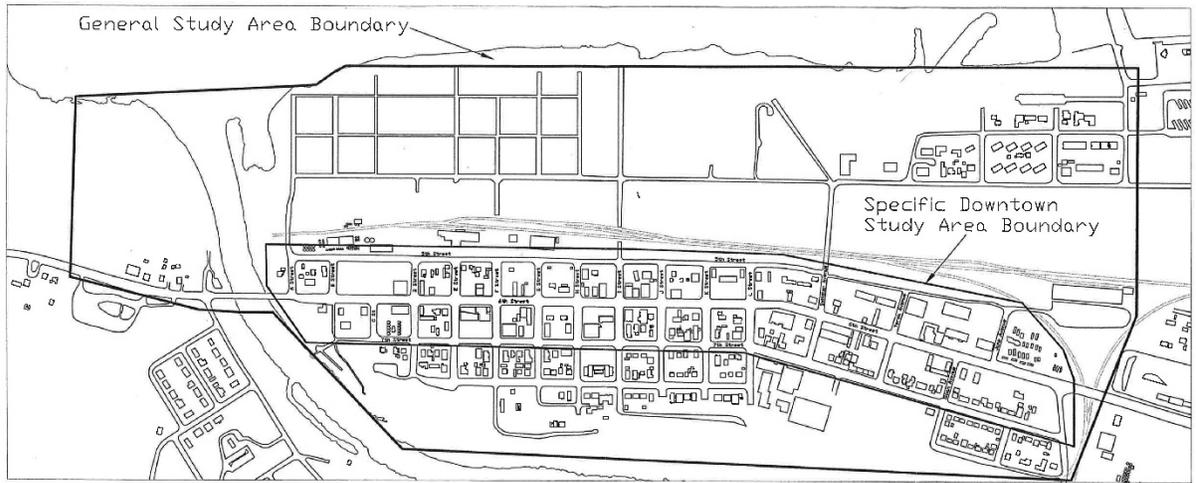
Project Steps

- 1) Project initiation, data collection, meeting preparation
- 2) Project reconnaissance and meetings
- 3) Base map and sections
- 4) Opportunities and Constraints Report
- 5) Community Involvement
- 6) Options for downtown development
- 7) Downtown Development Workshop (consensus)
- 8) Strategic Plan
- 9) Strategic Plan Presentation
- 10) Code amendments – review and adoption

Meetings

October 2000 – Distribute Public Questionnaire

2 November 2000 – Walking Tour and Community Visioning Exercise
2 November 2000 – Management Team Meeting
8 November 2000 - McNary Heights Elementary School Charrette
8 November 2000 – Clara Brownell Middle School Charrette
8 November 2000 – Advisory Committee Meeting
8 November 2000 – Umatilla High School – Adult Charrette
9 November 2000 – Downtown Workshop
22 January 2001 – Dinner Meeting with City Council and Planning Commission
25 January 2001 – Management Team Meeting
25 January 2001 – Interchange Refinement Planning Meeting #1
25 January 2001 – Joint Planning Commission/City Council Work Session
26 April 2001 – Management Team Meeting
26 April 2001 – Interchange Refinement Planning Meeting #2
26 April 2001 – Strategic Plan Presentation to Planning Commission
31 May 2001 – Planning Commission Hearing
4 June 2001 – City Council Hearing



City of Umatilla Downtown
Revitalization and Circulation Study

Figure 9.2-1
Study Area Boundary
Page 50

9.2.100 *OPPORTUNITIES AND CONSTRAINTS*

The planning team determined opportunities and constraints for the downtown revitalization study through site analysis, research, and public involvement techniques. Team findings are documented in detail in the Opportunities and Constraints Report dated June, 2001. Included in this chapter is a summary of the most significant findings of that report.

When developing opportunities and constraints for downtown Umatilla, a wide range of topics was considered. These topics included:

- Questionnaire results and results from the walking tour
- Historic sites
- Inventory and evaluation of pedestrian facilities
- Identification of significant sources of pedestrian traffic
- Location of public buildings and uses
- Analysis of buildings fronting 6th Street
- Inventory of DEQ cleanup sites, sites that store hazardous material and potentially contaminated sites
- Survey of vacant or underutilized land and facilities
- Evaluation of existing neighborhood boundaries and land use
- Street layout and traffic control facilities
- On-street and off-street parking
- Public utilities
- Waterways
- Streetscape
- Pedestrian linkages, and
- Planned public facility improvement projects

After analyzing opportunities and constraints, the team concluded that there does not exist a distinct node or center in downtown around which focus future redevelopments efforts. Alternatively, the downtown is effectively a ‘blank slate,’ allowing great flexibility for future redevelopment.

Table 9.2-1 summarizes the most significant findings of the Opportunities and Constraints report.

The opportunities and constraints were considered in developing the framework for the concept plan. They are also important in determining factors when devising a strategic approach to downtown revitalization.

Because no clearly defined town center exists, members of the planning team, together with community participants, selected a focus area for downtown redevelopment. While about half of the twelve public buildings are scattered in the downtown area, there is a cluster of public uses along Sixth Street between “I” Street and “J” Street. The corner of Sixth and “I” Streets was selected as the focus area for redevelopment and is envisioned as the central place of Umatilla’s

downtown. A long-term opportunity for Umatilla is to cluster public uses near the downtown center.

The opportunities and constraints for downtown Umatilla indicate that immediate results will be difficult to achieve, and that the best results might be realized by implementing a long-term revitalization strategy.

Table 9.2-1. Opportunities and Constraints Summary

Opportunities	Constraints
<ul style="list-style-type: none"> ▪ Schools and the grocery store are pedestrian generators. ▪ Downtown has two nodes of buildings with frontage on Sixth Street. ▪ There is a concentration of buildings around the museum and library. ▪ Downtown vacant and underdeveloped lands offer redevelopment potential. ▪ Downtown has potential linkages to surrounding neighborhoods. ▪ The street grid in downtown provides good access. ▪ Plenty of parking capacity exists in the downtown. ▪ Generally, Sixth Street is well served by improvements such as sidewalks and curbs. ▪ Extension and expansion of the Heritage Trail 	<ul style="list-style-type: none"> ▪ There are numerous missing ramps and sidewalks along Sixth Street. ▪ Downtown blocks are underdeveloped and public and private buildings are scattered. ▪ Abandoned gas stations are potentially contaminated sites. ▪ There is no concentration of opportunities in downtown. ▪ Few distinct neighborhoods exist in downtown. ▪ There is no identifiable center in the downtown. ▪ Perceived street crossing problems for pedestrians in downtown. ▪ Side streets lack sidewalks, curbs and other improvements. ▪ The downtown lacks cohesion.

9.2.200 *MARKET ANALYSIS*

This section provides an overview of the current commercial and residential markets in the City of Umatilla and a brief assessment of the economic opportunities and constraints for revitalizing the downtown. This work recognizes the notable social and economic changes in Western Umatilla County in the last five years. Much of the recent economic activity is related directly or indirectly to the addition of four major employers to the region. Many of the impacts of these employers were anticipated and discussed in the HUES¹ Growth Impact Study, February 1998.

¹ Hermiston, Umatilla, Echo and Stanfield

9.2.210 *Housing Market*

Housing construction in the City of Umatilla has experienced a significant upswing in recent years. The housing needs analysis completed for the City in 1999 identified over 1,200 existing housing units and indicated permitting for new units had been relatively sparse from 1987 through 1998 (approximately 78 permits over 11 years). However, in the last two and half years, 144 new housing units have been permitted (nearly twice that of the previous 11 year period). This trend can be seen from the data summarized in Table 9.2-2.

Recent developments have included Phase 1 of Riverview Estates and Telleron. Phase 1 of Riverview included 49 lots, of which three remain (two with new homes on them).

Table 9.2-2. Housing Permits (1987-2001)

Unit Type	Prior to 1987	1987-1998	1999-March 2001
Single Family	767	68	63
Multi-Family	75	8	44
Manufactured	359	2	37
Total	1,201	78	144

Note: Adjustment made to 1987-1998 multi-family units permit number to account for reporting variations.

Source: *City of Umatilla Housing Needs Analysis*, Benkendorf Associates Corp., *Oregon Building Permit Reports*, CPRC Portland State University, and City of Umatilla.

Properties were sold both with Hayden Homes and as vacant lots. Twenty-six Hayden homes sold in the last 18 months. The majority of these single-family homes had three bedrooms and two baths. Sales prices ranged from \$78,715 – for a two bedroom two bath home – to \$116,240 – for a four bedroom two bath home. Phase 3 is expected to begin soon.

Eight Telleron properties (which feature Penbrook homes) sold over the same period. Again the majority of the homes included three bedrooms and two baths. Sales prices ranged from \$102,000 to \$164,000.

Other residential development projects include construction of twelve 4-plexes for rental housing, a 265 unit manufactured home park, and conversion of an existing single-family rental community to owner occupied units.

A review of existing and new single-family home sales in the City over the last 18 months indicates a strong market for starter homes priced \$125,000 or less. This data is shown in Table 9.2-3. Of the 96 sales identified, only 6 came in at prices above \$125,000. The least expensive homes were previously owned manufactured units – the majority of which were priced at \$50,000 or less.

Table 9.2-3 City of Umatilla Home Sales for Single Family Units Under \$300,000
(November 1999 to March 2001)

Sales Price	Unit Type	
	Standard	Manufactured
Less than \$50,000	3	10
\$50,000 to \$75,000	18	3
\$75,001 to \$100,000	31	2
\$100,001 to \$125,000	23	0
\$125,001 to \$215,000	6	0
Total	81	15

Note: Sales include existing and new standard housing units and existing manufactured housing resales that include land in price.

Source: Local real estate agent contact.

Table 9.2-4 summarizes the multi-family rent range in the City of Umatilla. Most apartment units in the City were constructed in the 1970s. Multi-family rents range from \$355 to \$700 per month depending on the unit size, furnishings, and/or subsidization. Landlords report that there are many short-term renters associated with temporary employment such as construction projects and agricultural or factory employment. This results in fluctuations in vacancy rates.

With the exception of subsidized housing (which tends to have fewer vacancies), vacancy rates range between 4% and 15%. Landlords comment that there seems to be noticeable excess supply of apartment rentals at the moment.

Table 9.2-4 City of Umatilla Multi-Family Rents

Unit Size	Rent Range
Studio & 1 Bedroom	\$355 to \$450
2 Bedroom	\$410 to \$700
3 Bedroom	\$470 to \$675

Note: Low-end of rent range generally associated with subsidized housing units, some of higher-end units are furnished.

Source: Local property managers.

9.2.220 Commercial Space Market

Currently there is little apparent demand for commercial space in the City of Umatilla. Reportedly no new commercial construction has occurred recently and about half of the recent existing commercial building sales in the City were to the School District.

Commercial rents for the region are summarized in Table 9.2-5. Vacant commercial space is available in both the 6th Street commercial area and in McNary. As a result of the lack of demand, rental rates for commercial space in Umatilla range from \$2.40 to \$6.00 per square foot per year, less than half the cost of space in nearby Hermiston. These rental rates are typically not adequate to support new construction or significant improvements to existing buildings.

Table 9.2-5 Commercial Rents (2001)

City/Area	Annual Rent per Square Feet
Hermiston	
- Downtown	\$12.00 to \$16.80
- Hermiston Plaza	\$10.00 to \$13.00
- Other	\$10.20 to \$12.00
Umatilla	\$2.40 to \$6.00

Note: Detail on condition of commercial spaces not readily available.

Source: Local real estate tenants, appraisers, agents.

Commercial rents in Hermiston reportedly are highest in the downtown (\$12.00 to \$16.80 per SF per year) and drop by as much as 25% (to a range of \$10.00 to \$13.00 per SF per year) for areas outside the downtown. The market for commercial space also appears to be quite price sensitive. An increase in rents at Hermiston Plaza apparently has been accompanied by a loss of tenants including anchor tenant Rite Aid Drugs. Some remaining businesses report a significant drop in sales as a result of this loss and that the quality of incoming businesses and merchandise has lowered.

On the other hand, demand for warehouse or flex space for storage and/or light manufacturing businesses has been noted in both the Umatilla and Hermiston markets.

9.2.230 Economic Assessment

The City of Umatilla has a number of *strengths* but also faces numerous challenges in its attempt to develop a stronger commercial core and city center. The strengths include:

- Successful marketing of port industrial property is bringing in new light industrial and transportation businesses such as trucking, farm tool & implement, and rustic furniture companies.
- Residential development occurring in just the last two plus years has already outpaced development over the previous decade.
- On the demographic side, strong population growth and increasing incomes for households in their prime employment years are being experienced.
- The existing commercial business mix includes some key anchor businesses (such as the grocery, drugstore and bank) and provides a good base from which to build future commercial expansion and investment.

However, despite these strengths, tenant based locally driven commercial development isn't occurring in Umatilla. The following *challenges* are likely reasons for the apparent lack of commercial interest/development:

- The downtown commercial area is a mile-long rectilinear district and is most likely still too large for the number of commercial businesses supportable by the City population and incomes.
- The downtown commercial district is west of both the I-82 freeway and the port of entry.

- Area businesses face direct competition from national and local stores in nearby Hermiston. For at least some forms of retail, the Umatilla trade area is too small to support competing businesses that can generate industry standard sales volumes.
- The downtown commercial area is currently characterized by a significant number of vacant and underutilized commercial properties (including several prominent former gas station sites).
- Based on a series of conversations with local business proprietors, property owners, city and development corporation staff, it appears these groups have a variety of agendas and at times are working against each other – whether intentionally or inadvertently.
- In some instances it has been suggested Umatilla has a poor business climate making entry and start-ups difficult by discouraging potential tenants.
- Commercial rents in Umatilla are not sufficient to support new construction or significant improvement to existing structures.

In summary, there is nothing on the immediate horizon to suggest vacant or underutilized commercial properties in Umatilla will fill absent a program of proactive public/private investment strategies.

9.2.300 *PUBLIC INVOLVEMENT*

The public involvement program for the Downtown Redevelopment Plan involved several components. First, in October 2000, 2900 project newsletters with a community questionnaire were distributed. The second step in the public involvement program was to conduct a walking tour of the study area with local stakeholders. Also included in this tour was an educational presentation of downtown planning concepts and a community visioning exercise. The third step was a series of charettes to generate ideas to revitalize the downtown Umatilla. Three charettes were conducted. Two of the charettes involved elementary and middle school children. The third and final charette was for the general public and held at the Umatilla High School. Following the charettes the next day was a downtown workshop. The downtown workshop summarized the public input and developed alternative concepts to revitalize the downtown area.

9.2.310 *Community Questionnaire*

In October 2000, 2,900 questionnaires were mailed to area residents. The questionnaire was part of a project newsletter and listed a series of open-ended questions. In the six weeks following the mailing, approximately 28 questionnaires were returned. A copy of questionnaire responses is included in Appendix 9A-1. Key observations include the following:

Downtown Identity - Respondents provided a wide variety of answers to a question that asked people to list the landmarks and buildings that best identify downtown. Responses ranged from businesses and buildings in the core area (Carlson’s Drug Store, City Hall, and the Red Apple Cowboy) to outlying uses, such as the Port of Entry and the Umatilla Marina RV Park. Clearly, there was no consensus about what defines downtown Umatilla.

Positive Characteristics - In response to a question regarding the positive characteristics that should be maintained, there were few responses that focused on positive attributes. Some of the positive features included: parks, new high school, craft shops, murals, Umatilla Museum, library, and the MOR Theater.

Negative Characteristics - A longer list of negative characteristics was generated when people were asked to list the features that needed to be improved. Examples included: retail along main street, ugly buildings and signs, trees, green areas, old gas stations, and storm drains.

Commercial Development - In response to a question asking what type of commercial development is desired, people listed the following uses often found in a downtown area: bakery, hardware store, restaurants, a deli, real estate office, professional offices, a bowling alley, clothing store, and shoe store. People also listed uses that are not typically found in downtowns, including a lumber yard, Fred Meyer, Wal-Mart, Bi-Mart, and drive-through restaurants. Again, there was no clear consensus about what should occur in the downtown and what type of businesses should locate there.

Traffic Issues - Public response ranged from general to very specific improvements when asked if there were traffic problems related to pedestrian safety, speeding, parking, and congestion. A number of respondents mentioned the high levels of truck traffic in the downtown and problems for pedestrians attempting to cross Sixth Street.

General Comments - A variety of general comments was provided. Comments addressed issues such as signage, tourism, retail opportunities, and public involvement.

The results of the community questionnaire are included in Appendix 9A-1 with a copy of the questionnaire questions.

9.2.320 *Walking Tour*

On November 2, 2000, the consultant team conducted a walking tour of downtown with a number of downtown stakeholders. As part of that process, a work session was held with participants. Notes from the work session are included in Appendix 9A-2. Key observations included:

Constraints:

- Downtown businesses are too spread out.
- The downtown is a highway with sidewalks.
- There is no reason for visitors to stop in the downtown.
- Hazardous materials at abandoned gas stations limit development.
- There are numerous absentee owners in the downtown.

Opportunities:

- The museum should have a strong presence on Sixth Street.
- Recruit the post office back to the downtown.
- Parking is available on the street.

- Gaps between existing buildings are an opportunity for development.
- “E” Street provides an opportunity to link to the park.
- The tour boats bring many visitors to Umatilla.
- Lots of small improvements will provide a realistic strategy for successful revitalization.

9.2.330 *Charette and Downtown Workshop*

On November 8 and 9, 2000, the H. Lee and Associates team held a two-day charrette that culminated in a downtown workshop attended by stakeholders, city officials, and citizens. The charrette activities on November 8 included two workshops with school children, a meeting with the project advisory committee, and an evening community workshop. On November 9, the consultant team synthesized information collected on the previous day and conducted a downtown workshop in the evening. Two separate reports document the workshop activities. The Charrette Report documents activities on November 8. The Downtown Workshop Report addresses activities on November 9.

9.2.331 *Charrette Report*

Charrette activities conducted on November 8, 2000, are summarized below. Each event is described separately.

Children’s Charrette – McNary Heights Elementary School.



The consultant team met with 16 elementary school children on the morning of November 8, 2000. Before the meeting, teachers had students draw pictures of uses and activities that children envisioned for downtown Umatilla. At the workshop, students took turns describing their drawings. A sampling of student drawings is included in *Figure 9.2-2*. As children talked about their desires, Bob Foster sketched images depicting the type of activities described. Following the discussion, the ideas that were most commonly stated were listed. The students

were then given five adhesive dots and were asked to vote for their favorite ideas. The results are provided in Table 9.2-6 below. Elementary school students had a strong desire to see better parks and playing fields. They also wanted a local swimming pool and the MOR movie theatre reopened. There was interest in creating a science museum. This idea received further discussion later in the day as citizens discussed local natural and archeological features. A sample of the elementary school children design charrette drawings is shown in *Figure 9.2-2*.

Children’s Charrette – Clara Brownell Middle School.

During the afternoon of November 8, 2000, the consultant team met with approximately 10 middle school children. As was done with the elementary school children, students prepared drawings before the workshop. Each child took a turn describing their vision of downtown Umatilla. Again, as students presented ideas, Bob Foster sketched concepts. Common ideas were listed and students voted to identify their preferences. The results are included in



Table 9.2-6 below. Samples of student drawings are shown in *Figure 9.2-3*. The most popular idea among middle school students was establishment of a skating rink - the Skate O’ Rama. Other popular ideas included a swimming pool, movie theater, and skate park.

Table 9.2-6 Summary of Results of Elementary School Children Design Charrette

Idea of Improvements to Umatilla	<i>Number of Votes for Idea</i>
Additional Parks and Sports Fields	17
Swimming Pool	13
Rehabilitate the Movie Theatre and Open	13
Mall	11
Science Museum	9
Teen Center	8
Restaurants	8
Arcade	5
Skate Park	4

Figure 9.2-2 Sample of Ideas from Elementary School Children Design Charrette



Table 9.2-7 Summary of Results of Middle School Children Design Charrette

Idea of Improvements to Umatilla	<i>Number of Votes for Idea</i>
Skate o' Rama	22
Movie Theatre	9
Swimming Pool	9
Skate Park	6
Bike Trails	3
Bowling Alley	3
New Middle School	3
Window Decorations	2
Fitness Center	1
Take Down Cowboy and Put Up Viking	1
More Shops	1

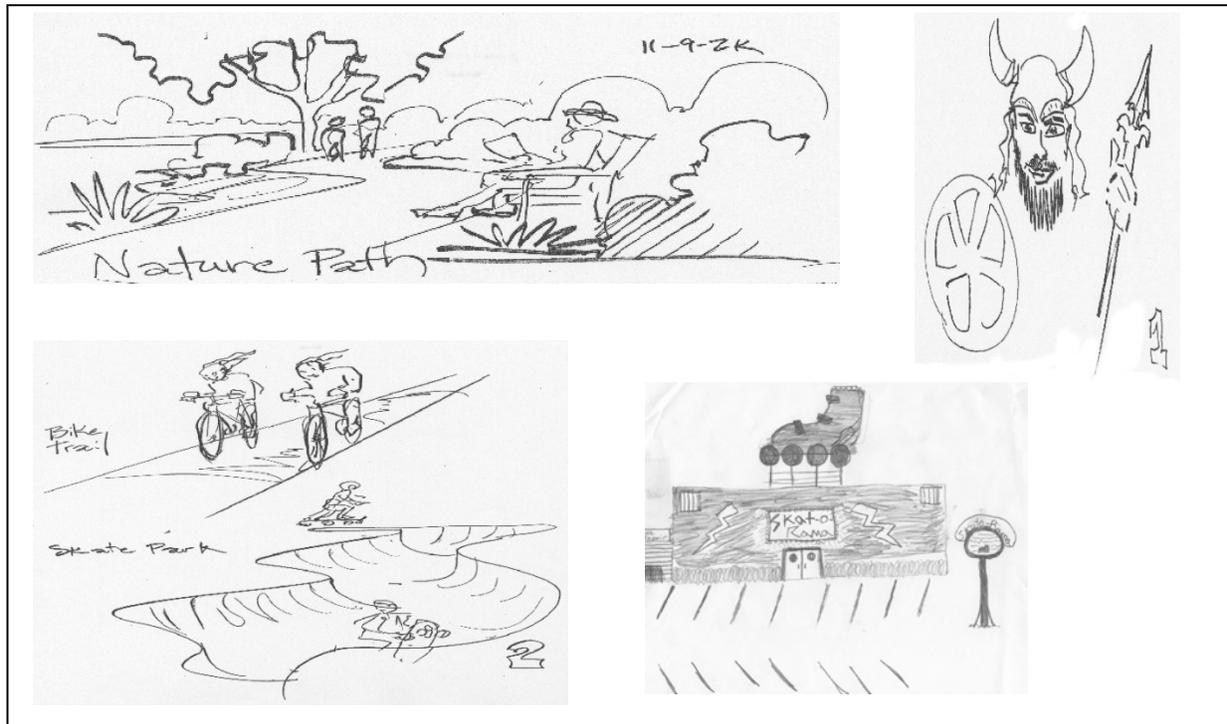
9.2.332 *Project Advisory Committee Meeting*

On November 8, 2000, a project advisory committee meeting was held after the children's workshops and before the evening adult charrette event. The focus of the meeting was to review

activities of the day and identify key concerns of the committee. The following list represents the key concerns of the committee:

- There is a major concern of how traffic will affect the downtown core. Three basic options exist. They are 1) move truck traffic away from downtown via an alternative route, 2) move the downtown center away from 6th Street, and 3) slow traffic down on 6th Street.
- The downtown needs to be separate from the major traffic corridor.
- More commercial development is needed to support the Columbia River tour boats. These developments need to be such as to keep patrons of the tour boats occupied for stops of one to two hours. Ideas for these developments include museums and small shops.
- The tribe should consider developing an interpretive center in town.
- No commercial kitchen exists in town. One should be sought to be developed in conjunction with other retail uses.
- There is a safety concern on 6th Street regarding truck traffic. The preference is to move truck traffic away from the downtown core.
- A traffic light should be considered to be installed along 6th Street to slow truck and general traffic down.
- Timing is critical in any redevelopment of downtown. The major issues are when, where, and how.
- The bridge on the west end of town is in need of replacement. It is tentatively scheduled to be replaced in 2005.

Figure 9.2-3 Sample of Ideas from Middle School Children Design Charrette

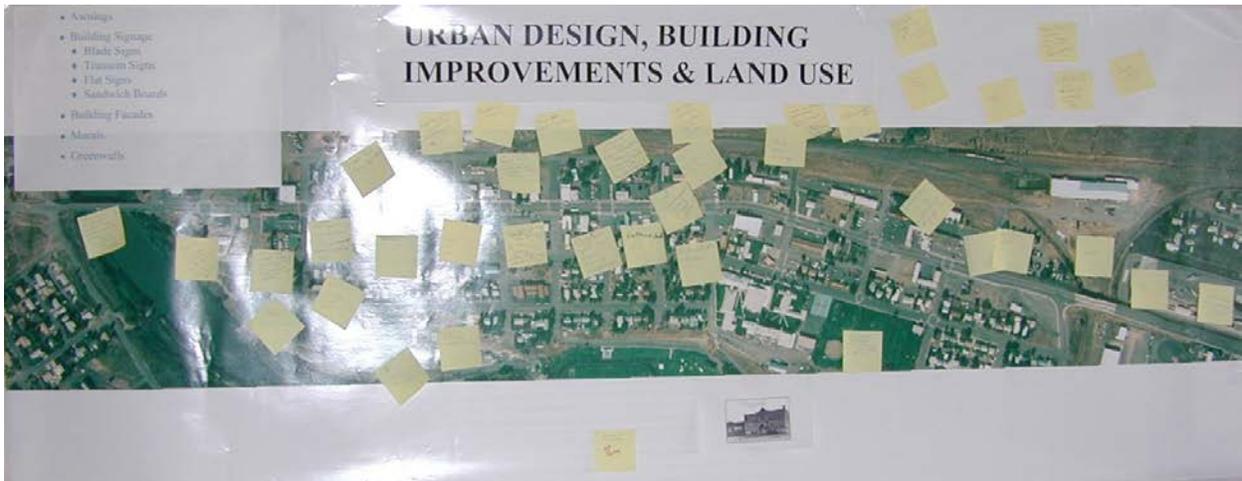


9.2.333 *Adult Charrette*

As part of the charrette process, a workshop was held with the general public on the evening of November 8, 2000. The session was held in the Umatilla High School and was attended by approximately 30 people. At the session, the consultant team presented background information on downtown planning principles. The student workshops were described, and the drawings were displayed. Charrette activities included prioritizing goals and providing comments at four workstations. One of the work stations is shown in *Figure 9.2-4*.

Draft downtown goals were prioritized by voting with adhesive dots. Participants were given four dots. Results are presented in Table 9.2-8. Goals that received the most votes were to cluster public and civic uses in downtown and to encourage improvement of downtown buildings. The goals that received the fewest votes were to provide more housing and mixed-use development in the downtown.

Figure 9.2-4 One of Four Workstations at Community Workshop



Four workshop stations were provided. Participants made comments and noted ideas on post-it notes and applied the notes to large aerial photographs. The stations included the following topic areas:

- Urban design, building improvements, and land use.
- Pedestrian improvements.
- Circulation and parking.
- Streetscape improvements.

A transcript of comments from each station is included in Appendix 9A-3. Select comments from the workstations include the following:



Urban Design, Building Improvements, and Land Use.

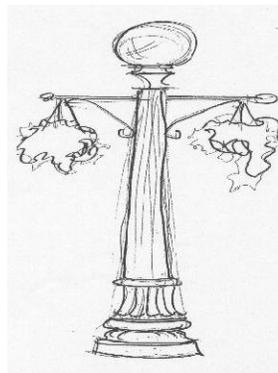
- Murals/green walls
- Awnings
- Signage/sign controls
- Fix up movie theater
- Skate park
- Move post office downtown
- Town garden
- Accent the “cowboy” – light him at night

Table 9.2-8 Downtown Goals

Downtown Goals
1. Cluster public and civic uses (Post Office/City Hall) in downtown.
2. Encourage improvement of downtown buildings.
3. Enhance the pedestrian environment by providing a community gathering place and minimizing conflicts between pedestrians and highway traffic.
4. Improve city park (e.g. add a skate park and playing field) near downtown.
5. Define the downtown by creating landmarks, focal points, or other features. Use landscaping, lighting, and street furniture to improve downtown streetscapes.
6. Create a focused core area in the downtown by concentrating new pedestrian oriented development in key locations.
7. Improve pedestrian connections between the downtown and surrounding residential areas.
8. Improve parking in the downtown.
9. Discourage auto-oriented business in the core area of downtown.
10. Provide more housing and mixed-use development in and near the downtown.

Streetscape Improvements.

- Gateways
- Public art
- Bulb-outs at crosswalks
- Drinking fountains
- Historic pedestrian lighting
- City center gathering spot
- Street trees



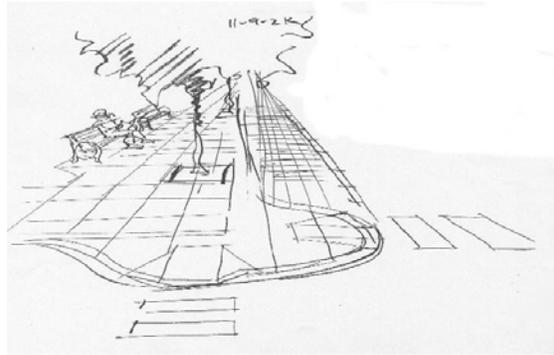
Circulation and Parking.

- Public parking lots
- Parking available on side streets

- Screen parking
- Parking signage
- One-way couplet
- Traffic lights

Pedestrian Improvements.

- Bulb-outs at crosswalks
- Accent paving/raised pavements
- Medians/islands
- Improved sidewalks
- Handicap ramps
- Stop light



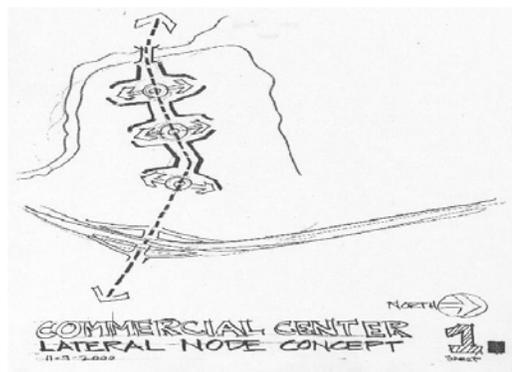
9.2.334 *Downtown Workshop*

On November 9, 2000, a downtown workshop was held at city hall. Approximately 25 people attended the workshop. Participants included stakeholders, city officials, and the general public. The purpose of the workshop was to test a series of downtown alternatives and develop a conceptual framework for development of the downtown plan. The team summarized the work of the previous day and presented four basic concepts for how the downtown could develop including: a nodal commercial center, a truck bypass on Fifth Street, a Seventh Street commercial center, and a new town center. The team presented three variations of the nodal commercial center, which resulted in a total of six alternatives. Each of the six alternatives is discussed below.



9.2.334(1) *Alternative 1. Commercial Center - Lateral Node Concept*

This alternative is intended to focus new pedestrian-oriented commercial development at three nodes along Sixth Street in the downtown area. The nodes are likely to include Switzler Street, I Street, and E Street. The basic nodal concept emphasizes development and pedestrian improvements perpendicular to the highway along the side streets. These streets offer a better, quieter, more pedestrian-friendly environment for people walking or sitting downtown. They also provide linkages to the surrounding residential areas.



9.2.334(2) *Alternative 1A. Commercial Center - Lateral/Civic Center Node Concept*

Alternative 1a is a variation of Alternative 1, but all development is focused on a single node at I Street. This alternative includes the idea of building a new civic center as part of the node. The civic center would include a new city hall and library and would anchor the southern end of the node to the south of Seventh Street. This concentration of activity would help encourage new storefront development along I Street to create a high-quality pedestrian environment perpendicular to the highway. Under this alternative, I Street would become an active gathering place that could be closed at certain times to accommodate events such as a city art fair. This illustration is shown below in *Figure 9.2-5*.

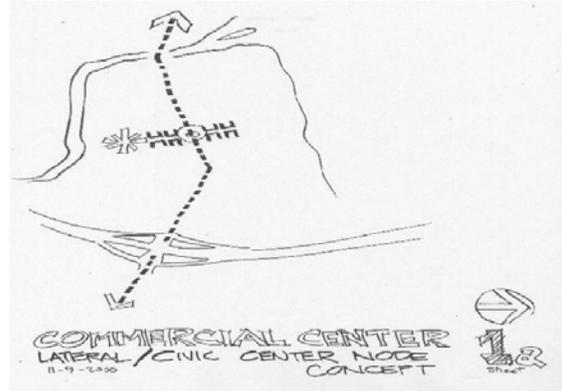
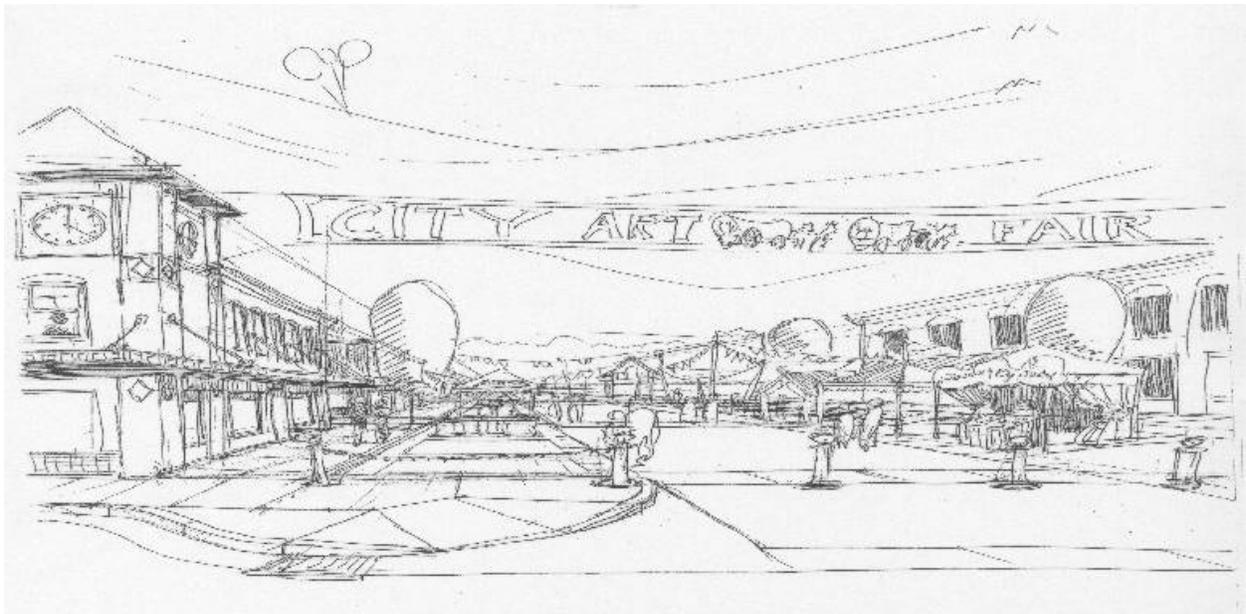


Figure 9.2-5 City Art Fair Concept with Alternative 1A



9.2.334(3) *Alternative 1B. Commercial Center - Linear and Nodal Concept*

Alternative 1b builds on the ideas included in Alternatives 1 and 1a. It emphasizes creation of a pedestrian-friendly shopping area along I Street perpendicular to the highway, but it also emphasizes pedestrian-oriented development between I Street and E Street to take advantage of existing commercial buildings along Sixth Street. The two most distinctive commercial buildings on Sixth Street are the MOR Theater at E Street and the Wards building at I Street. This alternative links the two buildings by encouraging additional development on underdeveloped lots along Sixth Street. The concept is intended to concentrate pedestrian-oriented retail development along a corridor no greater than 1,000 feet in length. The length is critical, because typically shoppers will not walk more than 1,000 feet. Creating a concentration of activity is important if the area is to be a successful pedestrian district. Another feature of this alternative is the location of a new civic center along Sixth Street at the E Street intersection.

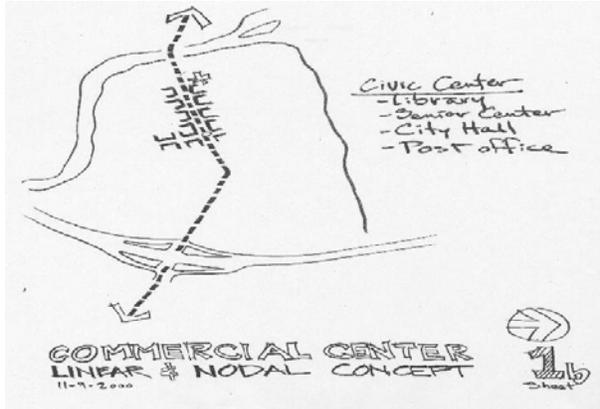
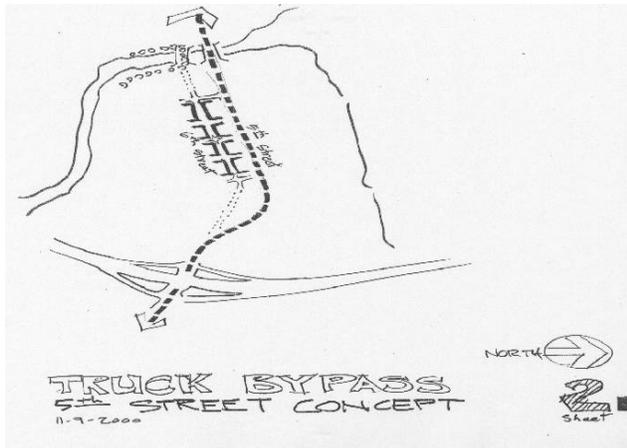


Figure 9.2-6 illustrates a new civic center concept with Alternative 1b.



9.2.334(4) *Alternative 2. Truck Bypass – Fifth Street Concept*

Under Alternative 2, highway traffic would be rerouted along Fifth Street crossing the Umatilla River at a new bridge. The old bridge would continue to provide a pedestrian connection. Downtown development could be enhanced and concentrated by removing the noisy truck traffic from Sixth Street.

Pedestrian-oriented commercial activity would be concentrated to an approximately 1,000-foot-long area along Sixth Street between I Street and E Street.

9.2.334(5) *Alternative 3. Commercial Center Concept - Seventh Street Concept*

Alternative 3 would maintain Sixth Street as an auto-oriented corridor and concentrate pedestrian-focused commercial uses along Seventh Street. This concept was mentioned at previous meetings.

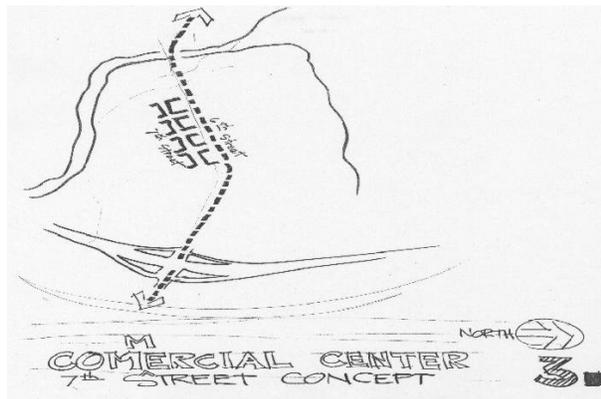
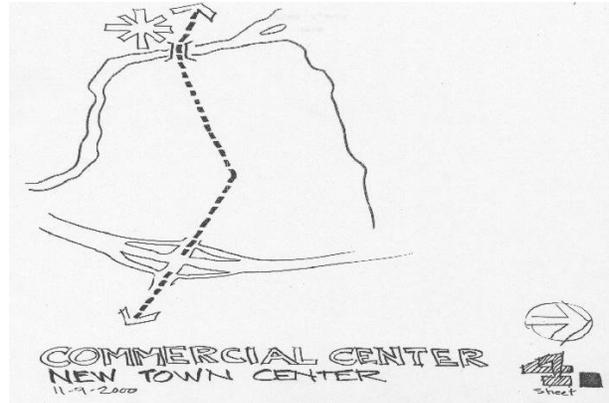


Figure 9.2-6 City Square Concept with Alternative 1B



9.2.334(6) *Alternative 4. Commercial Center - New Town Center*

Like Alternative 3, Alternative 4 would maintain Sixth Street as an auto-oriented corridor. This concept proposes a new pedestrian-oriented town center at a new site west of the Umatilla River.



9.2.335 *Workshop Activity - Prioritize Alternatives*

Following the presentation of the alternatives, workshop participants were given one adhesive dot to vote for their preferred alternative. A second adhesive dot was provided so participants could vote to locate a new civic center. A limited number of participants voted, but of those that did, Alternative 1b was the preferred alternative and I Street was the preferred location for a new civic center.

9.2.336 *Pedestrian and Streetscape Improvements*

In addition to alternatives, workshop activities focused on pedestrian and streetscape improvements that could be implemented along Sixth Street. Diagrams were used with aerial photographs to identify potential locations for new bulb-out pedestrian crossings, textured crosswalks, medians, and street trees. *Figure 9.2-7* illustrates these diagrams. Participants were generally supportive of all concepts.

9.2.337 *Land Use Districts*

New land use districts were identified for the downtown. A key element of the district concept is the downtown core area that extends from D Street to I Street. In the downtown core, pedestrian-oriented retail and service development would be encouraged, and auto-oriented uses would be discouraged. To the east and west of the downtown core along the highway, a “downtown transition district” would be formed that would allow some auto-oriented commercial uses. Flanking the downtown would be districts that would allow higher density housing. New housing in the downtown can help enliven the area and bring more customers to retail businesses. *Figure 9.2-8* shows the land use district map described above.

9.2.338 *Conclusion*

The two-day charrette and workshop process produced a wealth of ideas for the downtown. These ranged from large-scale projects, such as a science museum, to simple projects, such as improved flower boxes. The key to success for Umatilla will be to identify projects and programs that are realistic and can truly be implemented, given the financial capability of the community. A concept plan was developed after the downtown workshop. This concept plan is shown in *Figure 9.2-9*.



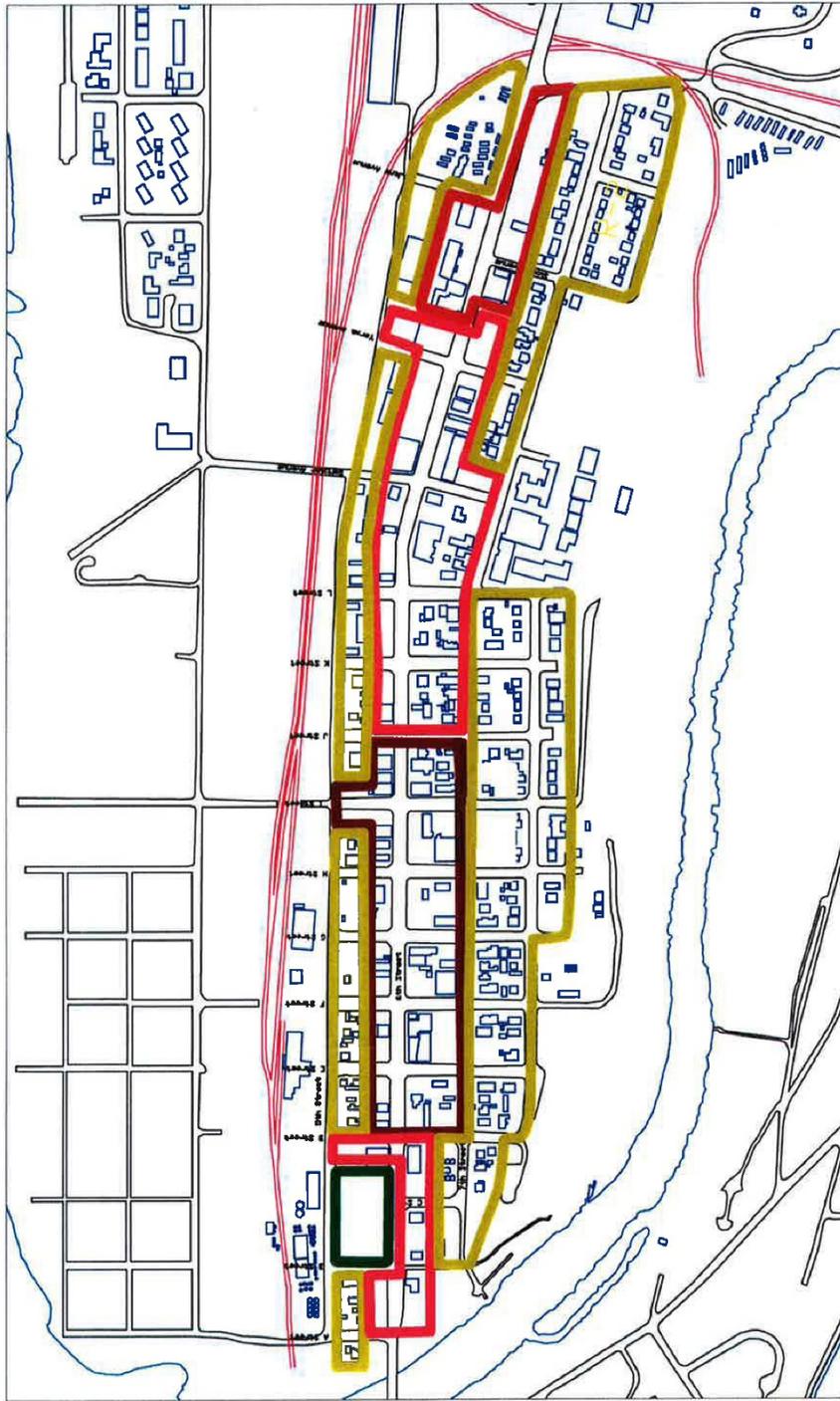
City of Umatilla
 Downtown Revitalization and
 Circulation Study

LEGEND

- Bulbouts
- Street Trees
- Median



Figure 9.2-7 Pedestrian and Streetscape Improvements
 Page 69



- LEGEND**
- █ Commercial Core
 - █ Downtown Transition
 - █ Cemetery

City of Umatilla
 Downtown Revitalization and
 Circulator Study
 As amended by Ordinance #731

Figure 9.2-8 Land Use District Map

2004-4730286 7 of 8

9.2.400 *DOWNTOWN REVITALIZATION PLAN*

The purpose of the project is to create a strategic plan for the revitalization of the downtown core area of the City. The plan is intended to enable the community to benefit from an improved and efficient transportation system and redevelopment of the downtown core area as a vital, pedestrian-oriented center.

Objectives of the Downtown Revitalization Plan are to:

- Create incentives for businesses to locate in the core area of the City;
- Create a pleasant pedestrian experience in the core area;
- Identify streetscape improvements that will enhance the character of the City, including sidewalk treatments and lighting.
- Mitigate the effects of truck traffic along U.S. Route 730; and
- Identify redevelopment opportunities.

The greatest challenge for the City is to find a way to attract significant private investment in the downtown over a long period of time. The revitalization plan is a blueprint to achieve this goal.

One of the guiding principles of the Downtown Revitalization Plan is to concentrate redevelopment efforts. A key problem with the existing pattern of development is that it is scattered over a large area. By first focusing the community's efforts on a small area, the City can later expand the area of focus to other locations throughout downtown. The intent of concentrating redevelopment efforts is to achieve a critical mass of business activity and investment that will trigger a cycle of economic growth.

Commercial opportunities are often present at intersections that have high rates of flow of either vehicles or pedestrians. The intersection of U.S. Route 730 and Interstate 82 is the primary vehicular intersection in the City. During the planning workshop, members of the community identified the primary pedestrian intersection in downtown as the junction of 6th Street (U.S. Route 730) and I Street. The Downtown Revitalization Plan recommends that the City focus on the potential of the 6th Street/I Street intersection. The US Route 730 and Interstate 82 intersection improvements are a part of the Interchange Refinement report that is a separate report.

Public improvements and redevelopment can help attract new businesses. Because downtown Umatilla lacks sufficient investment to attract other commercial activities, the City should commit public resources to improvements and redevelopment that make the downtown a viable and attractive location for businesses. In addition to investing in civic improvements, the City should also attempt to concentrate jobs, commercial activities, and housing in the downtown.

9.2.410 *Redevelopment Opportunities*

This section presents a summary of redevelopment opportunities envisioned to help revitalize downtown Umatilla. Together, these opportunities establish a conceptual framework for redevelopment that is consistent with the vision and goals of the community identified during the planning process.

9.2.410(1) Town Center

Town Center is envisioned as a pedestrian friendly district. To help concentrate future development and make the area pedestrian friendly, a 1,000-foot distance was used create alternative development concepts for downtown Umatilla. This is a comfortable walking distance for most pedestrians.

The Downtown Revitalization Plan proposes that future development be concentrated along 6th Street between E and J streets. Town Center also would extend along I Street one block to the north of 6th Street and along I Street to the south; a site for a proposed Civic Center. Retail and commercial infill projects would be the most desirable type of development for Town Center. New structures would typically include commercial storefronts that abut the sidewalk.

Pedestrian and streetscape improvement projects, including street furnishings such as benches, lights and fountains, would be focused in the Town Center. To improve the pedestrian environment, sidewalk bulb-outs would be added at critical intersections along 6th Street, as well as crosswalks and accent pavements.

9.2.410(2) Intersection of 6th and I Streets

The Downtown Revitalization Plan identifies the intersection of 6th and I streets as potentially the strongest pedestrian node within the community. The intersection is the commercial center for the downtown area because 6th Street is the primary vehicular route through town and I Street is considered to have the greatest potential as a pedestrian-oriented cross street. Improvements to this intersection would include accent pavement, benches, and possibly a raised intersection with pedestrian crossings designated with wide crossing strips.

Two infill sites are adjacent to this intersection, one on the northwest corner, the other on the southwest corner. An underutilized property also is identified at the southeast corner of the intersection. As the revitalization plan is implemented, redevelopment of these properties is likely. New structures at these locations should follow the commercial storefront model by building to the edge of the sidewalks and having facades orienting toward both 6th and I streets, including display windows and awnings.

Figure 9.2-10 illustrates a vision of what 6th Street east of I Street could look like with the improvements described above.

Figure 9.2-10 6th Street Future Concept with Streetscape and Building Improvements



9.2.410(3) *I Street*

Participants at the community workshops identified I Street as a likely place for a pedestrian center. I Street should be redeveloped as a commercial street strongly oriented to pedestrians. Commercial storefronts would abut the sidewalk. Street parking can be supplemented by off-street parking located behind buildings that face I Street. The street would be designed for both vehicle and pedestrian use by using accent paving, historic lights, benches and fountains. As a pedestrian street, I Street could be closed to vehicular traffic for special events or festivals.

9.2.410(4) *MOR Theatre*

One of the most significant buildings located in downtown is the MOR Theatre. While some community participants commented on the building's poor appearance, others suggested that the theatre was worth keeping. Renovation of the building may serve both of these ends. *Figure 9.2-11* illustrates how the exterior of the building might look after a major renovation. It should be noted that building renovation is typically more expensive than new construction. Major renovation of existing structures may not be economically viable until the revitalization of downtown is well underway.

9.2.410(5) *First Interstate Bank Building*

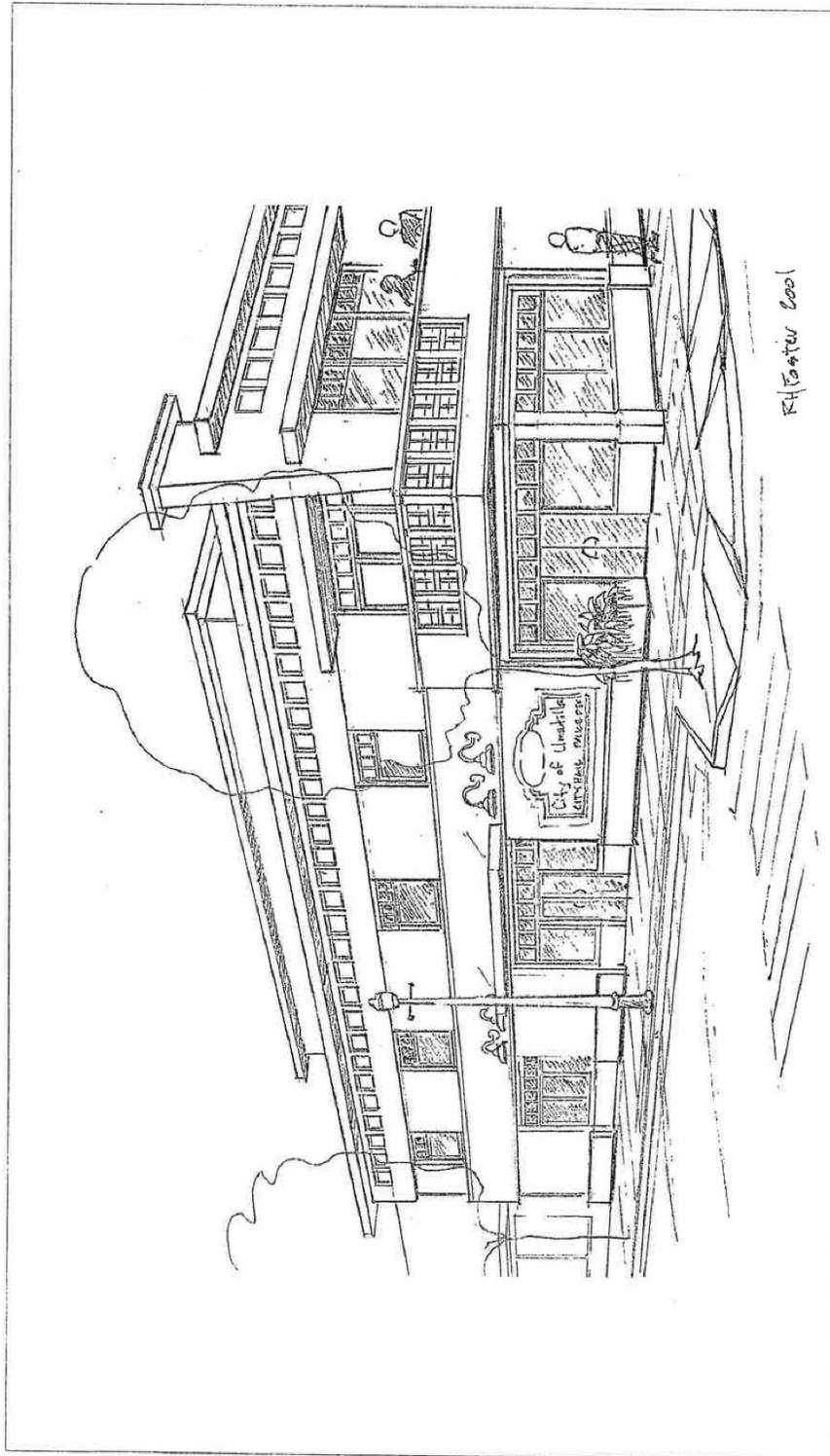
The First Interstate Bank building, which now houses the school district offices, is of relatively new construction. The building is a utilitarian structure that lacks the detail and architectural character that are appropriate for a pedestrian-oriented downtown. *Figure 9.2-12* shows a sketch illustrating how architectural detailing applied to the building's exterior might enhance its appeal to pedestrians in a manner suitable for its downtown location.

9.2.410(6) *Civic Center*

To anchor I Street as the primary pedestrian axis, the plan envisions a Civic Center located at the intersection of 7th and I Streets. This complex of buildings would include a new city hall, library, post office, senior center, and recreation center. The plan presents two options for development of the Civic Center. One concept closes 7th Street west of the intersection of I Street and creates a Civic Center complex with new buildings oriented toward a park. Option 1 is illustrated in *Figure 9.2-13*. The second concept closes I Street immediately south of 7th Street and centers the Civic Center complex and park on the axis of I Street. Option 2 is illustrated in *Figure 9.2-14*.

9.2.410(7) *Library Square*

The plan identifies an open space located between the library and 6th Street that might become an attractive pedestrian gathering place. The plan proposes that this space be developed as a joint-use space that allows parking during the week, but is available for pedestrian use on weekends. The Library Square project would likely reduce the number of existing parking spaces, planting shade trees and landscaping, and street furnishings such as benches, streetlights, and bollards. *Figure 9.2-15* shows an improvement concept for the existing library parking lot where the area is accented with an archway façade and pedestrian plaza.



MOR Theatre Renovation Concept
Figure 9.2-11

Page 76
400006.0

NOT TO SCALE

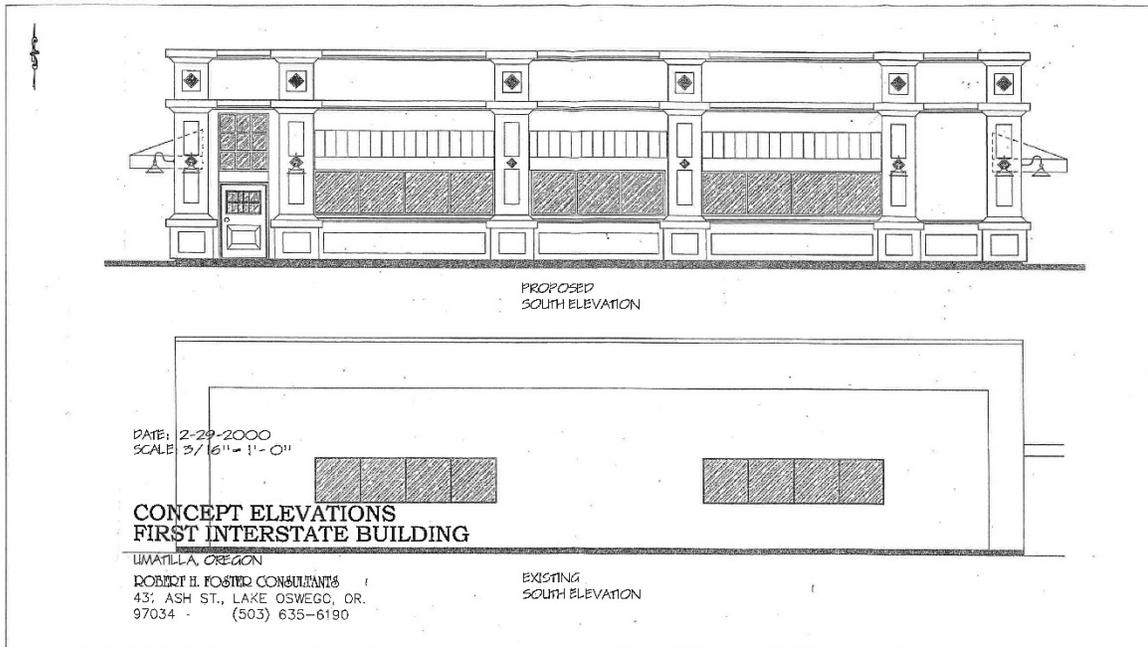


Figure 9.2-12

City of Umatilla Downtown
Revitalization and Circulation Study

First Interstate
Building Renovation Concept Page 77

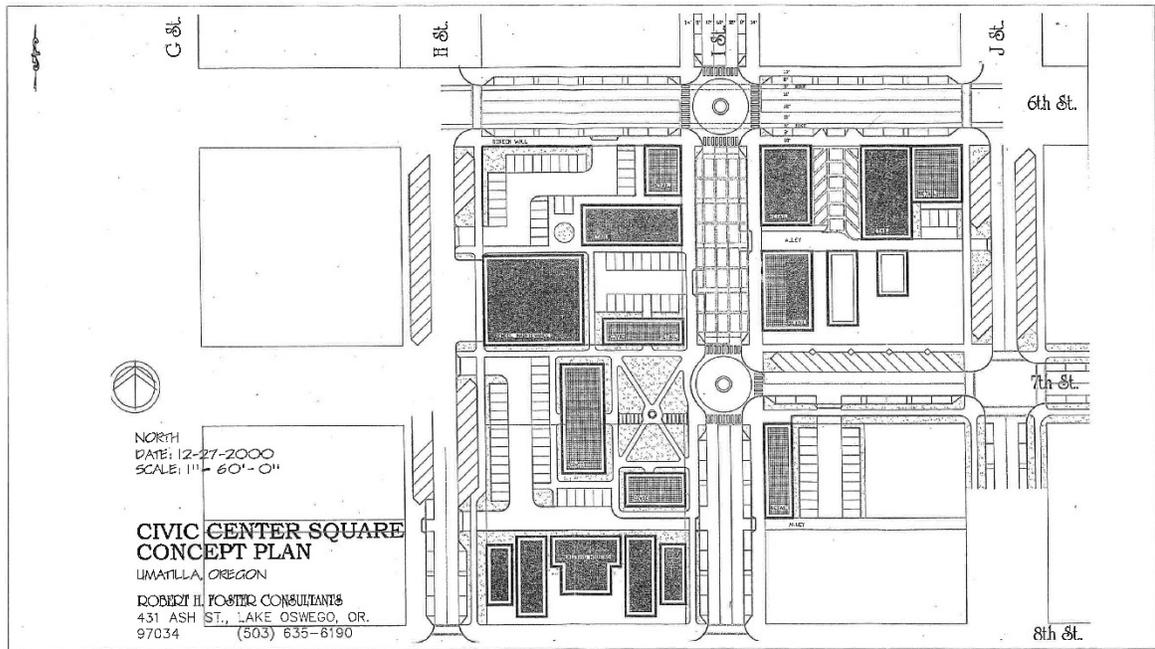
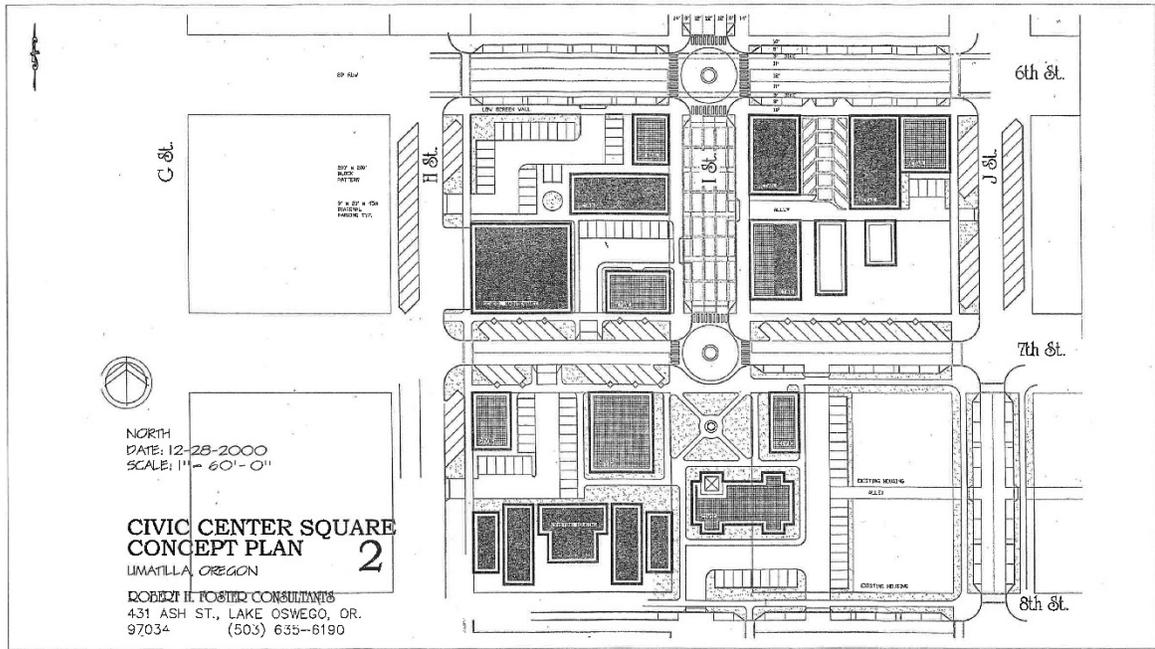


Figure 9.2-13

Civic Center
 Concept - Option 1

Page 78

City of Umatilla Downtown
 Revitalization and Circulation Study



City of Umatilla Downtown
 Revitalization and Circulation Study

Figure 9.2-14
 Civic Center
 Concept - Option 2

Figure 9.2-15. Library Plaza Concept with Archway Façade



9.2.410(8) *Downtown Residential*

Creating residential housing opportunities downtown will help the City establish a stronger downtown neighborhood. New residents will build a market for new downtown businesses. Downtown housing development should be oriented toward the street with parking in the center of the block. Access to center block parking lots would be by alleys running east to west between the numbered streets. New housing development would be encouraged to follow this typical pattern of development.

9.2.410(9) *Downtown Mixed-Use*

The Downtown Revitalization Plan proposes a new development pattern for downtown Umatilla that combines office and residential uses. This new pattern would allow office and commercial uses at street level with housing on the second floor or behind the storefront. Parking would be available on the street with off-street parking located in the middle of the block. Access to mid-block parking would be by alleys running east to west between the numbered streets and driveways located at the center of the block.

This mixed-use development concept is illustrated with typical plan and section drawings in *Figure 9.2-16*. The plan and section drawings illustrate how retail or office space might be located on the first floor with housing on the second floor. The drawings also illustrate how off-street parking can be included in this type of development.

9.2.410(10) *Auto-Oriented Commercial*

A portion of the east side of downtown Umatilla is suitable for car- and truck-oriented uses. The plan proposes that truck- and car-oriented uses be located along 6th Street from a point west of the intersection of Yerxa Avenue running east to the Union Pacific Railroad bridge. Given that this location is near the Port of Entry and the Interstate 82 interchange, it provides an opportunity for commercial development in this area.

9.2.420 *Streetscape and Pedestrian Improvements*

This section describes streetscape and pedestrian improvements that are a part of the Downtown Revitalization Plan. Sketches were developed to depict streetscape design elements, based on “typical” conditions. Recommended improvements have been broken down into illustrative projects, which include estimated project costs the City can use for the purposes of planning.

9.2.421 *Design Elements*

To develop a schematic streetscape plan, it was assumed that a typical block measured 200 feet by 200 feet and that the typical street right of way measured 80 feet in width, with streets measuring 60 feet from curb to curb. The existing 6th Street cross section is illustrated in *Figure 9.2-17*. The section view shows an 8-foot-wide parking lane on both sides of the street, one 15-foot-wide travel lane in each direction and a 14-foot-wide center turning lane.

The proposed 6th Street cross section design reduces the width of the travel lanes and adds center medians to slow traffic. Bike lanes have also been designated. The proposed 6th Street section, see *Figure 9.2-18*, shows a 7-foot-wide parking lane on both sides of the street, one 6-foot-wide

bike lane in each direction, one 11-foot-wide travel lane in each direction, and a 12-foot-wide center turning lane or median.

A concept plan was developed for the 6th and I Streets intersection. I Street should become the City's "Pedestrian Street." Sixth Street is already considered to be the City's "Main Street." The concept plan shows curb extensions and crosswalks, 10-foot-wide sidewalks along 6th Street, and 14-foot-wide sidewalks along I Street. Each curb extension depicts ramps to meet requirements of the American's with Disabilities Act (ADA) and planting areas for landscape plants or trees. The concept plan also depicts concrete scoring patterns used on the paving surface. The 6th Street and I Street intersection concept plan is shown in *Figure 9.2-19*.

A "typical" sidewalk pavement sketch in *Figure 9.2-20* illustrates the sidewalk design proposed for new improvement projects. The sketch depicts a sidewalk that varies from 8- to 10-feet wide, curb and gutter, street trees, and parking. A second sketch shown in *Figure 9.2-21* illustrates the need for added width to include streetscape furnishings and other amenities. This sketch defines a 4-foot wide furniture zone adjacent to the curb where street trees, lights, signage, benches, trashcans, and drinking fountains should be located. The sketch also shows how storefront awnings (from 4- to 6-feet-wide) can make the street more attractive to pedestrians.

A new proposed local side street cross section in the downtown core area is shown in *Figure 5-13*. This cross section shows angle parking on both sides of the roadway and two travel lanes within a pavement width of 64 feet and 80-foot right of way. The angle parking lanes each take 20 feet and the two travel lanes are 12 feet each. The remaining right of way is comprised of 6 foot sidewalks. An additional two feet of right-of-way is available for utilities behind the sidewalks on each side of the street.

9.2.422 *Illustrative Improvement Projects*

Using the design concepts described above, a list of illustrative improvement projects was developed to help the City budget and plan for implementation of the pedestrian and streetscape improvements (see the Pedestrian and Streetscape Improvement Plan, *Figure 9.2-7*). Recognizing that financial resources to implement the improvements might be limited, a large number of small projects were created. The series of cost estimates for typical improvements were used to develop the costs for illustrative improvement projects. The cost estimates are intended to be used by the City for planning and budgeting purposes and are not intended to reflect the actual cost of the improvements. A sequence of small projects allows the City greater flexibility in implementing the improvements. If financial resources are limited, fewer projects can be implemented. If funding is readily available, then the improvement schedule can be accelerated.

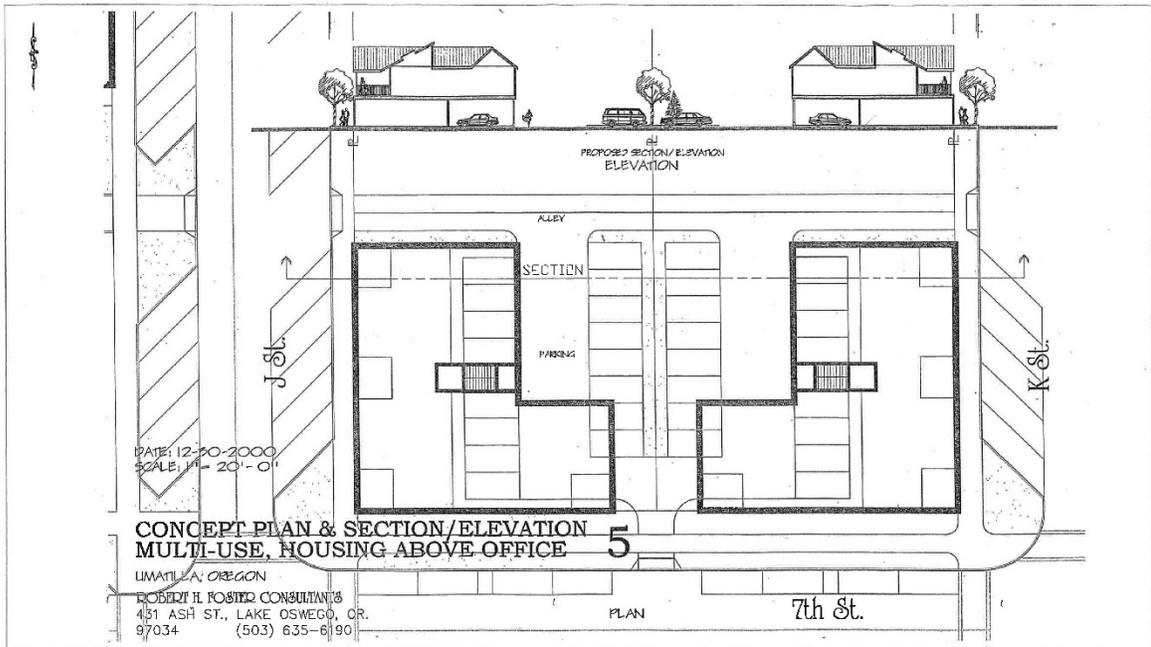
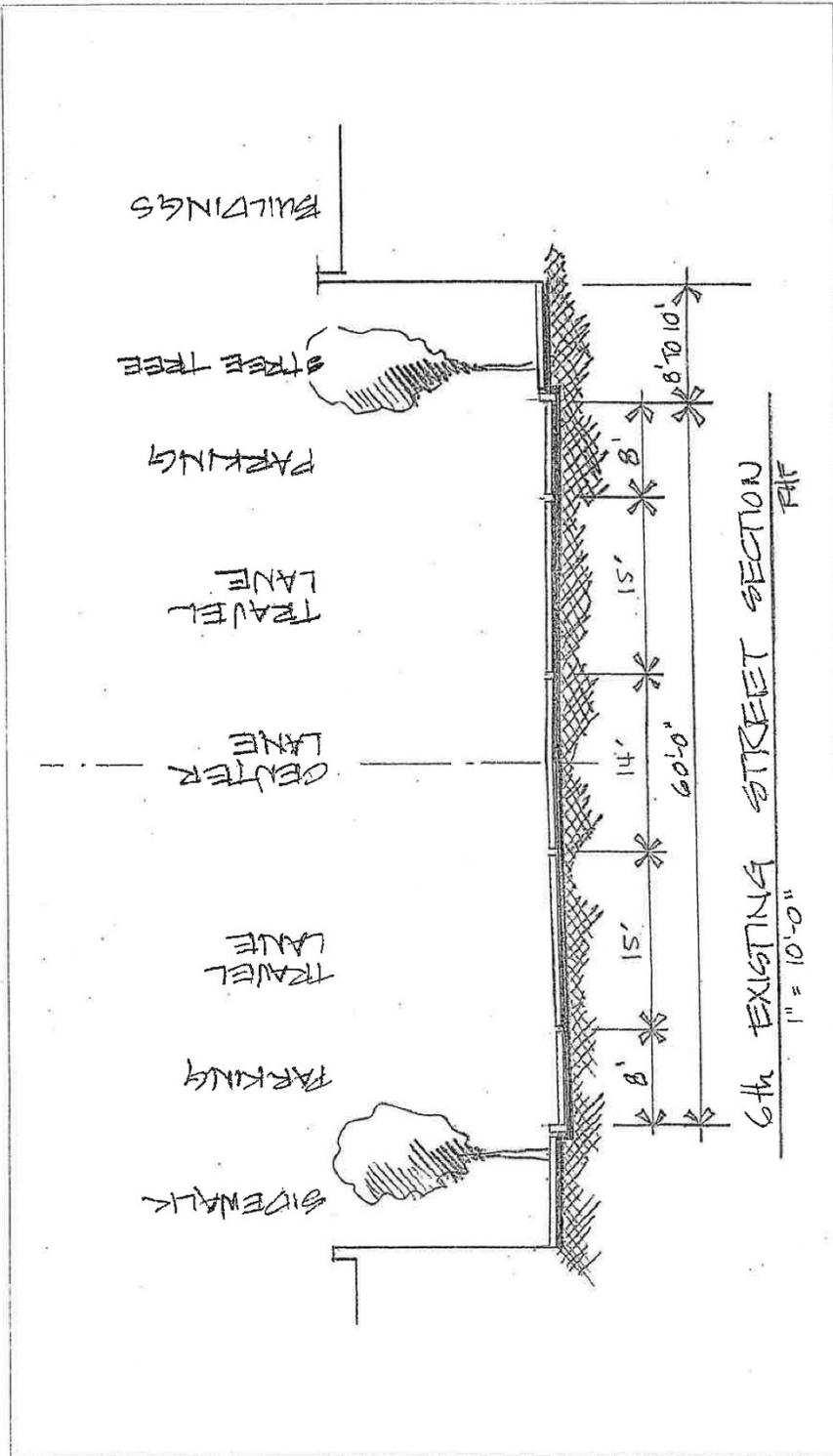


Figure 9.2-16

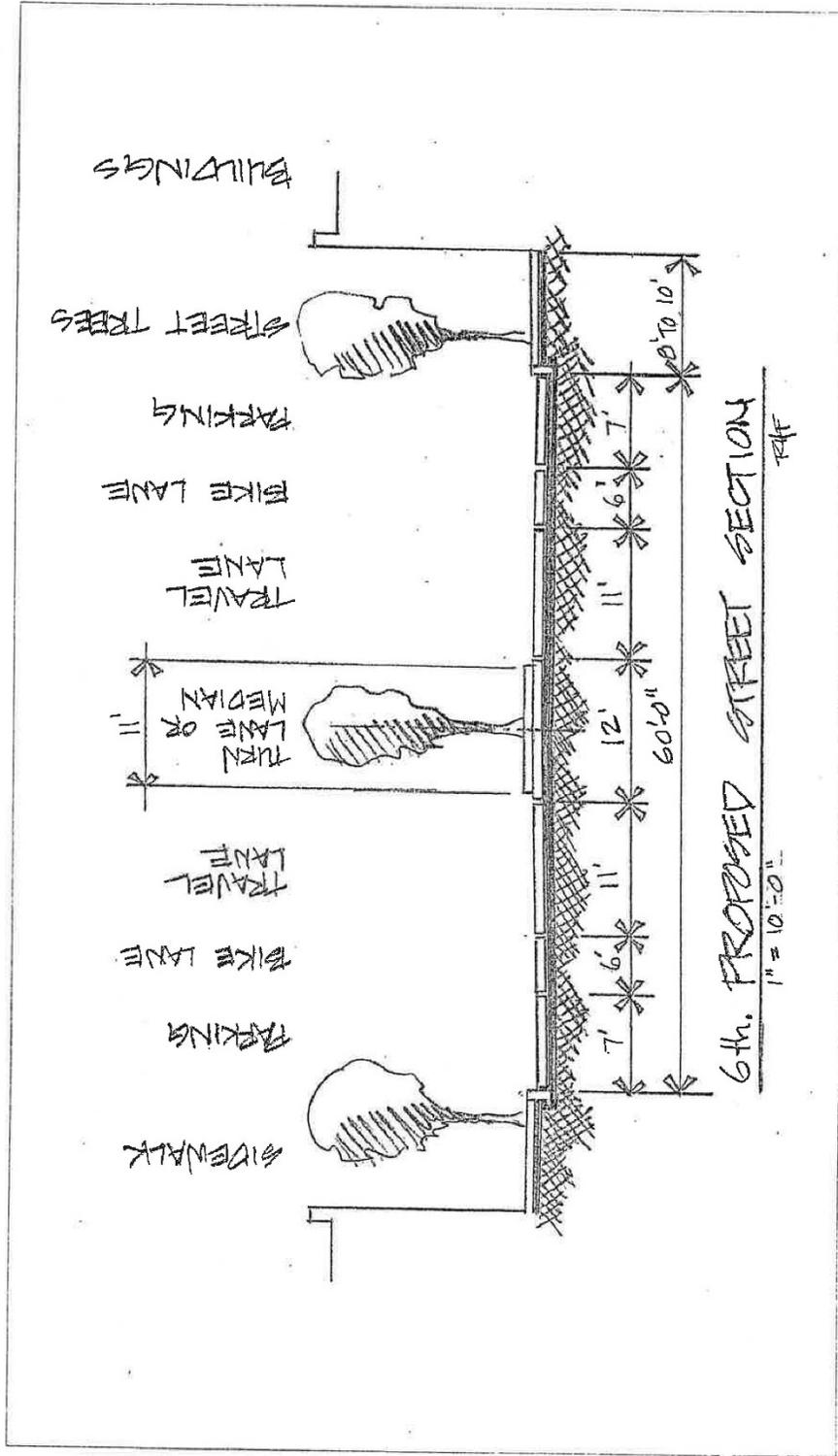
City of Umatilla Downtown
Revitalization and Circulation Study

Downtown Housing
Concept Using Mixed Use Page 83

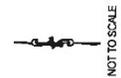


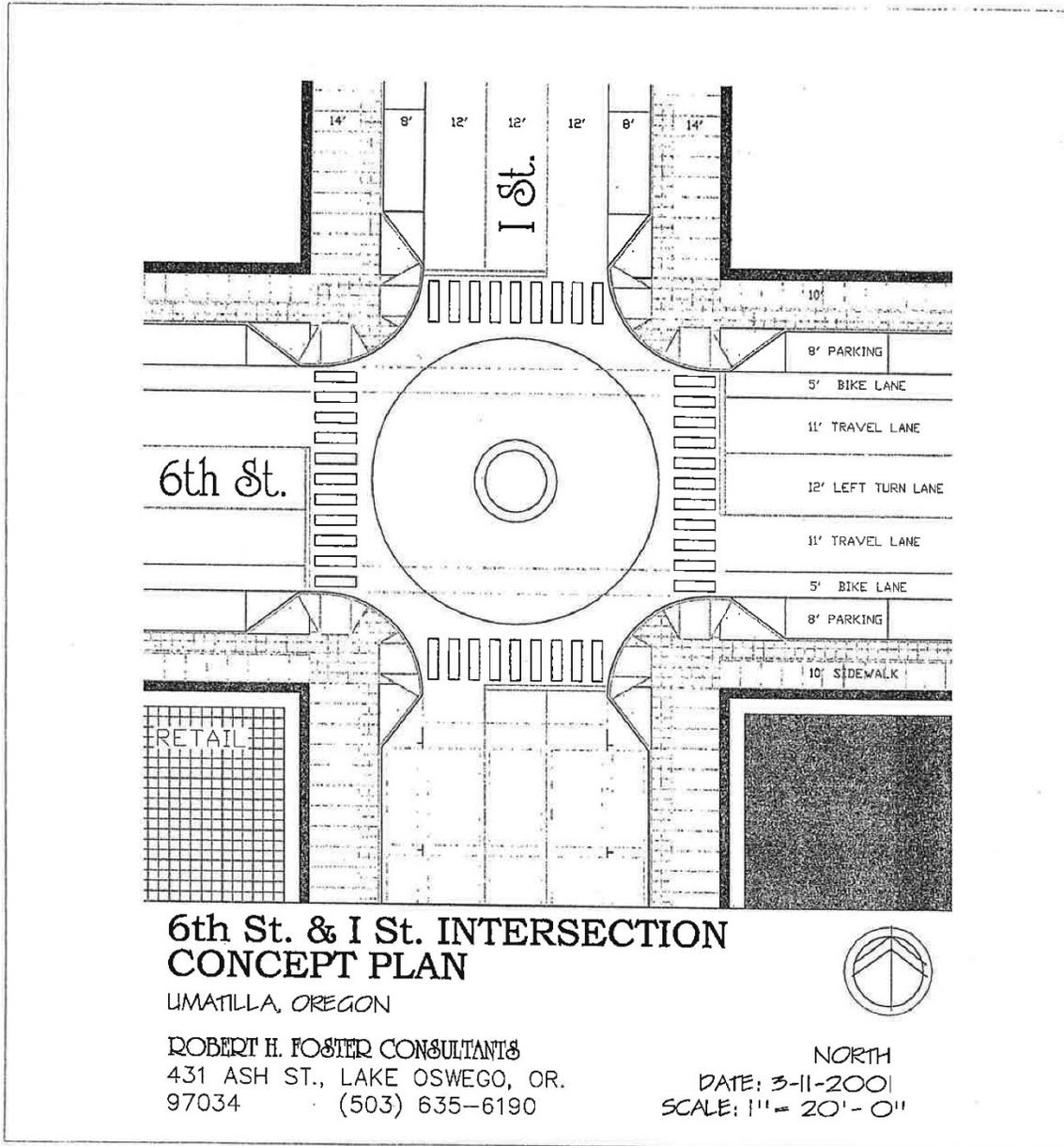
Typical Existing 6th Street Cross Section
 Figure 9.2-17

NOT TO SCALE



Proposed 6th Street Cross Section
 Figure 9.2-18

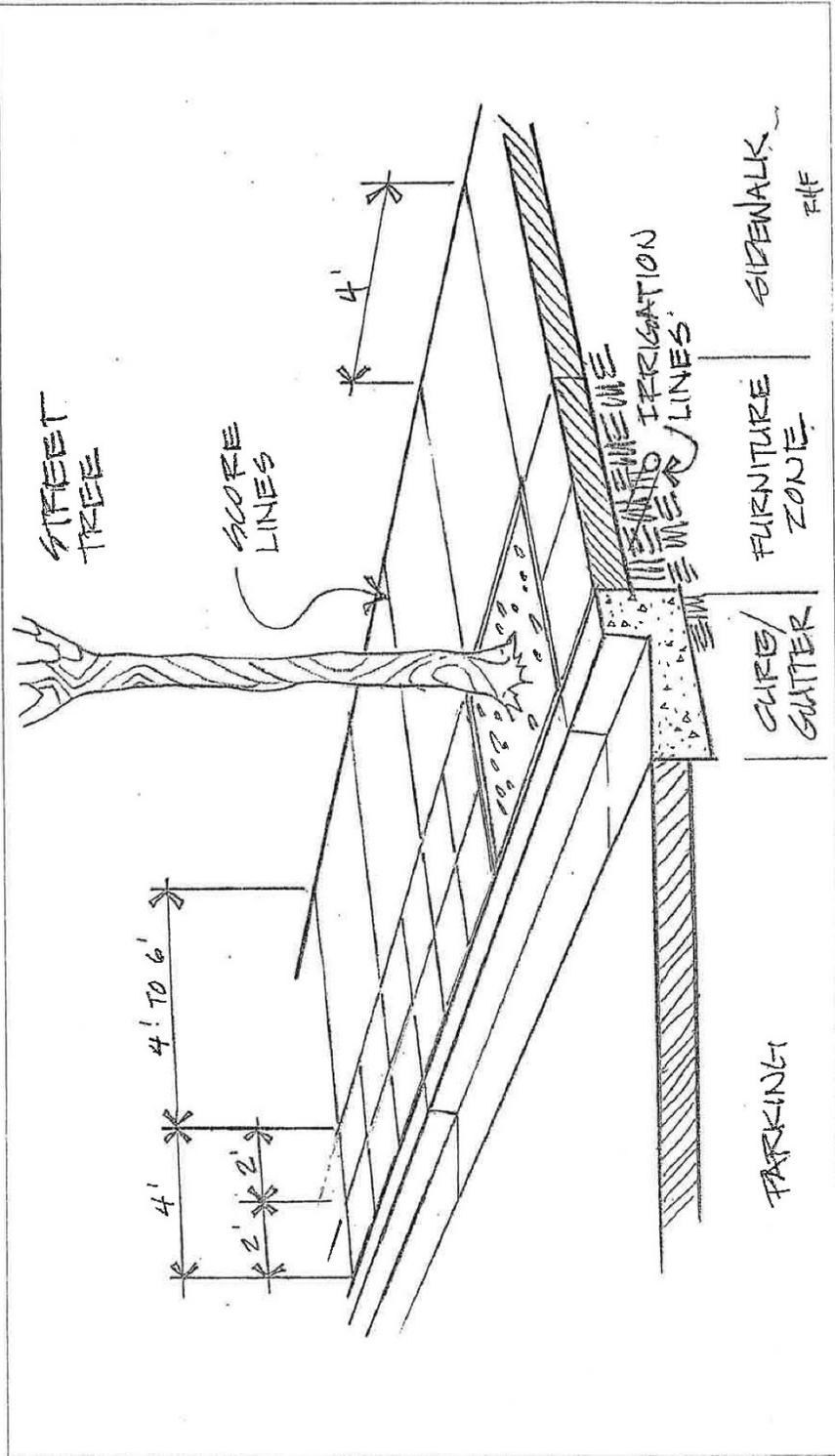




NOT TO SCALE

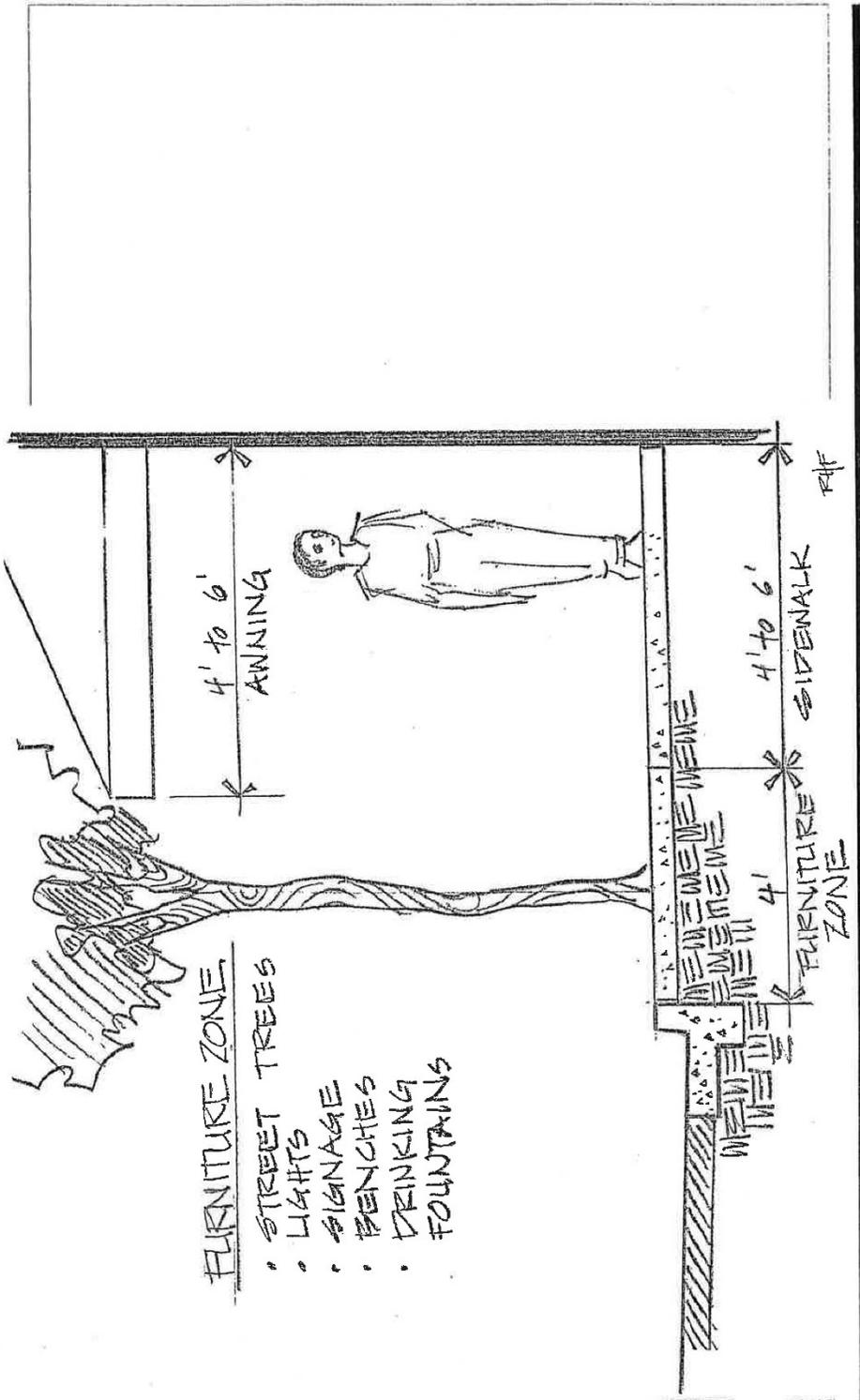
6th Street and "I" Street
 Intersection Concept Plan
 Figure 9.2-19

400006.0
 Page 86



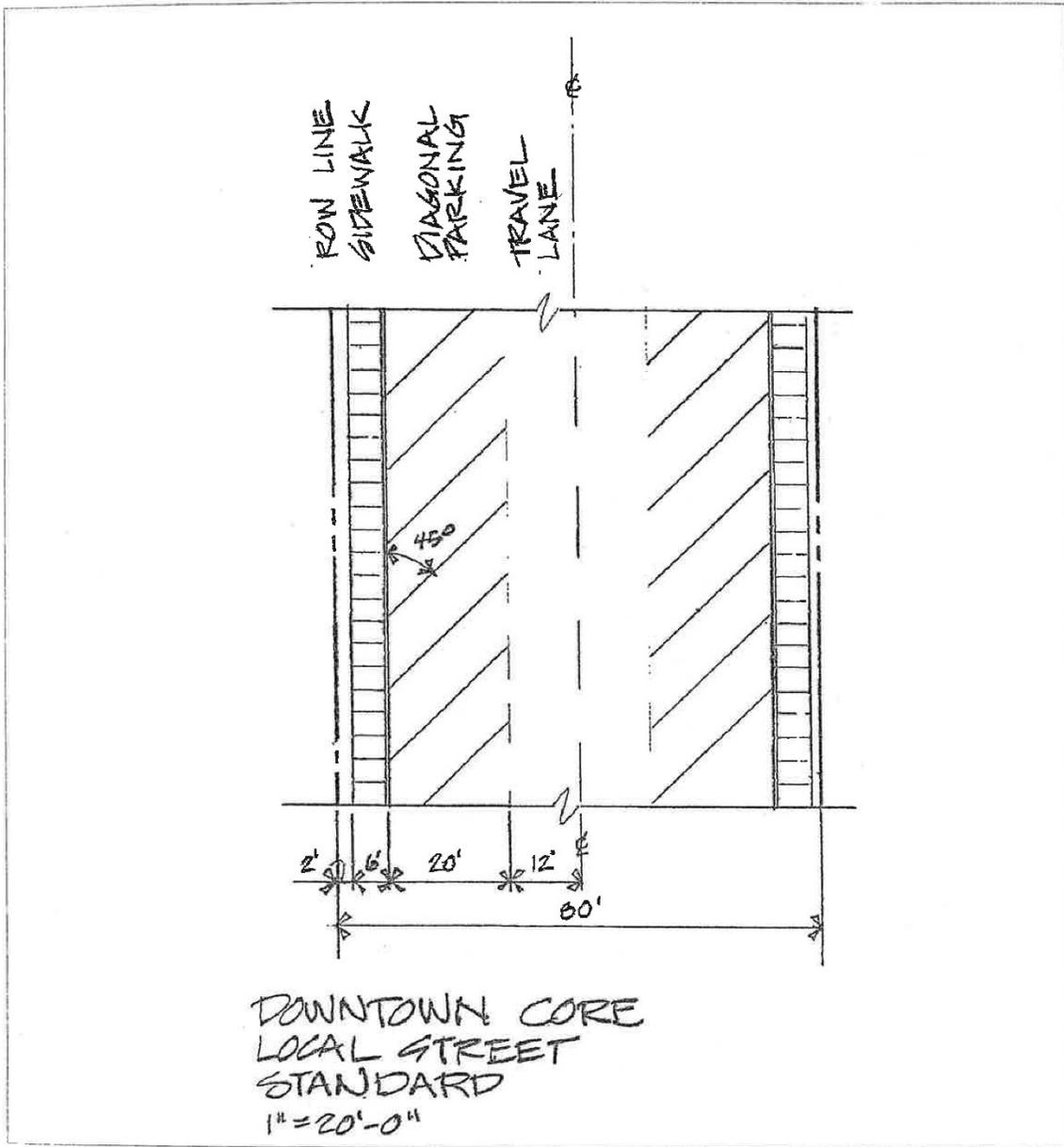
Typical Sidewalk Pavement Section
 Figure 9.2-20

NOT TO SCALE



Typical Furniture Zone on Sidewalk Section
 Figure 9.2-21

400006.0
 Page 88



NOT TO SCALE

Downtown Core Local Street Standard
Figure 9.2-22

Page 89
400006.0

Unit costs used to prepare the estimates are summarized in Table 9.2-9. Many of the items listed area available in a range of different prices. For example, the sample prices for tree grates ranged from \$100 to \$275 per grate. Sample street lights prices ranged between \$1,700 to \$3,000 per light. Median prices are shown in the table below and are adjusted to include installation.

Table 9.2-9. Unit Costs of Improvement Project Items

ITEM	UNIT	COST/UNIT
Demolition	SF	\$1.00
Curbs	LF	\$15.00
Street Patching	SF	\$6.00
Trenching	LF	\$15.00
Sidewalk	SF	\$7.00
Trees	EA	\$500.00
Tree Grates	EA	\$190.00
Irrigation (drip system)	LF	TBD
Landscaping	SF	\$5.00
Planters (trough)	EA	\$600.00
Street Lights	EA	\$2,250.00
Trash Cans	EA	\$750.00
Bench	EA	\$1,000.00
Drinking Fountain	EA	\$3,000.00
Bike Rack	EA	\$500.00
Painted Crosswalk	SF	\$1.00
Concrete Crosswalk	SF	\$8.00

Table 9.2-10 summarizes the improvement projects by phase and estimated total cost. The Streetscape and Pedestrian Improvements Phasing Plan in *Figure 9.2-23* illustrates how the projects might be implemented through a sequence of many projects.

Table 9.2-10. Streetscape Improvement Projects by Phase

<u>Project Name/Phase</u>	<u>Estimated Total Cost</u>
<i>Phase 1 Projects</i>	
<i>Intersection at 6th and I Streets with Curb Extensions</i>	<i>\$65,000</i>
<i>Intersection at 6th and H Streets with Curb Extensions</i>	<i>\$61,000</i>
<i>Intersection at 6th and G Streets with Curb Extensions</i>	<i>\$61,000</i>
<u><i>Subtotal</i></u>	<u><i>\$187,000</i></u>
<i>Phase 2 Projects</i>	
<i>6th Street Sidewalks between H and I Streets</i>	<u><i>\$106,000</i></u>
<i>6th Street Sidewalks between G and H Streets</i>	<u><i>\$106,000</i></u>
<i>6th Street Median between G and H Streets</i>	<u><i>\$30,000</i></u>
<u><i>Subtotal</i></u>	<u><i>\$242,000</i></u>
<i>Phase 3 Projects</i>	
<i>6th Street Median between I and J Streets</i>	<i>\$30,000</i>
<i>Intersection at 6th and J Streets with Curb Extensions</i>	<i>\$57,000</i>
<i>6th Street Sidewalks between I and J Streets</i>	<i>\$106,000</i>
<u><i>Subtotal</i></u>	<u><i>\$193,000</i></u>
<i>Phase 4 Projects</i>	
<i>I Street Sidewalks between 6th and 7th Streets</i>	<i>\$133,000</i>
<i>I Street Sidewalks between 5th and 6th Streets</i>	<i>\$133,000</i>
<i>South of Intersection at Corner of 5th and I Street</i>	<i>\$66,500</i>
<u><i>Subtotal</i></u>	<u><i>\$332,500</i></u>
<i>Phase 5 Projects</i>	
<i>6th Street Median between F and G Streets</i>	<i>\$30,000</i>
<i>Intersection at 6th and F Streets with Curb Extensions</i>	<i>\$61,000</i>
<i>6th Street Sidewalks between F and G Streets</i>	<i>\$106,000</i>
<i>6th Street Sidewalks between E and F Streets</i>	<i>\$106,000</i>
<u><i>Subtotal</i></u>	<u><i>\$303,000</i></u>

Table 9.2-10. Streetscape Improvement Projects by Phase (Continued)

<i>Phase 6 Projects</i>	
<i>Gateway Feature (West End)</i>	<i>\$42,000</i>
<i>Intersection at 6th and E Streets with Curb Extensions</i>	<i>\$61,000</i>
<i>Intersection at 6th and D Streets with Curb Extensions</i>	<i>\$57,000</i>
<i><u>Subtotal</u></i>	<i><u>\$160,000</u></i>
<i>Phase 7 Projects</i>	
<i>6th Street Sidewalks between D and E Streets</i>	<i>\$106,000</i>
<i>6th Street Median between D and E Streets</i>	<i>\$30,000</i>
<i>Intersection at 7th and I Street (Special Condition)</i>	<i>\$57,000</i>
<i>Sidewalks south of 7th and I Street Intersection</i>	<i>\$66,500</i>
<i><u>Subtotal</u></i>	<i><u>\$153,500</u></i>
<i>Phase 8 Projects</i>	
<i>Intersection of 6th and Switzler Avenue</i>	<i>\$61,000</i>
<i>Intersection of 6th and Yerxa Avenue</i>	<i>\$61,000</i>
<i>Intersection of 7th and Switzler Avenue</i>	<i>\$34,000</i>
<i>6th Street Sidewalks east of Yerxa Avenue</i>	<i>\$106,000</i>
<i><u>Subtotal</u></i>	<i><u>\$262,000</u></i>
<i>Phase 9 Projects</i>	
<i>Sidewalks north of 6th Street and Switzler Avenue</i>	<i>\$53,000</i>
<i>Sidewalks east of Intersection of 6th Street and Yerxa Avenue</i>	<i>\$106,000</i>
<i><u>Subtotal</u></i>	<i><u>\$159,000</u></i>
<i>Phase 10 Projects</i>	
<i>6th Street Sidewalks between Switzler and Yerxa Avenues</i>	<i>\$176,000</i>
<i>6th Street Median between Switzler and Yerxa Avenues</i>	<i>\$30,000</i>
<i><u>Subtotal</u></i>	<i><u>\$206,000</u></i>
<i>Phase 11 Projects</i>	
<i>Switzler Avenue Sidewalks between 6th and 7th Streets</i>	<i>\$102,000</i>
<i>Gateway Feature (East End)</i>	<i>\$42,000</i>
<i><u>Subtotal</u></i>	<i><u>\$144,000</u></i>
<i><u>Total Estimated Cost for all Phases</u></i>	<i><u>\$2,395,000</u></i>



LEGEND

- Bulbouts
- Street Trees
- Median



City of Umatilla
 Downtown Revitalization and
 Circulation Study

Figure 9.2-23 Improvement
 Phasing Plan

Page 93

9.2.423 *Improvement Descriptions*

9.2.423(1) *Switzler and Yerxa Avenues*

Two intersections on the east side of downtown Umatilla should be improved: the intersection of 6th Street and Switzler Avenue, and the intersection of 6th Street and Yerxa Avenue. The intersection of 6th Street and Switzler Avenue is important because Switzler Avenue provides a link to the neighborhoods to the north. It is also a link to bicycle trail on 3rd Avenue. *Figure 9.2-24* illustrates a park concept that could be constructed on the northwest corner of the 6th Street/Switzler Avenue intersection. The intersection of 6th Street and Yerxa Avenue is important because Yerxa Avenue offers a connection between the High School and commercial establishments on 6th Street. Improvements should include, sidewalk bulb outs, street trees, and striped pedestrian crossings.

9.2.423(2) *West City Entrance*

The City can define the entrance to the City by creating a monument, sculpture, or other type of landmark feature. The feature can be further enhanced using accent lighting, paving and landscape elements. The location of the entrance feature should be along 6th Street near the intersection of C Street. *Figure 9.2-25* illustrates a gateway concept that could be implemented on the west city entrance.

9.2.423(3) *East City Entrance*

The bridge over the Union Pacific Railroad creates an entrance on the east side of the City. Adding a landmark or symbol can enhance this entrance. The landmark or symbol might take the form of a sculpture, monument, or sign. The entrance can be accented with historic lights. *Figure 9.2-26* illustrates a gateway feature for the east city entrance.

9.2.423(4) *Intersection of 6th and I Street*

The plan envisions the corner of 6th and I Streets as the commercial center for the downtown area because 6th Street is the primary vehicular route through town, and I Street is considered to have the greatest potential as a pedestrian-oriented cross street. Improvements to this intersection would include accent pavement, benches, and possibly a raised intersection.

9.2.423(5) *Close A Street Intersection*

To increase safety at the Umatilla River Bridge it is recommended that the intersection of A Street and 6th Street be closed by creating a cul-de-sac or dead end at the south end of A Street.

9.2.423(6) *Heritage Trail/Senior Center Parking*

A new parking area is proposed to serve both users of the Lewis and Clark Heritage Trail and the Senior Center. The joint parking lot is to be located at the intersection of B and 7th Streets.

Figure 9.2-24 Park Concept at the Northwest Corner of 6th Street/Switzler Avenue

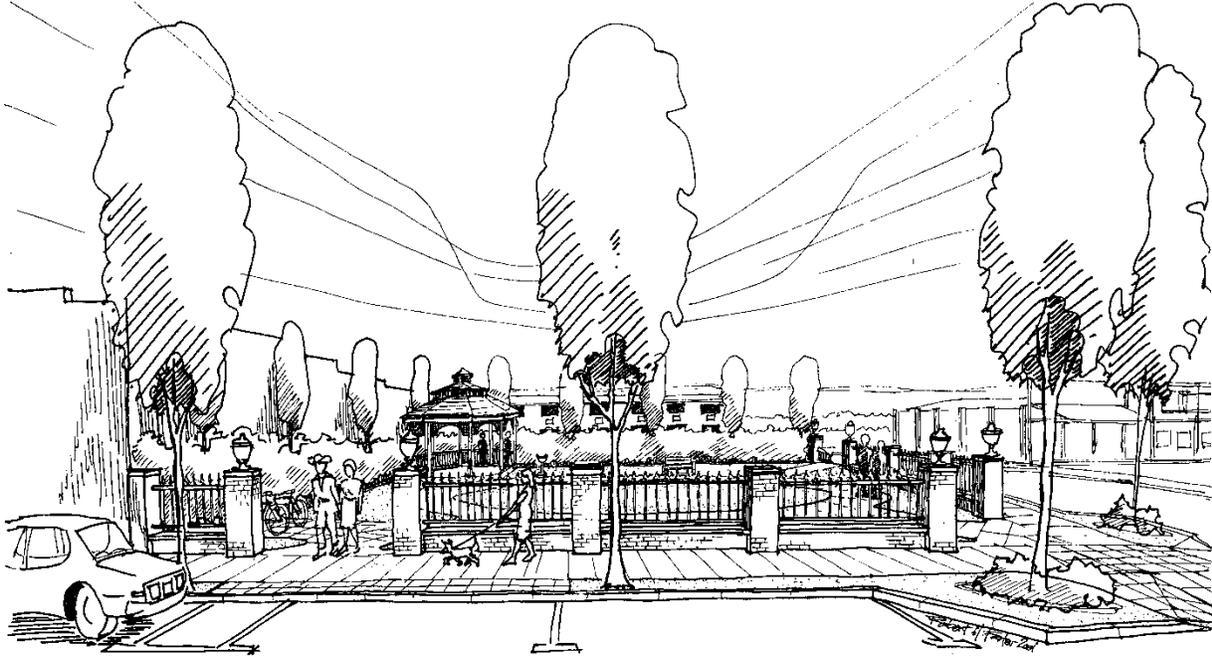


Figure 9.2-25 West City Entrance Gateway Feature

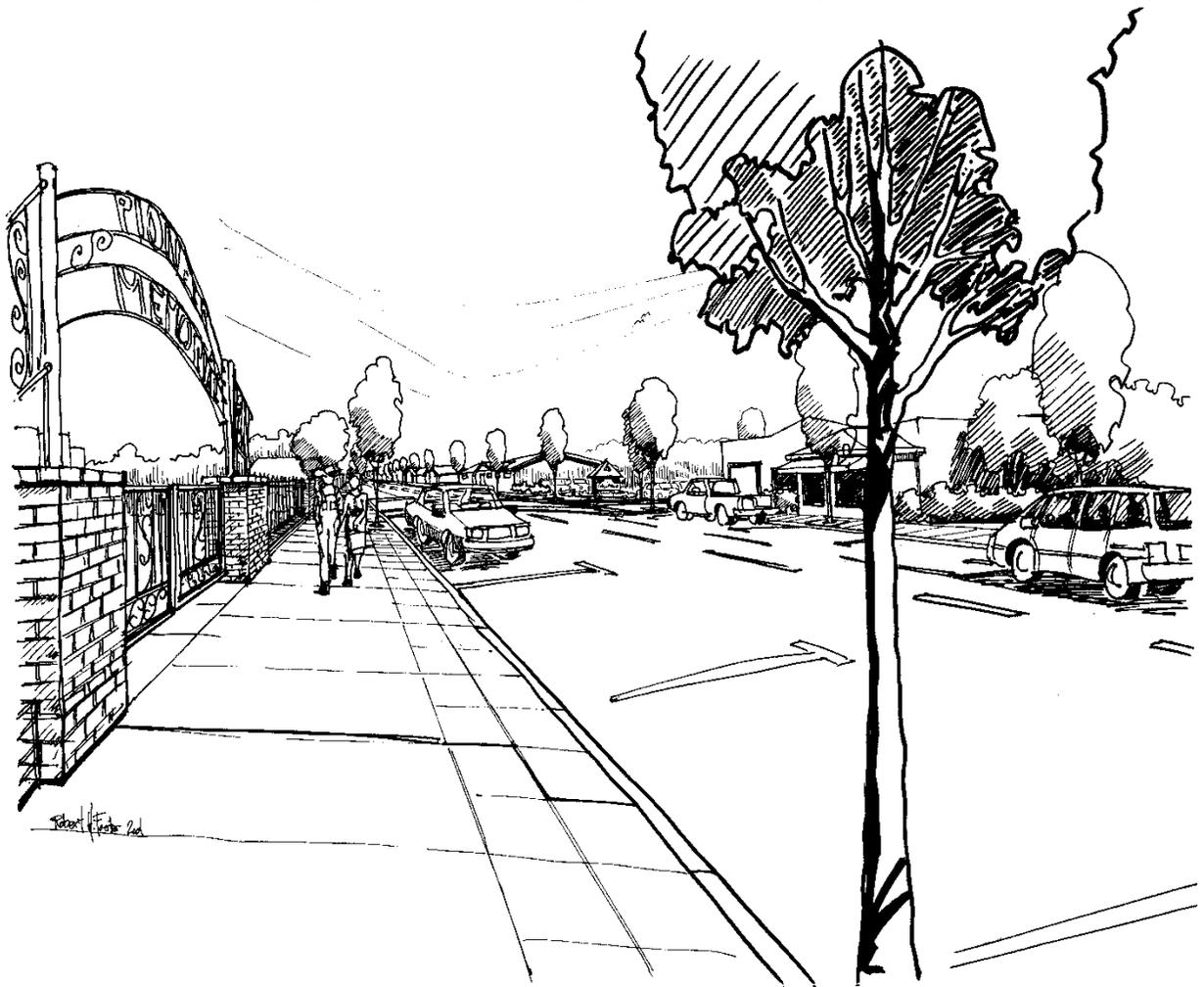
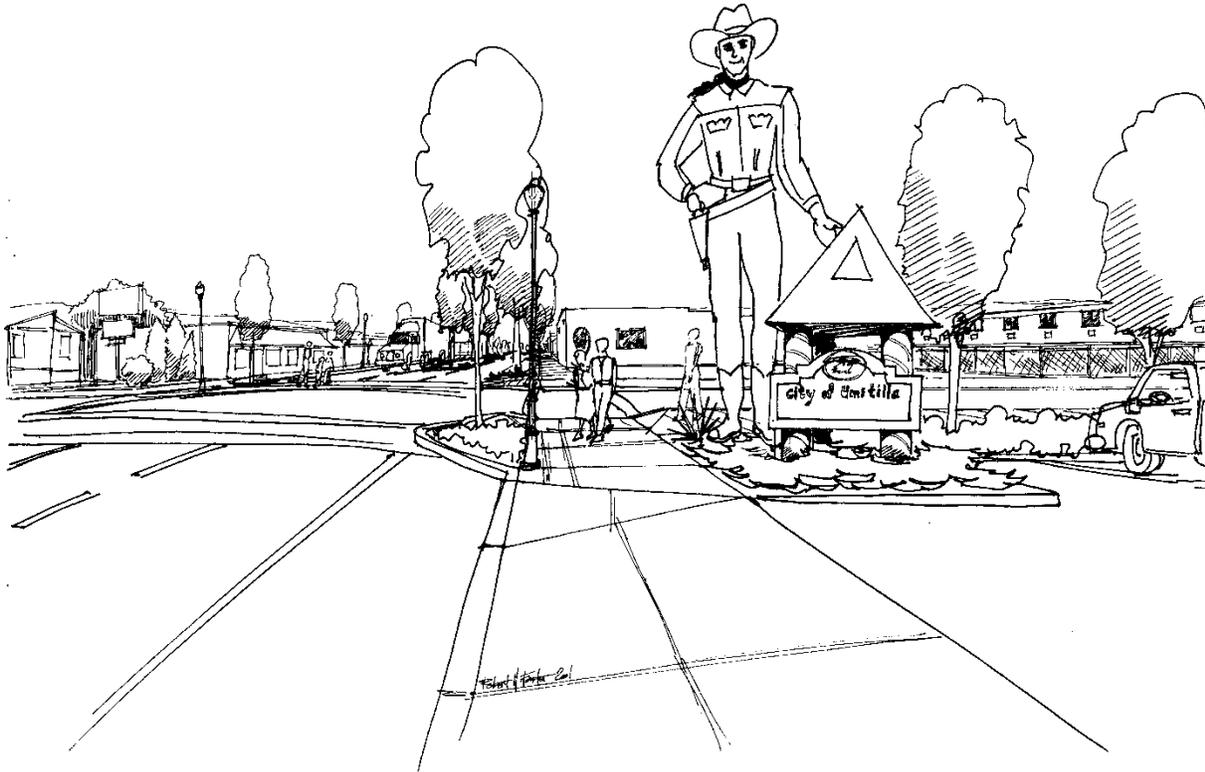


Figure 9.2-26 East City Entrance Gateway Feature



9.2.500 *CIRCULATION PLAN*

The circulation plan for the downtown study area is comprised of the following sections: functional classification, parking, street improvements, and access management. The supporting information used to create this information can be found in the Appendix. The majority of the supporting information can be found in the Opportunities and Constraints Report.

9.2.510 *Functional Classification*

The functional classification for the study area was taken from the 1999 City of Umatilla Transportation System Plan (TSP). In the study area, 6th Street (Highway 730) is the only major arterial. Five collectors exist in the study area. They are 7th Street from “B” Street to Umatilla River Road, “B” Street from 6th Street to 7th Street, “F” Street from 3rd Street to 7th Street, Switzler Avenue from 3rd Street to 7th Street, and 3rd Street. The remaining study area streets are local streets.

No streets are being proposed to be reclassified by this study. However, consideration should be given to create a pedestrian-oriented environment around “I” Street and portions of 6th Street within the downtown core area. This can be done by considering this area as a Special Transportation Area (STA).

9.2.511 *Parking*

The parking survey summarized in the Opportunities and Constraints report has documented that sufficient on-street parking exists on 6th Street to support the existing commercial uses.

Of the 160 on-street parking spaces along 6th Street between A Street and Jane Avenue, the peak usage occurred at 3:00 PM with only 23 spaces used. This is a maximum overall utilization of 14 percent. At the maximum overall parking utilization, 137 on-street parking spaces were available.

Based on the parking survey conducted, there seems to be more than sufficient parking supply for the immediate future. Should the City of Umatilla encounter parking problems in the distant future, a two tiered strategy could be implemented to meet any future demand. First, on-street parking spaces are not marked on the side streets. Additional spaces could be sought by striping parking spaces on the side streets. Conservatively, at least 100 spaces could be added from side street parking. Considerably more side street parking spaces could be developed if the local street cross-section depicted in *Figure 9.2-22* was implemented. Should the City of Umatilla add additional side street parking spaces, then it should consider installing curb, gutter, and storm drains at that time. The second strategy to add parking in the downtown area is to close one or two side streets between 6th and 7th Streets and develop surface street public parking lots. The closure of one or two side streets should not have a significant impact to traffic since the downtown area has a well-developed grid system. There is a side street approximately every 200 hundred feet. The only consideration are to avoid closure of the collector side streets which include “B” Street, “F” Street, and Switzler Avenue and “I” Street which is the center of the downtown revitalization concept. Each side street block has a right-of-way dimension of 80 feet by 200 feet and could accommodate at least 30 new parking stalls.

9.2.512 *TSP Street Improvements*

There are no roadway improvement projects planned in Umatilla's Transportation System Plan (TSP) for the study area. However, based on discussions with ODOT, the Umatilla River Bridge may be rebuilt in the next five or six years. Should this occur, the City of Umatilla would like to consider a new alignment for the bridge. The new alignment would cross the Umatilla River at 5th Street. Highway 730 would be re-aligned with 6th Street between "C" Street and "E" Street to the east. To the west, Highway 730 would be re-aligned to the current highway alignment west of Powerline Road. Powerline Road could then be re-aligned to the new highway alignment further west of the new bridge.

There are three traffic signal projects planned for the study area at the eastern and western boundaries of the study area. The three intersections identified in the TSP as needing signalization by 2017 are the Powerline Road/Highway 730, Umatilla River Road/Highway 730 (6th Street), and "J" Street/Highway 730 (fire signal) intersections.

Other than the streetscape plan and pedestrian improvements, no new street improvement project is proposed.

9.2.513 *Median Improvements Created by the Downtown Revitalization Plan*

In order to enhance the pedestrian friendliness, attractiveness and traffic calming along 6th Street, medians and bulb-outs are proposed. Medians narrow the area of pavement and may provide a refuge area for pedestrians. Bulb-outs create a perception of narrowing the street to the motorist. They are also used to make pedestrian crossings shorter, and therefore easier and safer. Both medians and bulb-outs narrow the area of pavement and travel lane widths providing a visual cue to the driver to slow down. When used in conjunction they can have a significant impact on travel speeds along the roadway. *Figure 9.2-7* shows the proposed Pedestrian and Streetscape Improvements, which illustrate the proposed locations of medians and bulb-outs.

The proposed medians will eliminate left turn pockets along 6th Street the following locations:

- Westbound left at D Street
- Eastbound left at E Street
- Westbound left at F Street
- Eastbound left at G Street
- Westbound left at G Street
- Eastbound left at H Street
- Westbound left at I Street
- Eastbound left at J Street

Although the proposed medians may replace the left turn pocket in several locations along 6th Street, left turn movements would still be allowed. No turn restrictions are being proposed.

Even though a median is proposed between Switzler Avenue and Yerxa Avenue, left turn pockets along 6th Street have been retained to provide access to the local businesses including the Red

Apple grocery store. Bulb-outs along 6th Street are proposed at all intersections where medians are proposed.

Replacing the left turn pockets with the proposed medians is not expected to have a significant impact on left turns from 6th Street to side streets for several reasons. There are side streets approximately every 200 feet. This provides numerous opportunities to make left turns, thereby spreading the left turn volumes on several intersections. Also, left turn volumes do not constitute a large percentage of traffic along 6th Street between D Street and J Street (there are less than 5 percent of the traffic at 6th Street/Switzler Avenue).

The redevelopment along 7th Street between H Street and I Street is expected to close 7th Street in this section permanently. Since 7th Street will no longer provide a continuous alternative to 6th Street through Umatilla, little or no diversion is expected in through traffic from 6th Street to local streets.

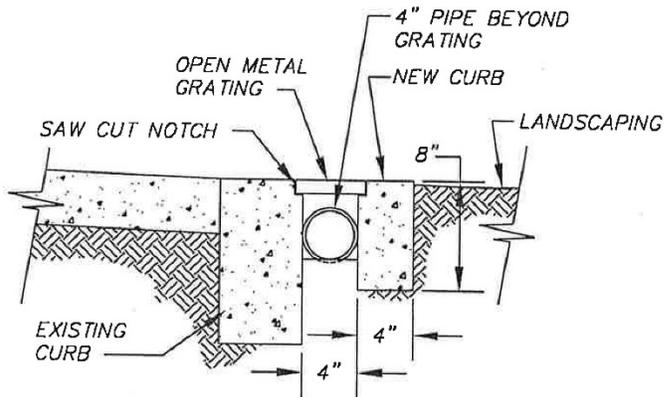
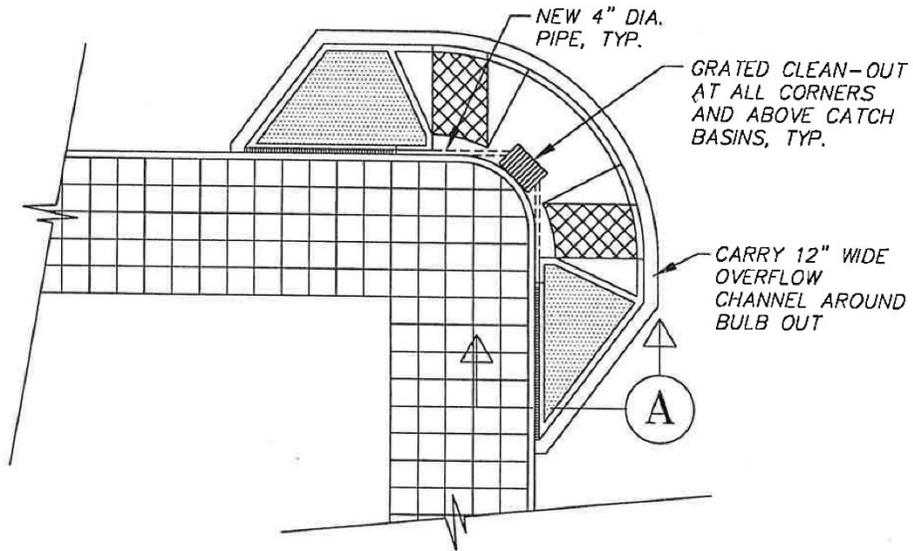
It is estimated that the reductions in travel speeds on 6th Street will also increase delay on the side streets by approximately five (5) to ten (10) percent. In addition, round-the-block circulation should not be impeded by the proposed medians and bulb-outs.

9.2.514 *Bulb-Out Design Detail*

The intent of the proposed bulb-out detail is to provide a compact layout for pedestrian access beyond the existing curbs in the downtown area. Seventy-five percent of the corners have no catch basins, and runoff is primarily directed to the north and west following the slope of the existing ground and adjacent highway grade. A small tapered landscaped area would be provided on either side of handicap ramps, with these ramps faced in two directions, set out from the present curb line. The bulb-out design detail described above is shown in *Figure 9.2-27*.

Drainage would pass underneath this bulb-out following the current flow line of the existing curb, utilizing a combination of an open top metal grated trough behind the landscaped area to provide for ease of cleanout, connections between this trough and around the corner with a grated hatch into a 4-inch pipe, with the additional construction of a 12-inch wide concrete apron around the bulb-out to carry overflows in the event of plugging of the drainage trough or 4-inch diameter pipe.

Downtown Revitalization and Circulation Plan
 Umatilla, Oregon



Bulb Out Design Standard Detail
 Figure 9.2-27

9.2.515 *Access Management*

Appendix 9A-4 has a detailed discussion of Umatilla's access management practice. The City's TSP documents the access management standards. The only proposed change to those standards by this plan is to update the ODOT facility standards to meet the standards set in the recently adopted 1999 Oregon Highway Plan (OHP). Also, the Downtown Core and Downtown Transitional areas should be considered as a Special Transportation Area (STA).

9.2.520 *Special Transportation Area Designation in Downtown Umatilla*

Access management is important to promoting safe and efficient travel for both local and long distance users along State Highway 730 in the City of Umatilla. The 1999 *Oregon Highway Plan* specifies an access management spacing standards and policies for state facilities. Although the City of Umatilla may designate state highways as arterial roadways within their transportation system, access management for these facilities follows the Access Management Spacing Standards of the 1999 Oregon Highway Plan. These spacing standards are based on highway classification, type of area and speed, which are shown in the appendix to this document. This section describes the state highway access management objectives and specific highway segment where special access spacing standards apply.

Highway 730 through the City of Umatilla is categorized in the 1999 Oregon Highway Plan as a Regional Highway. The primary function of these highways is to provide connections and links to regional centers, Statewide or Interstate Highways, or economic or activity centers of regional significance. The management objective of Regional Highways is to provide safe and efficient, high speed, continuous-flow operation in rural areas and moderate to high-speed operations in urban and urbanizing areas. A secondary function is to serve land uses in the vicinity of these highways. Inside STAs (Special Transportation Areas), local access is also a priority. Inside Urban Business Areas, mobility is balanced with local access.

To assist in implementing state access management standards and policies, the 1999 Oregon Highway Plan also recognizes that state highways serve as main streets of many communities, such as downtown Umatilla. Shorter block lengths and a well-developed grid system are important to a downtown area, along with convenient and safe pedestrian facilities. In general, downtown commercial arterial streets typically have blocks 200 to 400 feet long, driveway access sometimes as close as 100-foot intervals and occasionally, crosswalks, along with on street parking. The need to maintain these typical downtown characteristics must be carefully considered along with the need to maintain the safe and efficient movement of through traffic. The Oregon Highway Plan recognizes the main street function through the designation of Special Transportation Areas (STAs).

9.2.521 *Special Transportation Area*

A Special Transportation Area (STA) is a designation that may be applied to a state highway, when a downtown, business district or community center straddles the state highway within a community's urban growth boundary. STAs can include central business districts but they do not apply to whole cities or strip development areas along individual highway corridors.

The primary objective of a STA is to provide access to community activities, businesses and residences, and to accommodate pedestrian, and bicycle movements along and across the highway

in a compact central business district. An STA designation will allow reduced mobility standards, accommodate existing public street spacing and compact development patterns, and enhance opportunities to provide improvements for pedestrians and bicyclists in the downtown area. Inclusion in an STA allows for redevelopment with exception to the proposed access management standards.

Access management in STAs corresponds to the existing city block for public road connections and discourages private driveways. However, where driveways are allowed and land use patterns permit, the minimum spacing for driveways is 175 feet or mid-block if the current city block spacing is less than 350 feet. In addition, the need for local street connections may outweigh the consideration of maintaining highway mobility within an STA.

In Umatilla, the area along Highway 730 between “A” Street (milepost (M.P.) 182.66) and River Road (M.P. 183.52) exemplifies the design features that would be consistent of an urban downtown area designated as an STA. Within this mile segment, buildings are spaced close together, parking is on street, and the posted speed limit is 25 m.p.h. The compact development pattern qualifies this area for an STA highway segment designation.

After adoption of the TSP by the Umatilla City Council and a finding of compliance with the Oregon Highway Plan, the City of Umatilla and ODOT Region 5 may jointly designate this segment of Highway 730 as an STA through a Memorandum of Understanding (MOU). The MOU should incorporate by reference the TSP and the following STA Management Plan provisions.

9.2.522 Special Transportation Area Management Plan

The Umatilla STA is located on the portion of Highway 730 (6th Street) between the intersections of “A” Street (M.P. 182.66) and River Road (M.P. 183.52), which is located completely within the urban growth boundary and city limits of the City of Umatilla.

The primary objective of the Umatilla STA is to provide access to community activities, businesses and residences, and to accommodate pedestrian, and bicycle movements along and across the highway in the city’s central business district.

The designation of an STA in Umatilla is intended to accommodate the existing public street spacing and compact development pattern. Specific access management conditions for the Umatilla STA on Highway 730 include:

- a) Minimum spacing for public road connections at the current city block spacing of 200 feet.
- b) Public road connections are preferred over private driveways. Private driveways are discouraged in an STA.
- c) Where land use patterns permit, ODOT will work with the City and property owners to identify appropriate access to adjacent property owners within the STA.
- d) Where a right to access exists, access will be allowed to property at less than the designated spacing standard only if the property does not have reasonable alternative. If possible, other options should be considered, such as joint access.

- e) Where a right to access exists, the number of driveways to a single property shall be limited to one. ODOT will work with the City and property owners if additional driveways are necessary to accommodate and service the traffic to the property, and will not interfere with driver expectancy and the safety of through traffic on the highway.
- f) Driveways shall be located where they do not create undue interference or hazard to the free movement of normal highway or pedestrian traffic. Locations in areas of restricted sight distance or at points that interfere with the placement and proper functioning of traffic control signs, lighting or other devices that affect traffic operation will not be permitted.
- g) If a property is landlocked (no reasonable alternative exists) because a driveway cannot be safely constructed and operated and all other alternatives have been explored and rejected, ODOT might be required to purchase the property. However, if a hardship is self-inflicted, such as by partitioning or subdividing a property, ODOT has no responsibility for purchasing the property.

Traffic on the state highway operates at LOS C or better, which correlates to maximum volume to capacity ratio of 0.69. Increase in traffic volumes over the 20-year projection period is expected to increase significantly based on Umatilla's Transportation System Plan in Chapter 12. The level of service and correlating volume to capacity ratio is projected at LOS E and F which correlates to a volume to capacity ratio greater than 0.80 which is the maximum standard for Highway 730 within the city's urban growth boundary. This projection from the TSP is based on an aggressive growth assumption, which may not occur. The volume to capacity ratio of Highway 730 through the STA area of Umatilla should be monitored periodically to assure that the state highway is operating at or better than the established standard.

To maintain highway mobility through an STA in Umatilla, land use development decisions (within the urban growth boundary) shall not cause traffic flow to exceed a volume to capacity ratio of 0.80. The posted speed limit in the STA is currently and will remain at 25 miles per hour as allowed by state statute in a business district. Curb (parallel or perpendicular) parking is permitted in the STA, provided minimum sight distance requirements are met for all public road connections and private driveways. Parking in this area is adequate at this time. No signals or traffic control devices currently exist in this area.

To enhance Highway 730 for pedestrians and bicycles, there is a proposal to change the use of the existing street cross-section. Highway 730 is currently a three-lane roadway with parallel parking on both sides of the street. Sidewalks generally exist along the highway but no bike lanes exist. The proposal is to restripe Highway 730 to include one travel lane in each direction, maintain the on-street parking, and stripe bicycle lanes on both sides of the highway. In addition, medians are planned in place of the center turn lane in certain sections. The proposed cross-section was shown previously in *Figure 9.2-18*.

The designation of an STA in Umatilla further identifies the need to accommodate pedestrian, and bicycle movements along and across the highway in the central business district. The recommended urban arterial standard within the STA consists of an 80-foot right-of-way with a paved width of 60 feet that includes two 11-foot travel lanes, 6-foot bike lanes, 7-foot parking strip on each side of the road, and a center median of 12 feet. The standard includes 8 to 10 foot

sidewalks on each side of the road that includes a four-foot furniture zone that can accommodate street lighting and street trees. To accommodate bicycle movements along the highway, bike lanes should be installed along the entire length of the STA boundary. Bulb-outs have also been proposed throughout most of the STA area. *Figure 9.2-23*, shows the locations where bulb-outs are being proposed. There are no other bicycle and pedestrian improvements identified in this area.

Another essential component to accommodate pedestrians in an STA is street crossings. There is one crosswalk enhancement proposed. *Figure 9.2-19* shows the proposed crosswalk improvements to the intersection of Highway 730 (6th Street) and “I” Street. There are no other specific crosswalk enhancements or safety improvements recommended within the STA at this time other than the bulb-outs previously mentioned. Future improvements and modifications to the highway within the STA and within the curb line, or if no regular established curb, to the right-of-way utilized for highway purposes will be made in accordance with the Oregon Highway Design Manual and with ODOT approval.

Existing maintenance and operational strategies along Highway 730 will be employed within the STA, consistent with Oregon Revised Statute 373.020, as follows:

- ODOT shall be responsible for the ongoing maintenance of: a) the roadway surface between curbs, or if no regular established curb, to that portion of right-of-way utilized for highway purposes b) painting centerline stripe, c) designated school crosswalk delineation, directional and regulatory signs except those signs described as the City’s responsibility and d) plowing snow one blade-width of centerline stripe provided there are no conflicts with utilities.
- City shall be responsible for the on-going maintenance of: a) storm sewer system, b) sidewalks, c) landscaping, d) luminaries, e) U-turn signs, parking signs, and street name signs, f) painting parking-stripes and other pavement delineation not described as ODOT’s responsibility, and g) snow removal from parking strip.

Future improvements and modifications to the highway within the STA will include maintenance and operational strategies with ODOT and City approval.

9.2.600 *IMPLEMENTATION*

Implementation concepts can be broadly categorized as either downtown redevelopment strategies or changes to policies and plans. Redevelopment strategies will enable the City to create an economic development program to make it more attractive to commercial and industrial businesses. The strategies also identify funding sources to assist with implementation of public improvement projects defined in the Plan. Ideally, changes in regulatory policies should remove any regulatory obstacles to development within downtown Umatilla and guide prospective development to achieve the community's goals. This chapter begins with a discussion of downtown redevelopment strategies and then identifies recommended changes in regulatory policies such as the Comprehensive Plan and Zoning Ordinance.

9.2.610 *Downtown Redevelopment Strategies*

The civic center concept and other conceptual design work done to date for this project will be helpful in the creation of a more compact downtown and a sense of place. However, it appears the City of Umatilla also needs to address commercial development and business recruitment and retention at a more basic level. This section primarily speaks to those issues, but also identifies potential funding sources for both proposed improvements to the downtown and commercial development.

While undergoing efforts to improve the physical appearance of the City and encourage commercial development it will be important to keep in mind that getting the first few new businesses in will be the most difficult. Also, it will most likely be easier to get new businesses in than to get existing businesses to relocate.

Development of tools for marketing and business recruitment will be a necessary first step.

9.2.611 *Getting Ready for Economic Development/Marketing*

Most economic development and marketing activities begin with compilation and interpretation of background data. Getting the work done can be challenging because of the time commitment required and what often seems a lack of immediate results. However, long-term success at improving the economic vitality of Umatilla may hinge on getting this up-front homework done. Key development/marketing tools could be expected to include:

1. *Business and property inventories.* Such an inventory would include information on land and building sizes, current use, and property ownership. A database can be used to store this information. Periodic updating of the business and property database is recommended as information about individual properties change, or at least once a year.
2. *Contact and survey Umatilla business and property owners.* Surveying these groups both provides key information and a critical opportunity to get their buy-in on the City's efforts. Completed questionnaires should be entered into a computer database. A brief report summarizing results should be prepared and made available to City staff as well as participants. Care should be taken to assure 1) that questions are limited in number and will provide usable results, and 2) results are aggregated in the report in such a way that confidential information is not attributed to any particular business or property owner.

3. *Coordinate customer survey(s)*. Two optional approaches may be taken to surveying current and/or prospective customer bases. The first technique involves use of *intercept* surveys — targeted to those who already come to area businesses. Examples of ways to conduct intercept surveys include: 1) distribution of survey cards by business owners to customers passing through the premises (with drop boxes available for completed survey cards); or 2) posting volunteers who ask survey questions at cooperating businesses and/or strategic places such as key street corners.

A second optional approach involves gathering a *random sample* of the population of Umatilla trade area and (potentially) beyond. The most common way to conduct this type of survey is through a telephone survey, with as many completed responses as possible obtained for statistical validity.

4. *Organizing economic and demographic data in a form useful for marketing Umatilla*. The final piece of the data collection effort involves organizing key information into a marketing piece useful to the City's marketing efforts. The purpose is to provide statistical indicators of business potential to market to possible investors. Demographic and economic indicators typically covered include:

- Population — and change over time.
- Age of population — compared with county or city-wide averages.
- Number of households — and household size.
- Household incomes — and change over time.
- Business cluster analysis — to define the mix that is uniquely Umatilla.
- Umatilla employment — and change over time.
- Sales leakage estimates — both for retail and services.

Focus should be placed on the positive trends; for instance increasing incomes, households with family needs, product orientation to take advantage of growing Hispanic population. In addition, updates to this information should be made as needed; especially when there are significant new data sources available (such as the year 2000 Census).

9.2.612 *Marketing Approach & Products*

What should be done with all this market information? Several specific products and activities are recommended. For each step recommended here, it will be necessary to identify responsible parties.

1. *Assemble a business development/marketing package*. Whether the target is the owner of an existing business or a prospective investor or developer, the best results are obtained by *customizing* information to the needs and interests of the recipient. Economic development organizations often find that a well-designed folder with pockets for a variety of materials provides the greatest flexibility together with ease of presentation.

Examples of materials that could be readily compiled follow. These could be available on computer and provided as needed. Each particular insert might be anywhere from 1-4 pages long:

- Summary results of customer, business and property owner surveys -- with particular focus on identified business gaps/opportunities.
 - Business inventory/directory and map.
 - Target business list — with reasons why Umatilla represents a good location choice for each business type targeted.
 - Success stories — highlighting examples of businesses that have done well in Umatilla and why (ideally with photos and quotes from the owners).
 - Listing of available properties together with rental rates and/or sales prices -- prepared in collaboration with property owners, management companies or realtors as appropriate.
 - Historical information and general description of the City of Umatilla -- including incentive programs and other financial assistance available.
 - Summary of community demographic and economic trends.
2. *Prepare a business directory.* The directory should include a map of the district showing business locations, cross-referenced by type. If possible, the directory should be updated annually. A completed business directory can serve multiple audiences — including visitors, regular customers and employees, though its intended use may be primarily for insertion in business development/recruitment folders.
 3. *Organize a business recruitment program.* Once the data tools and marketing package are in place, it is time to put all of this information to good use. The most effective recruitment program begins locally and expands outward. First, identify current district business and property owners who may have the resources or know-how to open targeted business. After local contacts have been made, identify and contact successful businesses operating elsewhere in the county that might represent a *good fit* for a Umatilla location. Final areas of contact may include selected comparable businesses elsewhere in the Northeast Oregon/ Southwest Washington region.

For maximum effectiveness, a *tag team* approach is suggested for contacting desired businesses. This approach involves a recruitment coordinator and an individual who has an existing or potential peer relationship with the type of business being solicited (such as members of a local chamber of commerce or merchants association or even an ad hoc committee). A database of business contacts should be maintained with a tickler file for follow-up as warranted.

4. *Define and activate business finance and incentive programs.* Business finance programs may include anything from a façade improvement program to the possibility of setting up a shared risk pool focused on business lines of credit for existing or start-up businesses.

For instance the City of Pendleton created an incentive and marketing program for a four-block area in the downtown. The City, Pacific Power, RCDC, but primarily a grant from Oregon Economic and Community Development Department funded this program. It is a one-time program that continues until the \$45,000 is spent. The incentive program is structured so that if a business moves into the four-block area it receives \$1.00 for every square foot (SF) leased,

\$0.25 per SF for advertising, and \$200 for educational purposes. The goal is to cut vacancies in the four-block area in half. Funds are also going toward the downtown's share of freeway billboard cost and promotions of main street area. Reportedly the incentive program is probably not bringing in businesses to downtown Pendleton but businesses coming in are getting off to a stronger start.

5. *Plan and execute Umatilla promotions and events.* Specific business district-related events and promotions could play an important role, especially as the commercial district becomes more active. Potential events may be focused toward the general public or customers, or aimed at business recruitment targets. Results of the surveys and demographic and economic analysis may suggest opportunities for events that address Umatilla's best market prospects (for instance a Cinco de Mayo event).
6. *Jointly promote and advertise.* Promotional efforts need not be limited to events. Better information on business/property owner and customer interests should make it possible to fashion cooperative business promotion and advertising campaigns. Whatever the opportunity, the decision of where to spend marketing resources will be more informed and have a greater chance for success if based on solid marketing data. Celebrate the City's racial and ethnic diversity, the history of Umatilla, and the City's roles as the location where the Columbia River reaches Oregon and as a gateway to the state.
7. *Cultivate strategic partners.* Let potential financial partners know about efforts being made, including results of studies and surveys. One of the goals should be to increase awareness of the City of Umatilla and the potential role that the City can play in the overall economic development of county and region. Cultivating this interest is important, because it can evolve into financial partnerships required for complex public/private development.

In addition to the aforementioned marketing approaches, it is important to make the process for starting a business in Umatilla as easy and pleasant as possible. Providing clear zoning codes/ordinances without too much room for administrative discretion, including specific use lists with a limited number of uses relegated to conditional use. In order to stimulate activity, the City may want to be liberal in that most uses are allowed somewhere. For instance, auto related uses may not be allowed in the downtown core but should be allowed at interchange. The focus should be to make it simple and straightforward to locate in Umatilla.

9.2.620 *Potential Funding Sources*

The following two tables list potential funding sources for strategic investment in downtown Umatilla. The first table includes the most commonly used or high-priority funding resources and the next table includes other or secondary resources.

Table 9.2-11. Potential Funding Sources for City of Umatilla Strategic Investment

Commonly Used/High Priority Funding Sources	
Funding Resource	Description
City of Umatilla	City funds for downtown projects can come from the general fund or a dedicated fund. Examples of dedicated funds include transient room tax, meal tax, etc. Detailed descriptions of some of dedicated funding resources follow.
Local Improvement District (LID)	LIDs are used to finance public improvements and facilities by distributing the cost of the improvements to surrounding property owners. Costs are typically distributed to property owners by street footage or land area, but can also be allocated based on size or assessed value of property or building. LIDs allow property owners to finance their assessment over time at the cost of public borrowing.
Economic Improvement District (EID)	EIDs are an alternative to type of assessment district exclusive to commercial and industrial areas. EIDs can be used to fund intangible improvements such as planning, management, promotion or maintenance in addition to development or improvement activities. Assessments cannot exceed 1% of real market value of property located within the district in any given year.
Revolving Loan Funds	The City can develop and provide revolving loan funds for infill projects. Specific eligibility requirements can be attached to these funds. This is especially useful where attention to detail is required.
Tax Increment Financing (TIF)	Tax increment financing provides dedicated public funds for planned physical improvements in a specific geographic area. This process requires designation of a “blighted”* Urban Renewal Area, creation of an Urban Renewal Agency and development of Urban Renewal Plan. Tax increment funds accumulate through increases in property values in the renewal district. Recent small town strategies have included structuring the URA to include both downtown commercial areas and those along highways. In this way development along the highway also functions as a source of tax increment funding that can be utilized for redevelopment of the downtown.
Business License Fee	Business license fees are placed on businesses within certain boundaries (for instance within an EID). The business license fee may be in the form of a surcharge on an existing license fee. The City is responsible for collection of fees and disbursement of funds.
Transient Room Tax	Additional funding could also potentially come from reallocating a percentage of the transient room tax (TRT) for debt service on revenue bonds or by increasing the tax rate.
Community Development Block Grants (CDBG)	Funds are available on a competitive basis for public improvements that benefit low/moderate income households. Some cities have received funding for public improvement projects or loans for private businesses for economic development purposes.
Oregon Housing and Community Services (OHCS) Community Incentive Fund	This fund is one part of the “Oregon Livability Initiative” and provides financing for development projects which help communities meet one or more of the following objectives: 1) Create more jobs in distressed ² communities that want economic growth; 2) increase the supply of affordable housing near jobs and transportation; 3) Reduce sprawling development patterns; 4) Revitalize urban centers, downtowns, and main streets. Awards have been determined for the current biennium. The earliest new applications would be accepted is fall of this year subject to legislative refunding of the program. A well-defined project scope and budget and committed financial resources on the part of submitters is necessary to compete effectively for these funds.

² The economic distress index as employed by Oregon Economic and Community Development is used.

Table 9.2-11. Potential Funding Sources for City of Umatilla Strategic Investment - (continued)

Commonly Used/High Priority Funding Sources	
Funding Resource	Description
Oregon Department of Transportation (ODOT), Transportation Enhancement Program	Oregon Department of Transportation (ODOT) has financial assistance programs, such as the Transportation Enhancement Program, to help implement projects such as the pedestrian and streetscape improvements. This program allocates federal TEA-21 funding for projects to enhance the cultural, esthetic, and environmental value of the state's transportation system. Federal funding is available to a maximum of 89.73%. Matching funds are a minimum of 10.27% of the project cost.

Table 9.2-12 Potential Secondary Funding Sources

Other Possible Sources	
Funding Resource	Description
Business Gross Receipts Tax	This is an excise tax on gross or net income earned by business activity. The fee amount can be based on the net income or gross receipts minus cost of goods sold. Gross receipts subject to such a tax must usually be based on local transactions. For example, Portland's tax is based on net income and is currently at a rate of 2.2%
County/Municipal Bonds	These are bonds issued by a county or municipality. The tax-exempt bonds are used to finance public capital improvements. The bonds may either be voted or non-voted. Bonds must fall within the city's allowable debt capacities.
Current Employee Tax	This can be a payroll tax or a tax on businesses in which the fee scale is based in part on the number of employees or employee income.
Fuels Tax	This is a tax on gasoline and diesel fuel. In Oregon, two counties and three cities have their own local fuels tax. Rates range from 1-3 cents per gallon. These funds are typically dedicated to transportation improvements. In Umatilla's case could be allocated to improvements on 6 th Street/ Hwy 730.
Restaurant Meals Tax	A selective sales tax on the purchase price of meals served in public establishments, this tax is added onto the patron's bill. Revenues are based on rates typically ranging from 1% to 5%. It appears the State has preempted the possibility of including alcoholic beverages in the tax. Ashland is currently the only city in the state with a meal tax. Corvallis and Seaside failed when they tried to enact this tax.
Special Assessments for Street Lighting, Maintenance and Cleaning	Subject to voter approval a city may collect assessments on property within its boundaries for street lighting, maintenance or cleaning which benefit the property. The associated measure needs to focus on the provision of one service. Assessments for street lighting can include an amount sufficient to pay for construction, reconstruction, modification, installation, operating and maintenance costs
Private Donations	Occasionally funds are made available from private sources. An endowment fund, one time or ongoing contributions can fund a position, program or street furnishing. These private contributors may include major employers or citizens. This kind of funding strategy is usually most successful for: (a) A non-profit facility like museum or interpretive center; (b) arts and cultural organizations / events, (c) for a critical economic development initiative with major private sector leadership; or (d) beautification items such as benches or fountains which can bear a plaque with the name of the contributor.

*Note: "Blighted" indicates that because of unsafe structures, deterioration, faulty planning, harmful land use or inadequate facilities the area is detrimental to the welfare of the community.

9.2.630 *Policies and Plans*

Generally, the Downtown Revitalization Plan is consistent with the goals, findings and policies adopted in the City's Comprehensive Plan; however, the City's Plan, published in December of 1977, is outdated. To implement the Downtown Revitalization Plan, revisions to the Umatilla Comprehensive Plan and Zoning Ordinance are included under Sections 9.2.631 and 9.2.632.

9.2.631 *Umatilla Comprehensive Plan*

9.2.631(1) *Land Use:*

The Downtown Revitalization Plan is consistent with the Land Use section (Chapter 2) of the Comprehensive Plan for the reasons listed below.

The Downtown Revitalization Plan was based on the 1990 Census figures, preliminary figures released from the 2000 Census, and locally developed data from stakeholder interviews. Combined, the census figures provided sufficient information on projected population growth and economic development to use in the Downtown Revitalization Plan. As additional 2000 Census data becomes available, it may provide additional insight needed for implementation.

The location and capacity of city services is not anticipated to be an issue with the implementation of the improvements proposed in the Downtown Revitalization Plan due to the nature of the improvements. The improvements are confined to streetscape projects that should not significantly affect the physical location of utilities or their capacity. Utility location and capacity issues should be investigated at the time of new building construction or building renovation.

Information on the existing land use patterns in downtown Umatilla and surrounding areas was incorporated during the planning and analysis process. Plan recommendation carefully considered the existing land use pattern and developed recommendations based on city goals and findings.

Projected land use needs for Umatilla are documented in Chapter 14, Sections 14.2 and 14.3. This information is deemed reliable. The Downtown Revitalization Plan is consistent with the Buildable Lands Analysis. The Plan assumes growth that is well within the range outlined in the Buildable Lands Analysis. Based on this Comprehensive Plan policy, the City should consider whether the policy is met, particularly with respect to findings on natural resources and public services capacity. The City should also consider a complete revision of the Comprehensive Plan, given it was completed twenty-four years ago and the planning time horizon used was 2000.

The Downtown Revitalization Plan was developed in a manner consistent with the Comprehensive Plan goal for citizen involvement. Several means of soliciting citizen involvement were used including a questionnaire, community visioning, and numerous public workshops. More information about the citizen involvement process is included in Section 9.2.300.

Because the Downtown Revitalization Plan encourages compact growth in the downtown area, it supports the City's land use Finding 2.5.101 of minimizing development costs. The Plan is also consistent with the City's policy of encouraging new development within the area served by public utilities.

Revisions to downtown zoning designations recommended by the Downtown Revitalization Plan are intended to improve neighborhood quality and identity, as stated in Comprehensive Plan land use Finding 2.5.103. Creation of a new Downtown Residential zone in downtown Umatilla is intended to promote new types of housing compatible with Downtown Commercial activities. The zoning supports the housing policy stated in the Comprehensive Plan to provide a diversity of housing types.

The Downtown Revitalization Plan functions as an Area Plan for the downtown. The study area for the Downtown Revitalization Plan shall be used to establish the Area Plan boundary for the purposes of the Comprehensive Plan amendment and changes to the Comprehensive Plan map. The Plan boundary is described below.

The study area, or Area Plan boundary, consists of a portion of the City of Umatilla, bounded on the north by the Union Pacific Railroad and on the west and south by the Umatilla River. The area extends eastward ending at the Highway 730 overpass over the railroad tracks. The southeast portion of the area includes public school properties and playing fields and also includes two city blocks west of Sloan Avenue. The southeast portion of the area does not include land located beyond the railroad spur, which loops to the southeast to a point south of Sloan Avenue.

9.2.631(2) Transportation

The Downtown Revitalization Plan supports the transportation policies stated in the Comprehensive Plan by:

- Encouraging pedestrians circulation;
- Providing transportation alternatives to personal vehicles by creating a pedestrian and transit-friendly downtown;
- Limiting points of access along U.S. 730;
- Reviewing pedestrian circulation problems downtown; and
- Promoting adequate linkages between uses.

9.2.631(3) Urbanization

The purpose of the Downtown Revitalization Plan is directed at achieving urbanization objectives and policies stated in the Comprehensive Plan; specifically Policy 14.9.102, to promote “functional efficiency and visual attractiveness of public and private properties.”

9.2.632 Umatilla Zoning Ordinance

A careful review of the Umatilla Zoning Ordinance indicates that a few important changes to the Ordinance are required to implement the development concepts envisioned by the Downtown Revitalization Plan. No revisions to regulatory processes are required or desirable. The development approval process should remain relatively simple to encourage development.

Generally, the ordinance revisions are intended to achieve three objectives:

- Focus Downtown Commercial development where it is likely to be most successful,
- Create opportunities for a vital mixture of commercial and residential activities, and
- Define a transition of land uses from the interchange to the downtown core that will provide a wide variety of opportunities for commercial development.

The following changes implement the Plan. First, the Downtown Commercial zone has been reduced in size to concentrate development in an area that is more pedestrian in scale. Second, a new Downtown Residential zone has been designated to allow a mixture of professional office and residential uses that are compatible with the downtown core. Another new zone, Downtown Transitional (DT), has been developed that can accommodate either an extension of Downtown Commercial uses, or as a conditional use small-scale auto-oriented commercial activities. Finally, minor revisions to the Downtown Commercial zone were made to increase density and create an environment more suitable for pedestrians.

SECTION 9.3 DESTINATION MANAGEMENT PLAN

Tourism industry has significant potential in Umatilla. In 2018 City and Chamber worked together with a private consultant to identify opportunities for tourism development. After a robust public involvement process, a Destination Management Plan recommended focus on four key areas of destination development, fishing and river activities, expansion of outdoor sports complex and activities, development of a trail along the Umatilla River and clearing of invasive species along the Umatilla and Columbia Rivers to open up the viewshed to and from the river. City is working to implement the plan, which will in turn increase demand and opportunity for restaurants and retail and lodging as well as enhance the overall livability of the city.

SECTION 9.4 ECONOMIC DEVELOPMENT POLICIES

- 9.4.101 The City will provide an adequate supply of development sites, as per State requirements, to accommodate anticipated employment growth with the public and private sectors and will encourage new and continuous employment opportunities. The City will provide lands with a variety of sizes, zoning and other characteristics needed by firms likely to locate in the City of Umatilla and maintain a 20-year supply of such lands.
- 9.4.102 The City will coordinate with the Port of Umatilla, Umatilla County, Business Oregon and other local partners on local and regional economic development projects.
- 9.4.103 The City will establish districts with tax abatements, loans, subsidized infrastructure, reduced regulations or other incentives available to businesses in the district that met specified criteria.

- 9.4.104 Within the downtown area, the City of Umatilla shall encourage development of a pedestrian-oriented town center that combines both commercial and public activities and is intended to become a community gathering place.
- 9.4.105 The Downtown Commercial (DC) District is intended to provide a concentrated central business district centered on 6th Street, Highway 730. The district allows a mix of civic, retail, service, and office uses, designed to be pedestrian-friendly and oriented towards fronting streets and sidewalks.
- 9.4.106 In portions of the downtown area, the City of Umatilla shall allow for a variety of commercial opportunities accessible by pedestrians and vehicles alike that are compatible with the pedestrian scale of downtown. The Downtown Transitional (DT) District provides for a transition of uses between General Commercial uses found near the interchange and Downtown Commercial uses, which are more pedestrian in scale. The District is primarily intended to accommodate Downtown Commercial uses, which are pedestrian-friendly and oriented toward the street; however, the District is designed for greater flexibility by allowing certain General Commercial uses that require sites located closer to the downtown.
- 9.4.107 Within the downtown area, the City of Umatilla shall establish a Downtown Residential (DR) District to encourage improved land use compatibility between Downtown Commercial and residential uses. The intent of the DR District is to accommodate residential or professional office projects near the downtown core.

Exhibit B – Economic Opportunity Analysis



ECONOMIC OPPORTUNITIES ANALYSIS (OREGON STATEWIDE PLANNING GOAL 9)

Prepared For:
The City of Umatilla, Oregon

October 2019



Acknowledgments

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

Advisory Committee

Mary Dedrick, Mayor

Ashley Wheeler, City Council

Bruce McLane, Planning Commission

Jodi Hinsley, Planning Commission

Kim Puzey, Port of Umatilla

Joseph Franell, Eastern Oregon Telecom

Tami Sinor, Umatilla Electric Cooperative

Lori Wyman, PacifiCorp

Bill Clemens, PacifiCorp

Cheryl Jarvis-Smith, Oregon Department of Transportation, Region V

Ryan DeGroft, Confederated Tribes of the Umatilla Indian Reservation

City Staff

David Stockdale, City Manager

Tamra Mabbott, Community Development Director

Brandon Seitz, Senior Planner

Consultants

Jerry Johnson, Johnson Economics

Brendan Buckley, Johnson Economics

State of Oregon Staff

Phil Stenbeck, Eastern Regional Representative, DLCD

Thanks To

City of Umatilla

Umatilla County

City of Umatilla
PO Box 130
700 Sixth Street
Umatilla, OR 97882
(503) 922-3226

Johnson Economics
621 SW Alder Street
Suite 605
Portland, OR 97205
(503) 295-7832

Table of Contents

I.	INTRODUCTION	1
II.	ECONOMIC TRENDS	2
	NATIONAL TRENDS.....	2
	UMATILLA COUNTY & CITY OF UMATILLA ECONOMIC TRENDS.....	7
	Population and Workforce	15
III.	TARGET INDUSTRY ANALYSIS.....	19
	ECONOMIC SPECIALIZATION	19
	ECONOMIC DRIVERS.....	21
	ECONOMIC DEVELOPMENT ASSETS.....	23
	TARGET INDUSTRY CLUSTERS.....	24
	Data Centers/ Cloud Storage Services	24
	Manufacturing (Traditional and Advanced).....	25
	Tourism and Retail.....	25
	Transportation, Warehousing and Distribution.....	26
	Health Care	27
IV.	FORECAST OF EMPLOYMENT AND LAND NEED	28
	CITY OF UMATILLA EMPLOYMENT FORECASTS	28
	Overview of Employment Forecast Methodology	28
	Scenario 1: Safe Harbor Forecast	29
	Scenario 2: Alternative Employment Forecast	30
	Summary of Employment Forecast Scenarios	30
	EMPLOYMENT LAND NEED FORECAST – CITY OF UMATILLA.....	32
	Land Demand Analysis (Adjusted Forecast)	33
	EMPLOYMENT LAND NEED FORECAST – NEEDED SITE SIZES	35
	Additional Considerations in Land Demand	36
V.	CURRENT EMPLOYMENT LAND SUPPLY	37
	BUILDABLE LAND INVENTORY	37
	BUILDABLE LAND INVENTORY VS. 20-YEAR LAND NEED.....	41
VI.	EMPLOYER SITE NEEDS VS. BUILDABLE LAND SUPPLY	42
	Estimated 20-Year Site Needs vs. Current Supply	42
	Identified Industrial Site Deficits	44
	APPENDIX A: SITE REQUIREMENTS	46
	General Requirements:.....	49
	Site Requirements:	49
	APPENDIX B: BUILDABLE LANDS INVENTORY REPORT	

I. INTRODUCTION

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

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

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

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

This analysis reflects changes in employment, land supply, and macro-economic trends since the city of Umatilla last reviewed local economic development policies.

II. ECONOMIC TRENDS

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

NATIONAL TRENDS

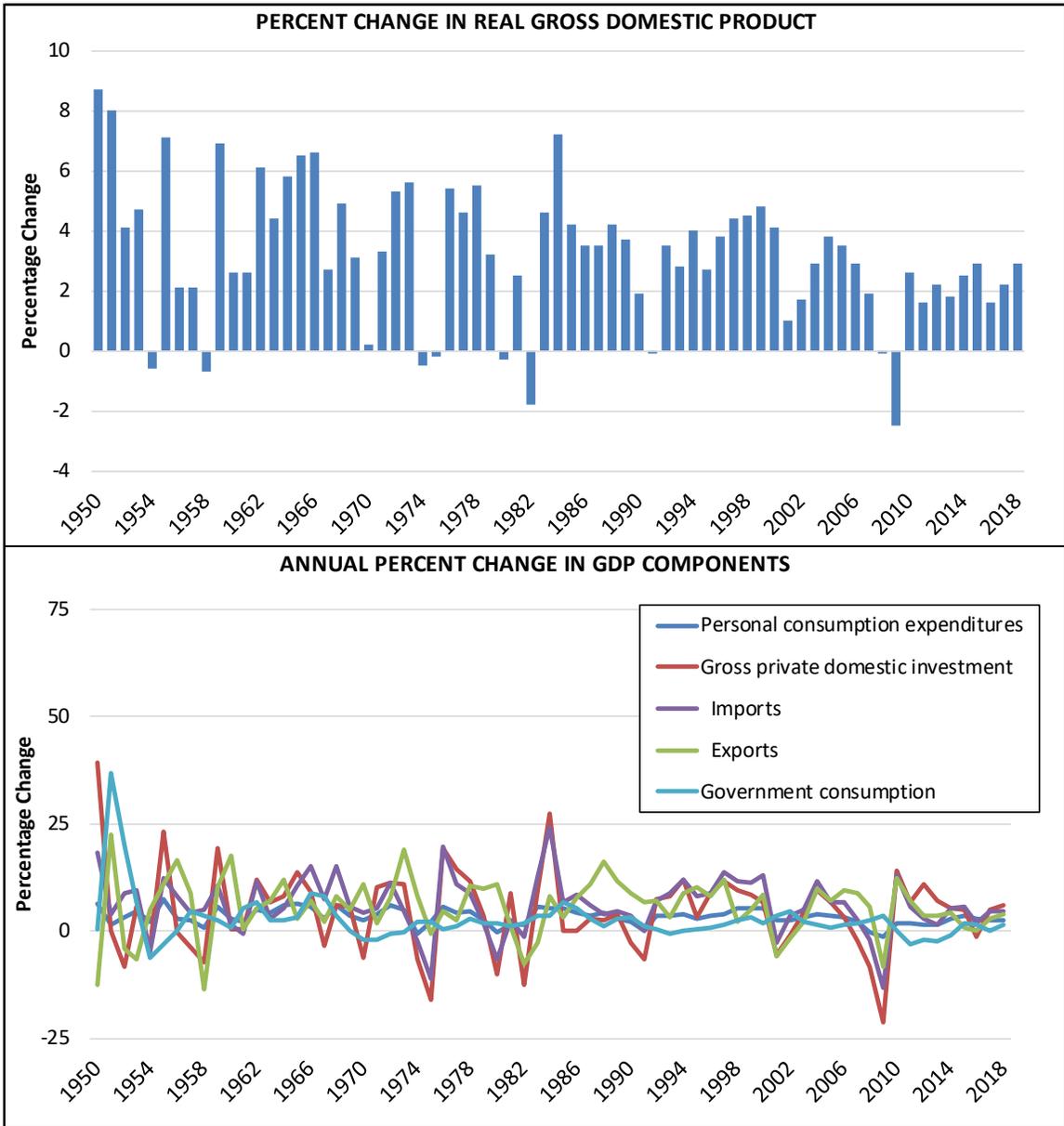
The long-term trend indicates that the United States economy has settled into a moderate growth trajectory at around 2.0% per year, after growing at above 4.0% per year during the 1960s and above 3.0% per year between 1970 and 2000. While the overall growth pace is moderating, there has been a shift within the economy from consumption of goods to consumption of services, especially services oriented around personal wellbeing (health, private education, finance). This reflects increasing levels of wealth and discretionary income in the population. Growth in fixed investment (equipment and structures) and government defense spending is also moderating – making manufactured goods a less significant part of the economy.

Increasing international trade led to strong growth in imports during the 1990s and 2000s, partly due to U.S. firms offshoring operations to lower-cost markets. Exports also grew over the period, but at a slower pace. The offshoring trend has partially reversed in the current decade, due to rising costs and greater awareness of cultural barriers and various associated risks. Greater emphasis on leaner and more agile supply chains, combined with demand for customized products and rapid delivery, has also contributed to growth in domestic production. This impact has been greatest in auto manufacturing. Despite this “reshoring” trend, imports from Asia continue to grow at a faster clip than domestic manufacturing.

The most commonly used measure of economic prosperity is real gross domestic product (GDP) per capita. Real GDP per capita is essentially a measure of national wealth considered on an individual basis, and the increased purchasing power of the population translates into greater investment in health care, education, housing, leisure, and many other sectors. U.S. real GDP per capita remains stable. Over the last century, the average annual growth rate has been 1.8%, despite considerable shifts in economic and social conditions—a finding that suggests long-term economic growth is more closely related to broad trends, such as population growth and investment in physical and human capital, than temporary economic fluctuations, like the recent recession and government policy.

The “Great Recession” officially spurred six consecutive quarters of negative economic growth in 2008 and early 2009. The depth and duration of this downturn was the most pronounced since World War II. The current expansion cycle has been sustained yet the pace of growth is modest to date. Credit markets have been more stringent, businesses are more cautious, and housing construction has yet to emerge as a driving catalyst.

FIGURE 2.01: NATIONAL GROSS DOMESTIC PRODUCT TRENDS

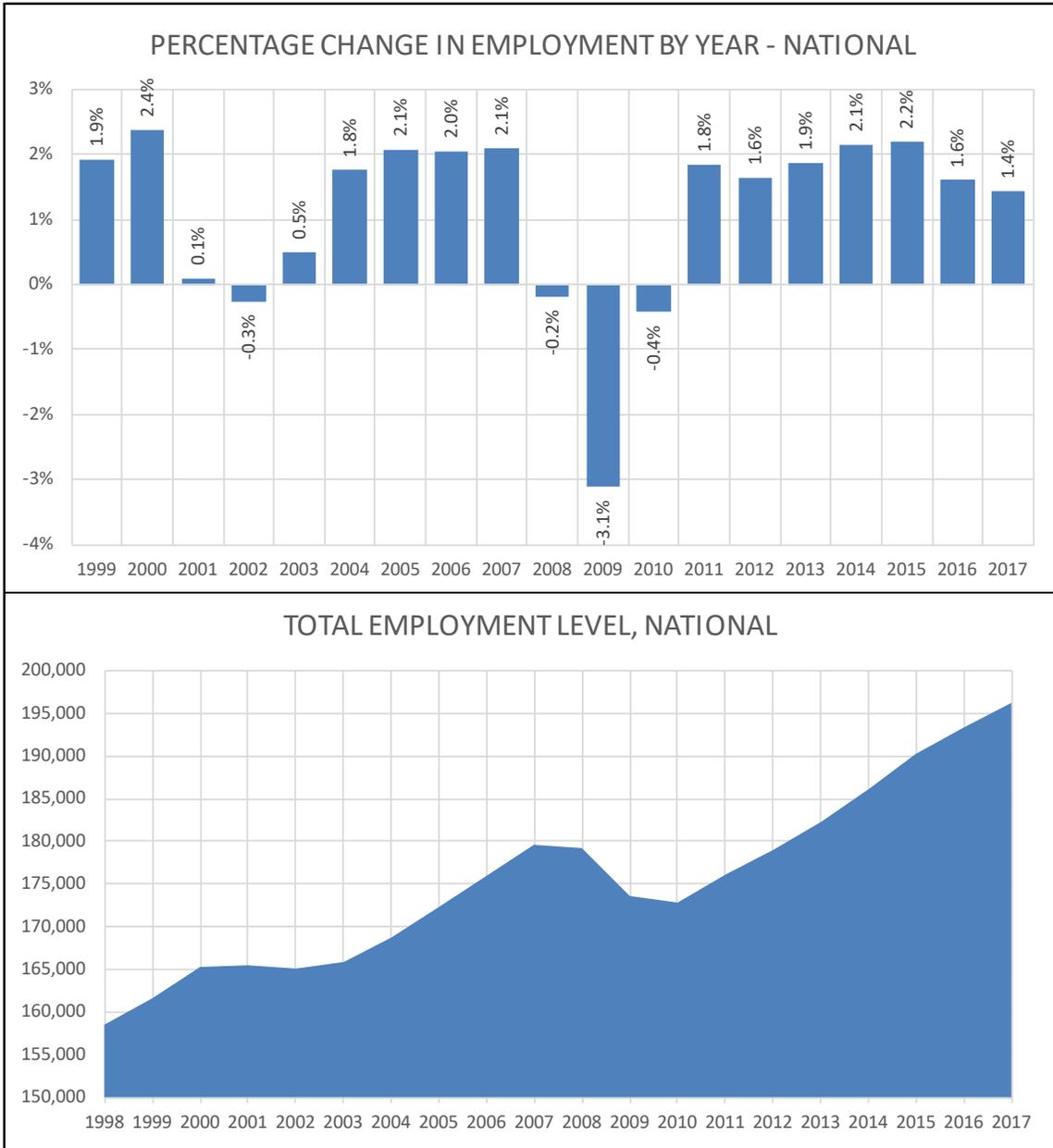


SOURCE: US Bureau of Economic Analysis

Overall, national economic output has seen a notable moderation in growth over the past two decades, with most of the current business cycle hovering around 2.0% growth per year. Economic forecasters generally expect a cyclical moderation over the 2020-23 period, reflecting downward pressures from the maturing of our decade-long economic expansion. Potential GDP growth, which measures the GDP growth that can be sustained at a constant rate of inflation, indicates future long-term growth will remain around 2.0% per year. In the near-term, considerable economic uncertainty exists due to global trade and currency conflicts among the US and many of its traditional trading partners.

The expansion in GDP has been reflected in employment growth, which has ranged between 1.4% and 2.2% in the current expansion cycle. Preliminary estimates indicate an acceleration in the rate of GDP as well as employment growth in 2018. While overall trends have been positive for almost a decade, there will likely be two to three downturns at the national level over the next twenty years.

FIGURE 2.02: NATIONAL EMPLOYMENT TRENDS



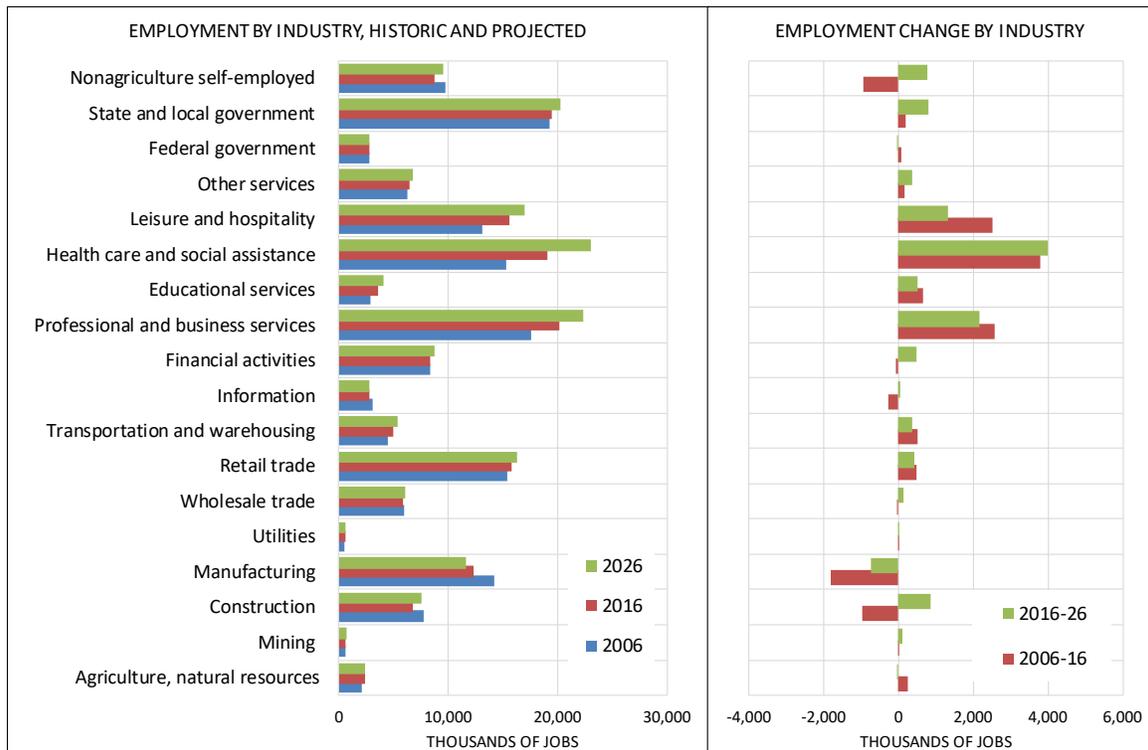
SOURCE: US Bureau of Economic Analysis

A few additional trends have significant implications for the industrial real estate market: E-commerce is rapidly taking market share from brick-and-mortar retailers, approaching 10% of all retail sales. This has caused a shift in storage needs from retail stores to warehouses and distribution centers. At the same time,

automation is causing a consolidation within the warehousing and distribution industry, leading to increasing reliance on larger third-party operators capable of making heavy investments in capital and expertise. Automation is also impacting the manufacturing industry, though to a lesser extent and primarily among larger industry leaders. Finally, changes in the use of electronic devices and growth in online services are causing a shift in the tech sector, from hardware manufacturing to software development.

Due to limited growth in demand for domestic goods and competition from low-cost markets, the U.S. manufacturing sector has lost one-third of its jobs since its peak in the late 1970s, with its share of total employment falling from 24% to 8%. With a strong dollar relative to the currencies of key trading partners, there remains significant headwinds for manufacturers that export a considerable level of product. Sectors seeing significant expansion over the prior decade include health care, professional and business services, and leisure and hospitality. Projections call for all major sectors except for manufacturing and federal government will see growth over the coming decade.

FIGURE 2.03: NATIONAL EMPLOYMENT GROWTH BY SECTOR, HISTORIC AND PROJECTED



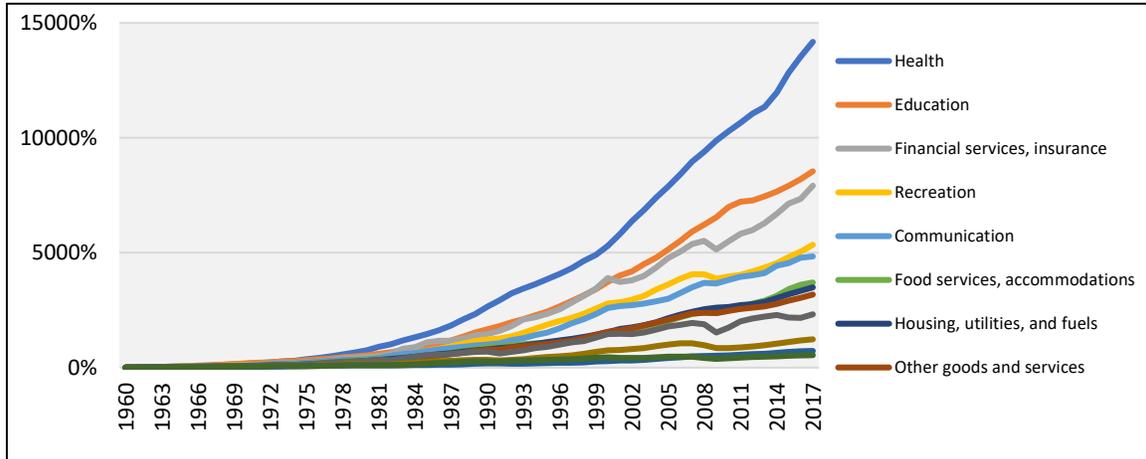
SOURCE: US Bureau of Economic Analysis

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

Consumer spending accounts for more than two-thirds of the U.S. economy, therefore changing spending patterns dictate much of the shifts in the economy. The post-war era has been marked by increasing wealth and discretionary spending, which has shifted spending away from necessities and led households to buy goods and services that used to be produced in-house. The strongest spending growth over recent decades

has come in categories that represent investments in personal wellbeing, with healthcare/health products at the top of the list, followed by private education and financial services. Categories that represent more short-term enjoyment, like recreation, food services, and accommodations, occupy the middle segment, while necessities like groceries, clothing, transportation, and housing have seen only moderate growth. Spending on health is expected to continue to increase strongly over the coming decades as the baby boomer cohort ages.

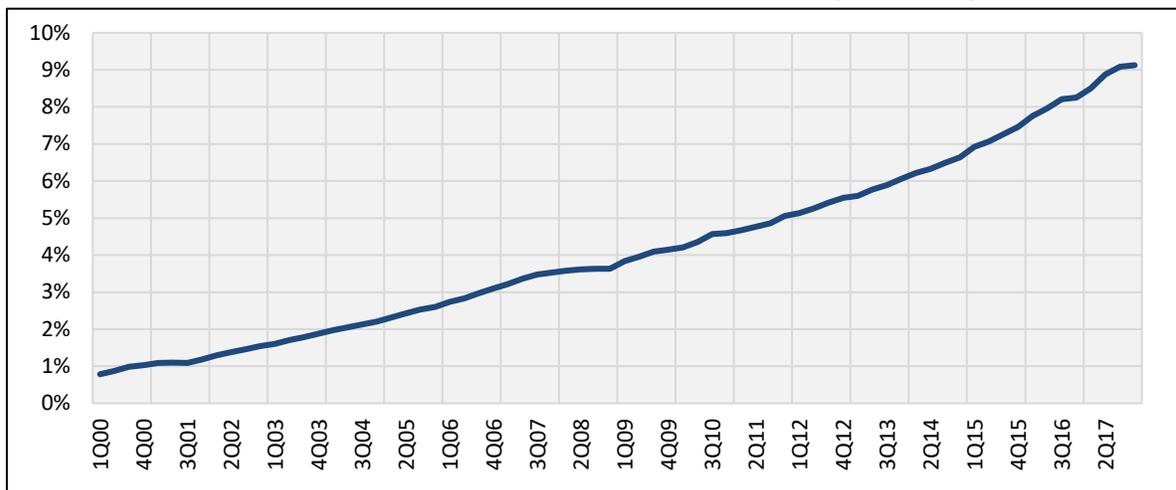
FIGURE 2.04: CONSUMER SPENDING GROWTH SINCE 1960, BY CATEGORY, UNITED STATES (1960-2017)



SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

The most dramatic spending shift in the context of real estate in recent times is the growth in online shopping, which has reduced the overall need for brick-and-mortar space, especially from retailers selling physical goods, while increasing the need for warehousing and distribution space. Online retailing accounted for an estimated 10% of all retail spending in 2018, at around \$500 billion in annual sales on a national level. Since the last recession, the segment has grown by around 15% per year, and it is currently taking market share from brick-and-mortar stores at a rate of nearly one percentage point annually.

FIGURE 2.05: ONLINE RETAIL MARKET SHARE, UNITED STATES (2000-2017)

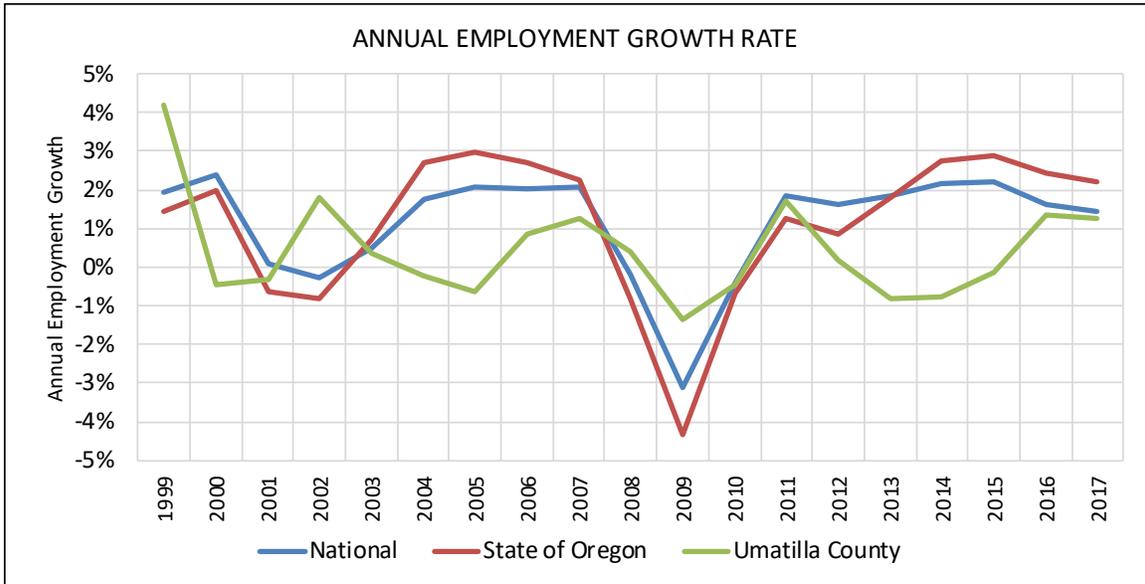


SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

UMATILLA COUNTY & CITY OF UMATILLA ECONOMIC TRENDS

The annual rate of employment growth in Umatilla County has mirrored the broad national and statewide trends. However, after the emerging from the recession in 2008/2009, the county again experienced job losses until 2016. In recent years, county employment has been growing at roughly 1% per year.

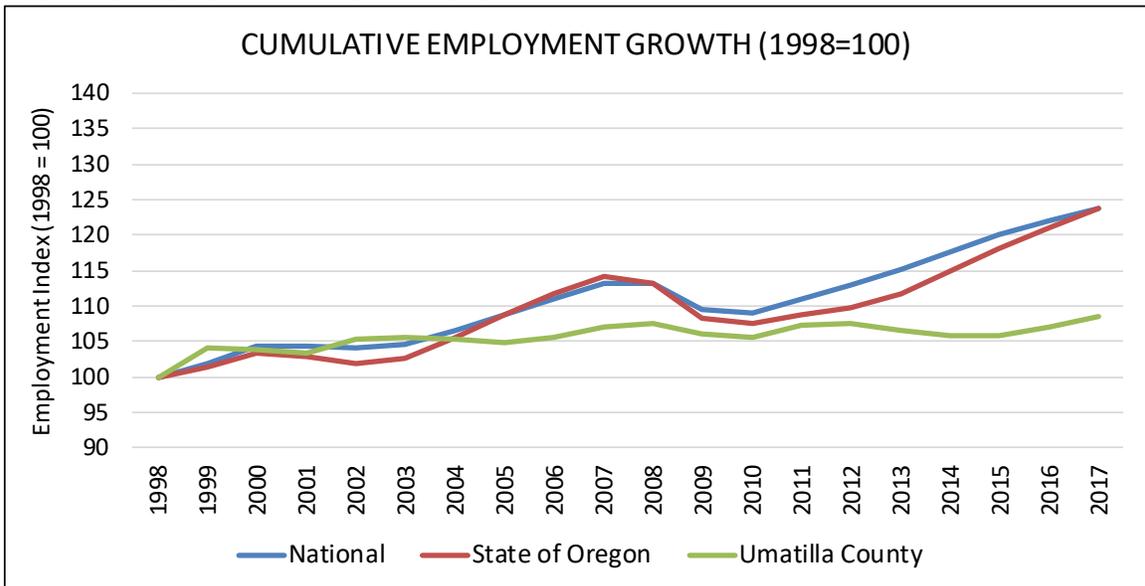
FIGURE 2.06: COMPARISON OF ANNUAL EMPLOYMENT GROWTH RATES



SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

On a cumulative basis Umatilla County has fallen behind the national and statewide averages, with the employment base up less than 10% over the last twenty years.

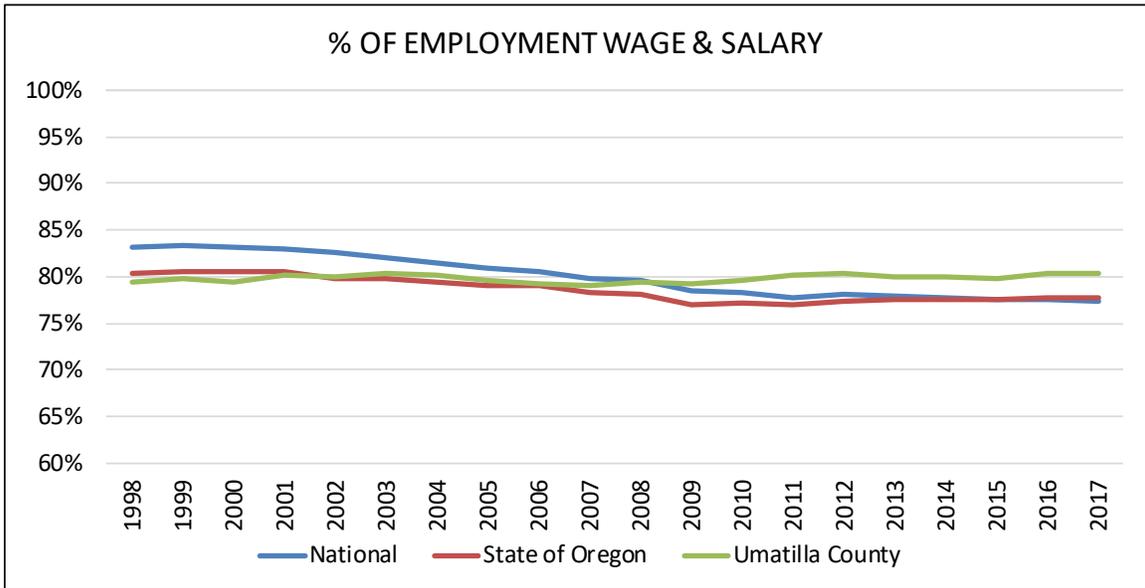
FIGURE 2.07: CUMULATIVE EMPLOYMENT GROWTH



SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

The employment base in Umatilla County has a somewhat lower share of self-employed than the national and state averages, with wage and salary employment accounting for roughly 80% of overall estimated employment in the county. This compares to rates approaching 78% statewide as well as nationally.

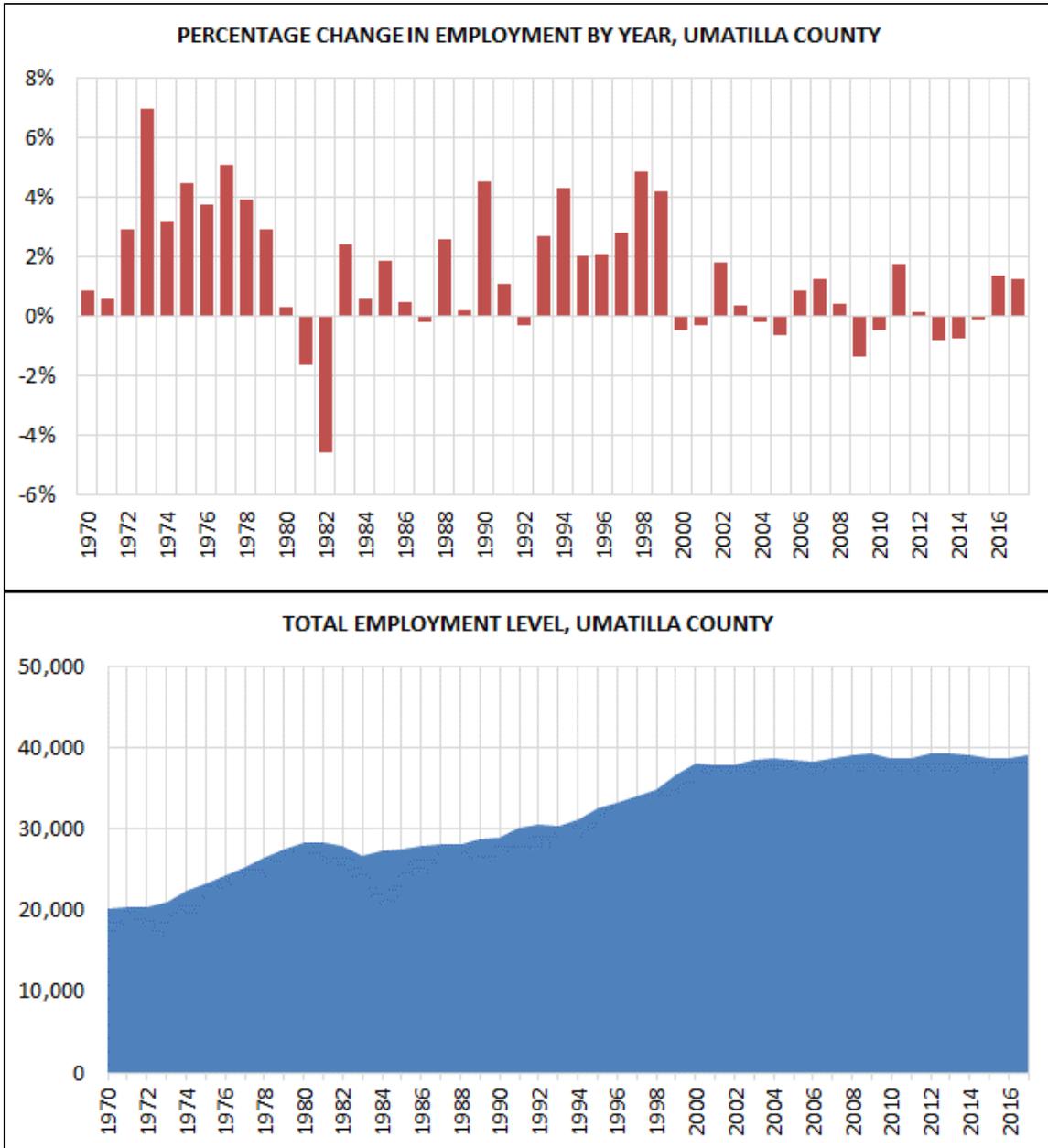
FIGURE 2.08: % OF TOTAL EMPLOYMENT REPRESENTED BY WAGE & SALARY



SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

Umatilla County’s employment base has been relatively stable since 2000, with the economic expansion adding a notable number of new jobs since 2016. The local employment level is at an all-time high, with average employment levels approaching 40,000 in 2017. However, this level does not greatly exceed the employment level seen in 2008 prior to the outset of the recession.

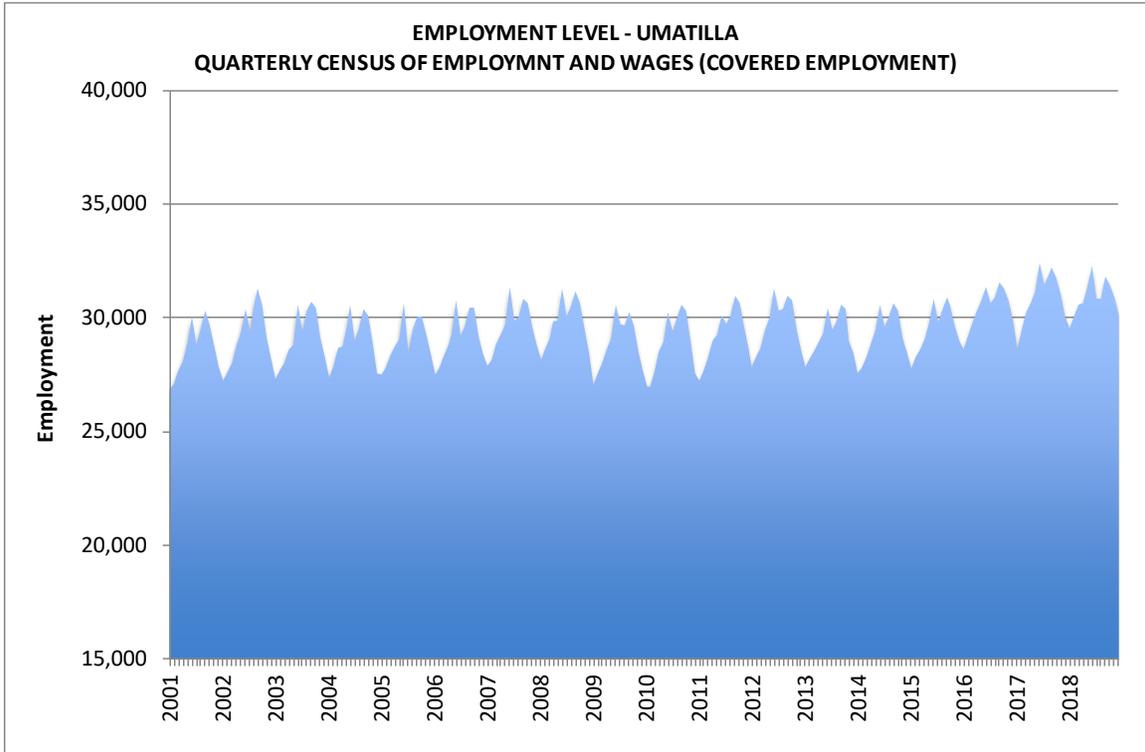
FIGURE 2.09: UMATILLA COUNTY EMPLOYMENT TRENDS



SOURCE: U.S. Bureau of Economic Analysis

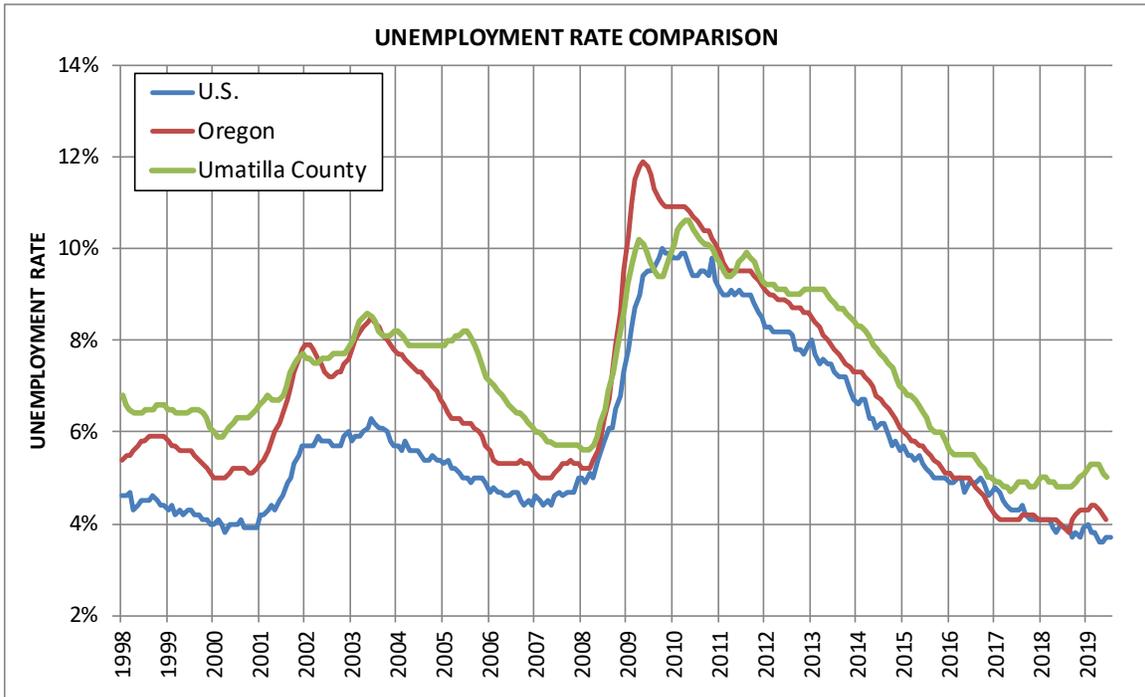
The local employment profile is highly seasonal, reflecting the area’s relatively high proportion of agricultural employment.

FIGURE 2.10: UMATILLA COUNTY EMPLOYMENT LEVEL BY MONTH



SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

FIGURE 2.11: UNEMPLOYMENT RATE TRENDS

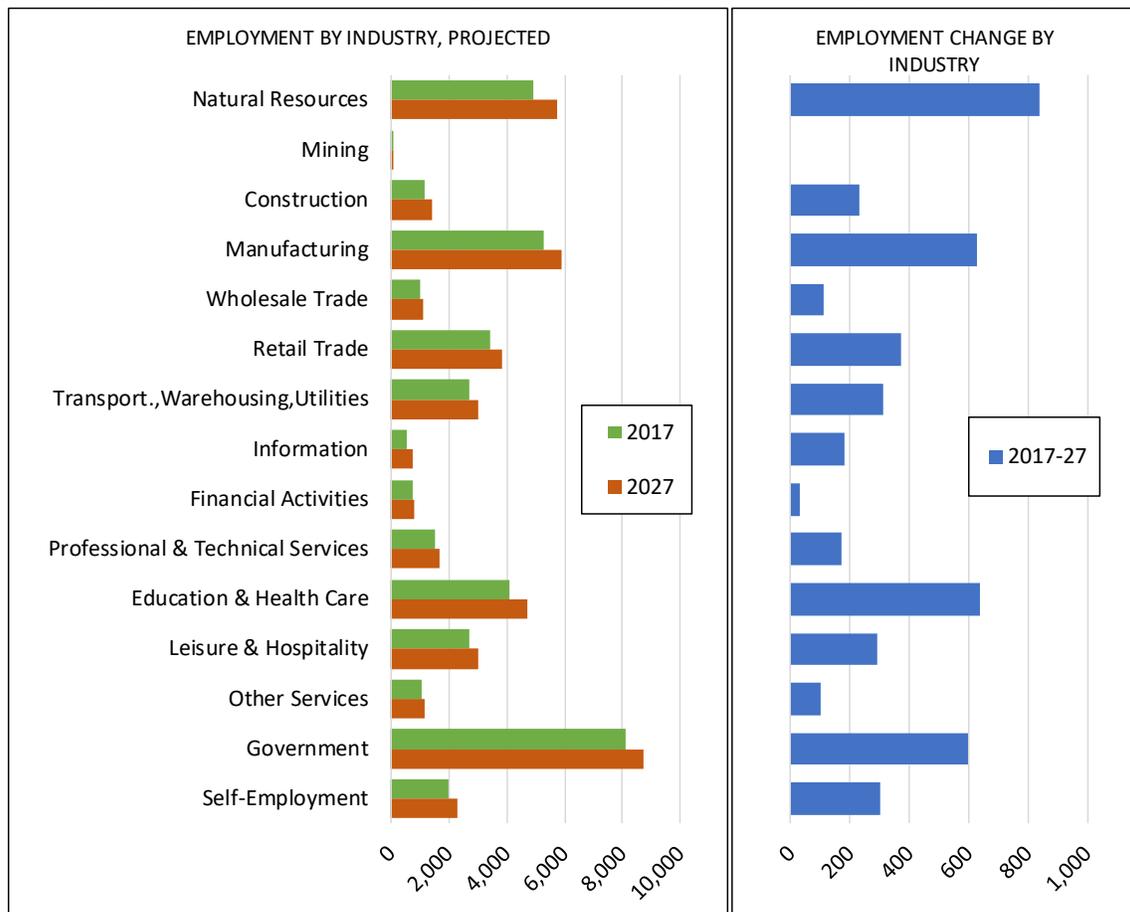


SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

The economic expansion has facilitated a commensurate drop in the unemployment rate, with Umatilla County following the national and statewide patterns. Tight labor market conditions are likely to limit growth potential in the future both locally and nationally. The local area’s ability to attract and retain workforce will be critical to sustaining economic growth going forward. In mid-2019, the countywide unemployment rate had fallen to a healthy 5%, slightly higher than the statewide rate of 4%.

According to the Oregon Employment Department, most industries are forecast to expand at a modest rate over the next decade in the broader area (Morrow and Umatilla Counties). On an absolute basis, the greatest gains are forecast in professional and business services, leisure and hospitality, and construction. On a rate of growth basis, the most rapid expansion is expected in the natural resources, manufacturing, government, and education and health services sectors.

FIGURE 2.12: PROJECTED EMPLOYMENT GROWTH BY SECTOR, MORROW & UMATILLA COUNTIES

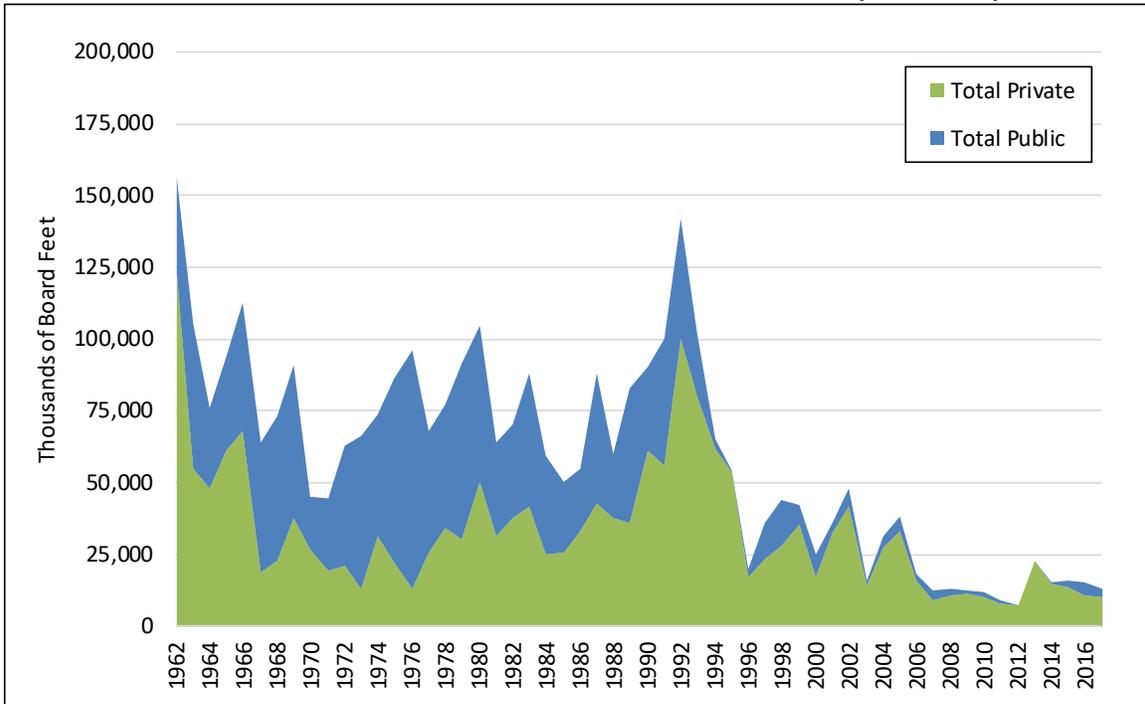


SOURCE: State of Oregon Employment Department

Like much of eastern and central Oregon, the forestry industry has seen a sharp decline in production, which is largely attributable to declines in production from public lands since 1993 (Figure 2.13). The broader region has been actively pursuing new and ongoing opportunities in the industry, including small diameter timber, biomass, and engineered wood products. Forestry is a smaller factor in communities along the river

gorge, such as Umatilla, however timber activity to the south can create some opportunities in wood manufacturing and shipping.

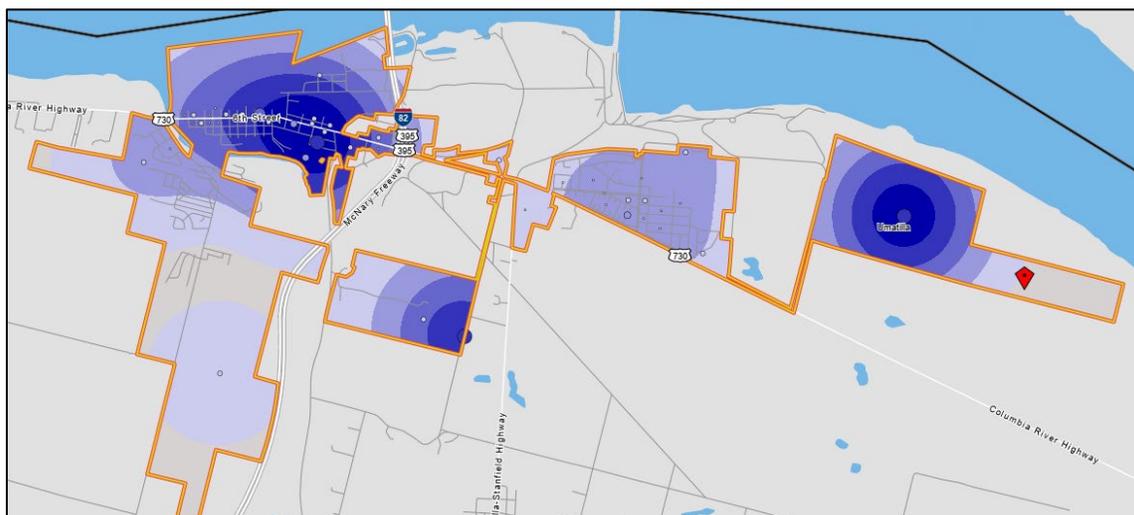
FIGURE 2.13: ANNUAL TIMBER PRODUCTION IN UMATILLA COUNTY (1962-2017)



SOURCE: Oregon Department of Forestry

Employment in Umatilla County is concentrated in the Hermiston/Umatilla corridor, as well as in the Pendleton area. Employment in the city of Umatilla is concentrated in the downtown area, in the area of the correctional facility and Port properties, and along Lind Road (Figure 2.14).

FIGURE 2.14: DISTRIBUTION OF EMPLOYMENT, CITY OF UMATILLA CITY, 2017



SOURCE: Census Bureau, LEHD Data

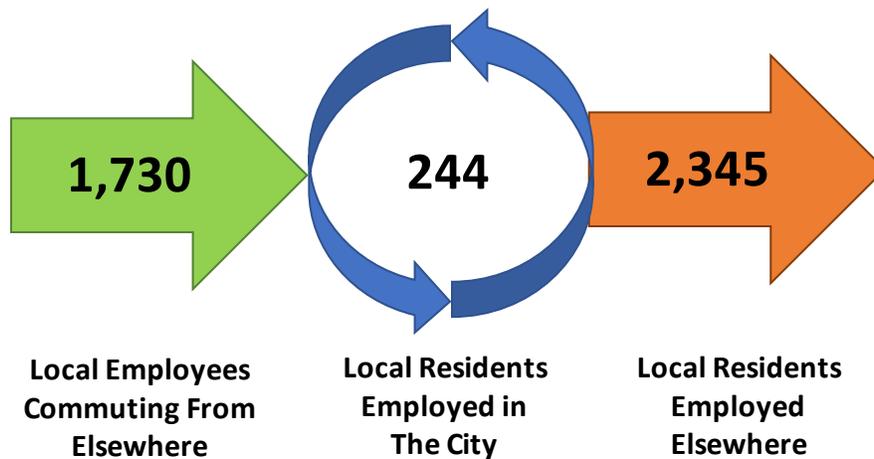
Commuting

Residents and employees commute broadly within Umatilla County and beyond. In the City of Umatilla, the local workforce was estimated at roughly 2,589 in 2017, of which 2,345 (90%) travelled outside of the city for employment while an estimated 244 both lived and worked within the city limits (Figure 2.15).

At the same time, an estimated 1,730 workers commuted into the city for employment, making up over 85% of the local job base of roughly 1,975. (These figures include covered employment and do not capture all forms of self-employment or contracting. Therefore, these figures are best used as an imprecise indicator of the overall pattern.)

This pattern is familiar to many communities across the state, but the extent to which local residents commute elsewhere for employment, and residents of other communities commute in for local jobs, seems somewhat starker in the case of Umatilla.

FIGURE 2.15: NET INFLOW-OUTFLOW OF EMPLOYEES, CITY OF UMATILLA, 2017



SOURCE: Census Bureau, LEHD Data

Commuting patterns are an important element in the local economy. They are indicative of the labor shed from which companies can draw workers, the extent to which job creation translates into increased demand for housing, goods, and services, and the overall balance of population and employment in the community.

Income and age demographics of the workforce commuting into and out of Umatilla are similar (Figure 2.16).

FIGURE 2.16: NET INFLOW-OUTFLOW DETAIL, CITY OF UMATILLA, 2017

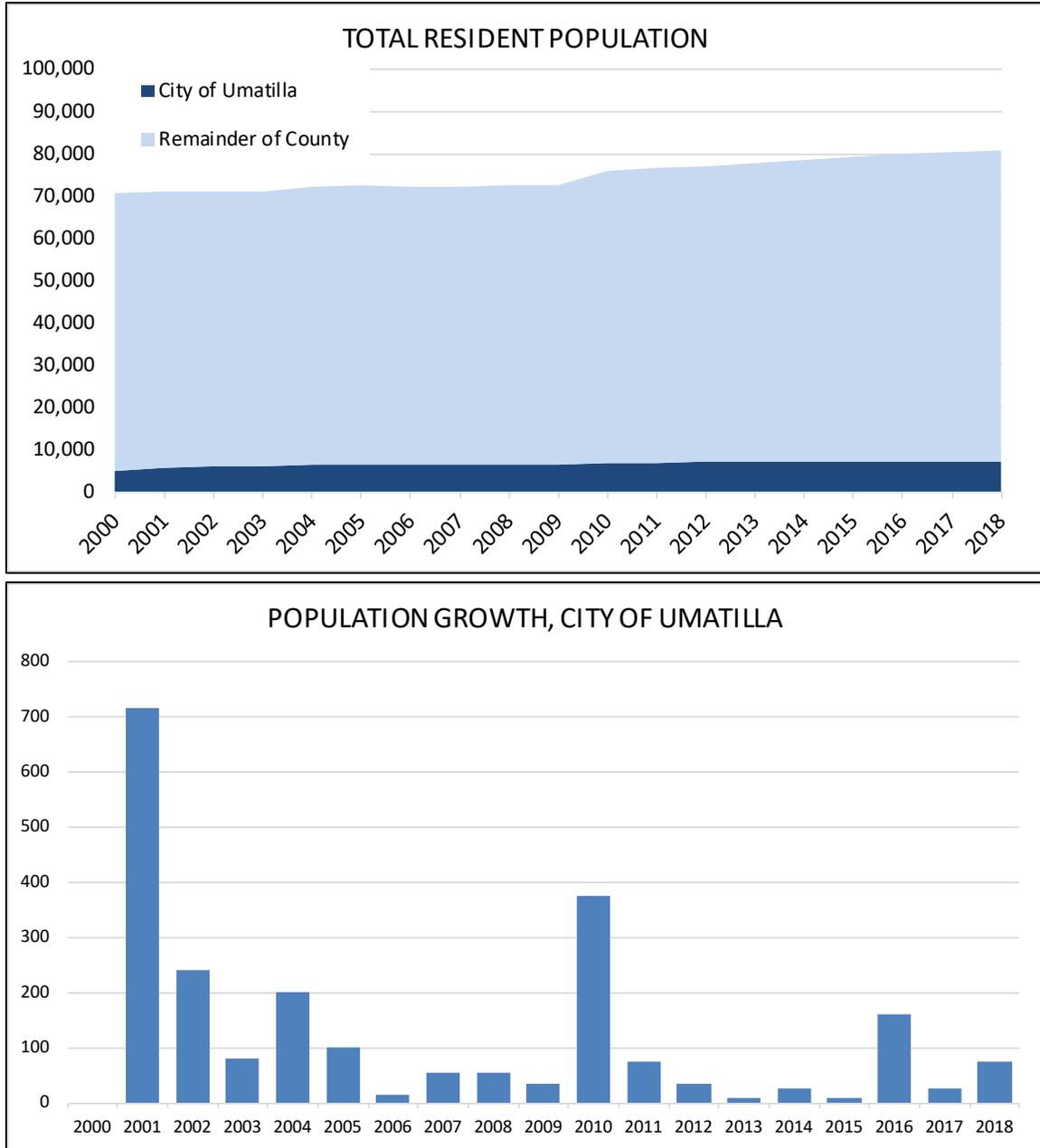
	Umatilla		Umatilla County	
	2017		2017	
	Count	Share	Count	Share
Selection Area Labor Market Size (Primary Jobs)				
Employed in the Selection Area	1,974	100.0%	31,226	100.0%
Living in the Selection Area	2,589	131.2%	31,621	101.3%
Net Job Inflow (+) or Outflow (-)	(615)	-	(395)	-
In-Area Labor Force Efficiency (Primary Jobs)				
Living in the Selection Area	2,589	100.0%	31,621	100.0%
Living and Employed in the Selection Area	244	9.4%	21,396	67.7%
Living in the Selection Area but Employed Outside	2,345	90.6%	10,225	32.3%
In-Area Employment Efficiency (Primary Jobs)				
Employed in the Selection Area	1,974	100.0%	31,226	100.0%
Employed and Living in the Selection Area	244	12.4%	21,396	68.5%
Employed in the Selection Area but Living Outside	1,730	87.6%	9,830	31.5%
Outflow Job Characteristics (Primary Jobs)				
External Jobs Filled by Residents	2,345	100.0%	10,225	100.0%
Workers Aged 29 or younger	570	24.3%	2,445	23.9%
Workers Aged 30 to 54	1,192	50.8%	5,222	51.1%
Workers Aged 55 or older	583	24.9%	2,558	25.0%
Workers Earning \$1,250 per month or less	443	18.9%	2,301	22.5%
Workers Earning \$1,251 to \$3,333 per month	1,010	43.1%	3,820	37.4%
Workers Earning More than \$3,333 per month	892	38.0%	4,104	40.1%
Workers in the "Goods Producing" Industry Class	835	35.6%	3,119	30.5%
Workers in the "Trade, Transportation, and Utilities" Industry Class	578	24.6%	2,235	21.9%
Workers in the "All Other Services" Industry Class	932	39.7%	4,871	47.6%
Inflow Job Characteristics (Primary Jobs)				
Internal Jobs Filled by Outside Workers	1,730	100.0%	9,830	100.0%
Workers Aged 29 or younger	318	18.4%	2,325	23.7%
Workers Aged 30 to 54	970	56.1%	5,078	51.7%
Workers Aged 55 or older	442	25.5%	2,427	24.7%
Workers Earning \$1,250 per month or less	372	21.5%	2,262	23.0%
Workers Earning \$1,251 to \$3,333 per month	594	34.3%	3,953	40.2%
Workers Earning More than \$3,333 per month	764	44.2%	3,615	36.8%
Workers in the "Goods Producing" Industry Class	715	41.3%	2,600	26.4%
Workers in the "Trade, Transportation, and Utilities" Industry Class	143	8.3%	2,683	27.3%
Workers in the "All Other Services" Industry Class	872	50.4%	4,547	46.3%
Interior Flow Job Characteristics (Primary Jobs)				
Internal Jobs Filled by Residents	244	100.0%	21,396	100.0%
Workers Aged 29 or younger	58	23.8%	4,975	23.3%
Workers Aged 30 to 54	128	52.5%	11,242	52.5%
Workers Aged 55 or older	58	23.8%	5,179	24.2%
Workers Earning \$1,250 per month or less	63	25.8%	4,566	21.3%
Workers Earning \$1,251 to \$3,333 per month	99	40.6%	9,214	43.1%
Workers Earning More than \$3,333 per month	82	33.6%	7,616	35.6%
Workers in the "Goods Producing" Industry Class	78	32.0%	5,105	23.9%
Workers in the "Trade, Transportation, and Utilities" Industry Class	26	10.7%	3,882	18.1%
Workers in the "All Other Services" Industry Class	140	57.4%	12,409	58.0%

SOURCE: US Census Bureau, LEHD Origin-Destination Employment Statistics

Population and Workforce

The population base in Umatilla County and Umatilla have grown at a rate of slightly under 1% since 2010, according to the Population Research Center at Portland State University. The growth rate is estimated to have increased in more recent years and is projected to accelerate over the coming 20-year period. The City of Umatilla had an estimated population of 7,320 in 2018, or 9% of the Umatilla County total of nearly 81,000 people.

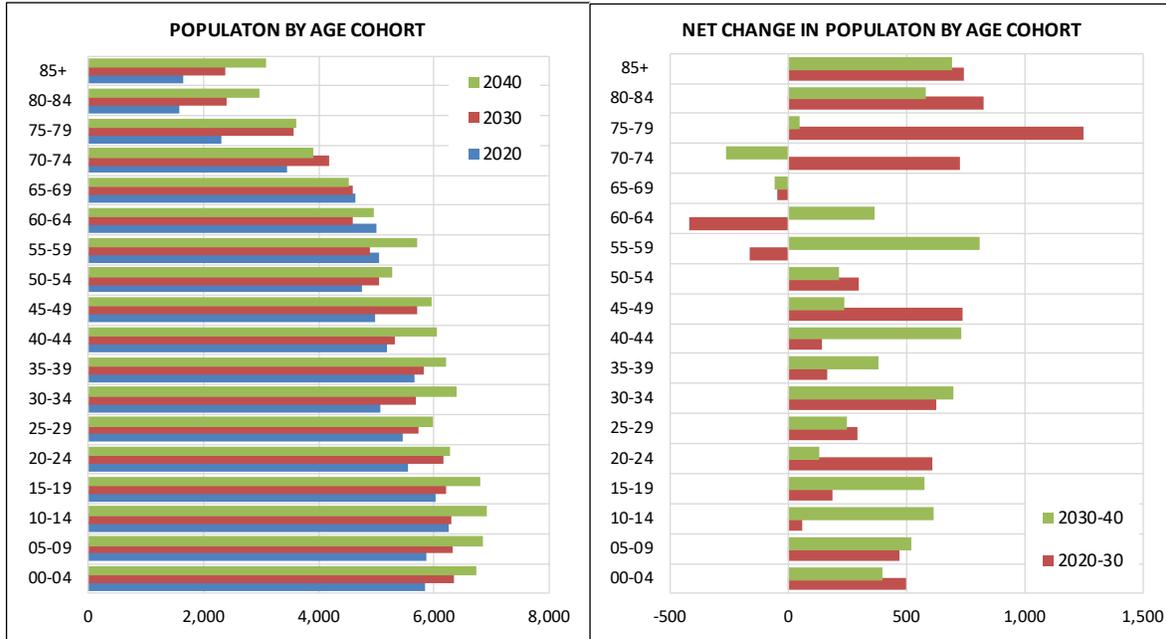
FIGURE 2.17: HISTORIC POPULATION TRENDS, UMATILLA COUNTY AND CITY OF UMATILLA



SOURCE: Population Research Center, Portland State University

The composition of the population base is expected to become generally older. The trend is most pronounced for residents over 75 years of age, but modest growth is also anticipated in age categories that are traditionally in the workforce.

FIGURE 2.18: HISTORIC AND PROJECTED DISTRIBUTION OF POPULATION BY AGE COHORT, UMATILLA COUNTY



SOURCE: Population Research Center, Portland State University

Race and Ethnicity: The population of Umatilla County is estimated to be 85% white and 15% minority or bi-racial, a very similar minority share as Oregon. The County is estimated to have a higher share of Native Americans, and a somewhat lower share of Black and Asian residents. Latinos are estimated to make up 26% of the county population, compared to 13% statewide.

FIGURE 2.19: DISTRIBUTION OF POPULATION BY RACE & ETHNICITY, UMATILLA COUNTY

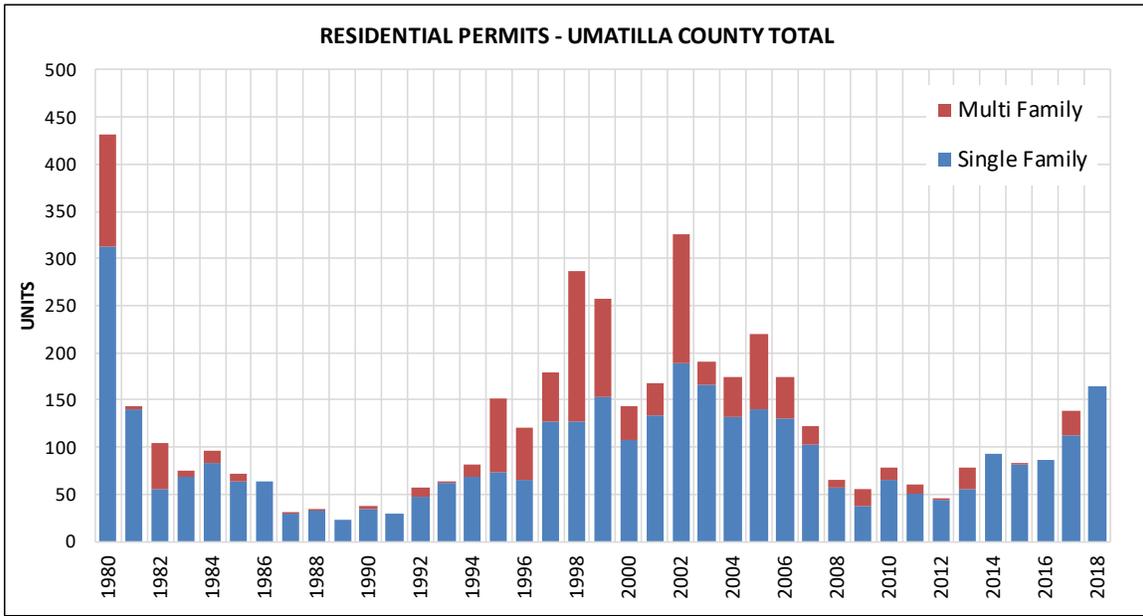
Distribution of Population	Umatilla County				Oregon			
	2000	2017	Change	Share	2000	2017	Change	Share
Total:	70,548	80,500	14%	100%	3,421,399	4,025,127	18%	100%
White	57,852	68,585	19%	85%	2,961,623	3,416,776	15%	85%
Black	582	626	8%	1%	55,662	76,347	37%	2%
Native American	2,375	2,514	6%	3%	45,211	45,332	0%	1%
Asian	530	635	20%	1%	101,350	166,351	64%	4%
Hawaiian or Pac. Islander	124	140	13%	0%	7,976	15,157	90%	0%
Other Race	7,529	4,263	-43%	5%	144,832	121,000	-16%	3%
Two or More Races	1,556	3,738	140%	5%	104,745	184,164	76%	5%
Latino (of any race)	11,366	20,917	84%	26%	275,314	509,507	85%	13%

SOURCE: Census (Tables QT-P3, B02001, B03002) Population Research Center, Portland State University

* 2017 Total county population is based on PSU 2017 estimate, applying the distribution of race and ethnicity from 2017 ACS.

With steady growth in population, residential permits in Umatilla County have averaged 137 per year since 2000, with the majority being single-family homes. After experiencing some multi-family development prior to the 2008 recession, permitting has been slow for the past decade.

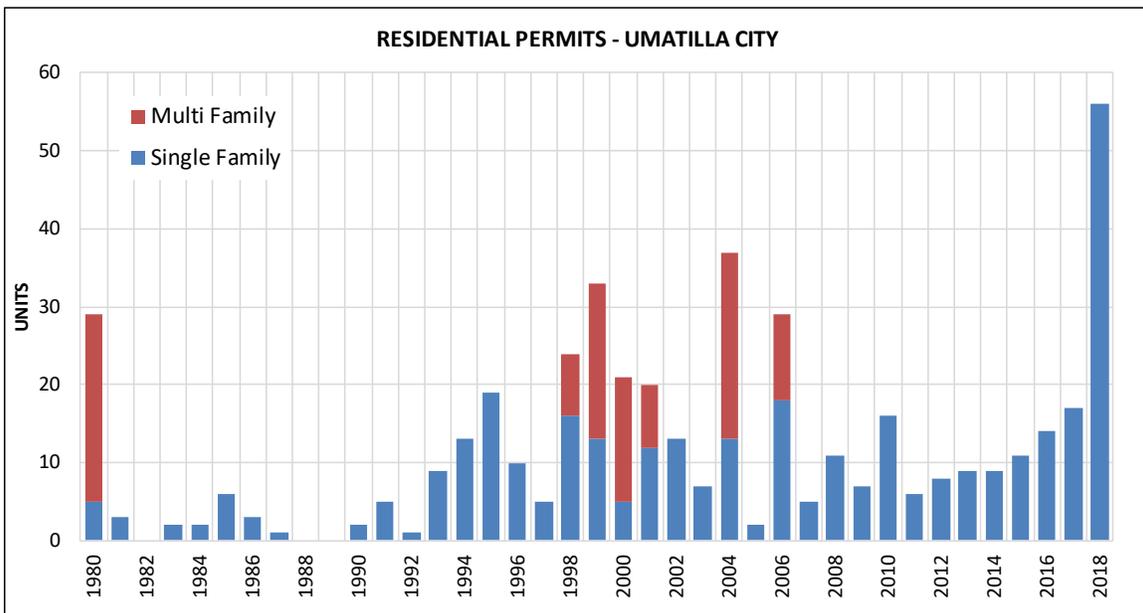
FIGURE 2.20: HISTORIC AND PROJECTED RESIDENTIAL PERMITS, UMATILLA COUNTY



SOURCE: HUD

The city of Umatilla has accounted for roughly 12% of the total county residential permits since 2000. Nearly 300 units have been permitted since 2000, with 20% being multi-family units permitted prior to 2008.

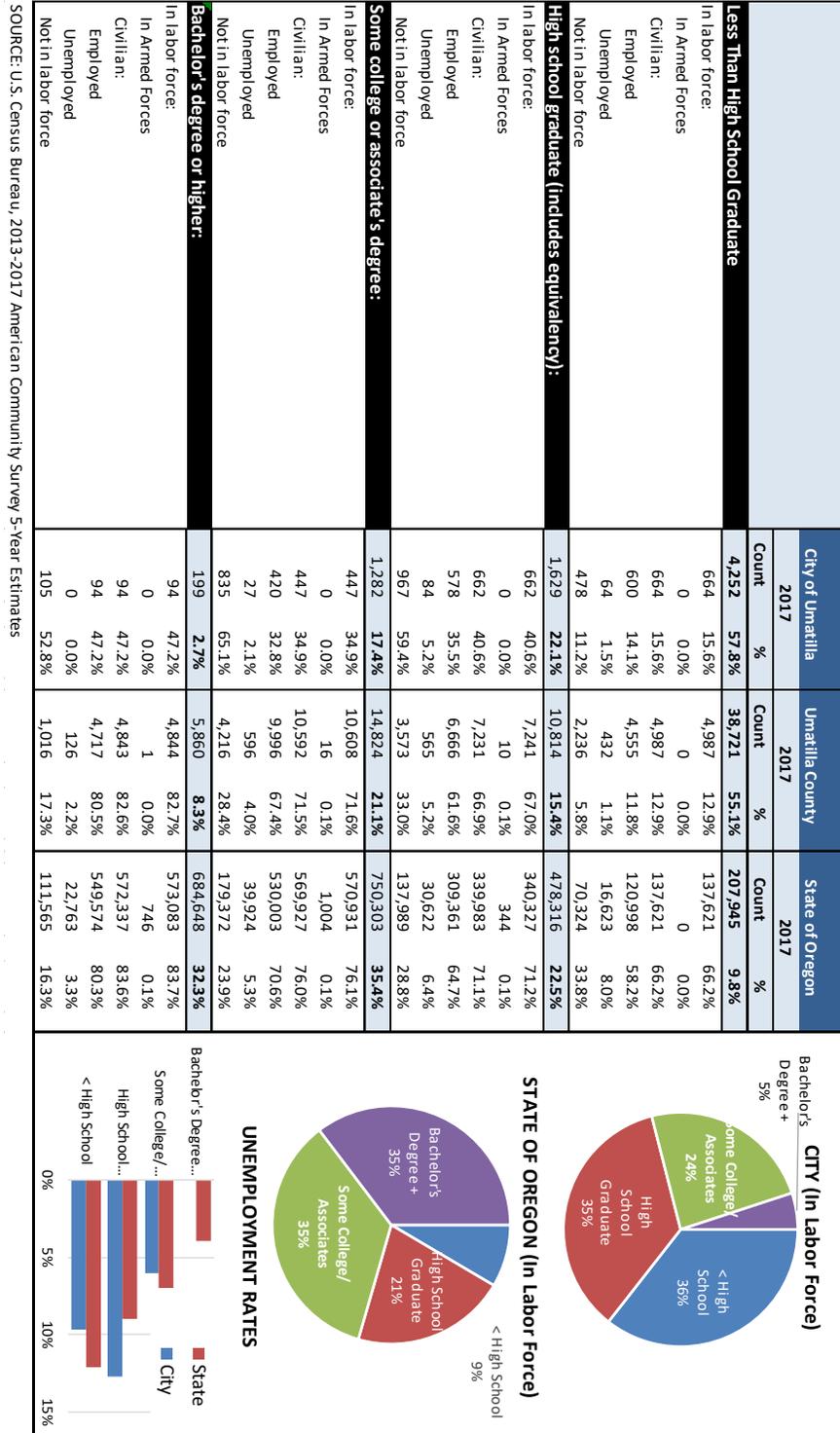
FIGURE 2.21: HISTORIC AND PROJECTED RESIDENTIAL PERMITS, CITY OF UMATILLA



SOURCE: HUD

The educational attainment level of the local workforce is lower in the city and county as the statewide profile. Residents of working age are more likely to have a high-school education, and less likely to have a college degree.

FIGURE 2.23: EDUCATIONAL ATTAINMENT PROFILE BY EMPLOYMENT STATUS, 2017



SOURCE: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

III. TARGET INDUSTRY ANALYSIS

This element of the Economic Opportunities Analysis uses analytical tools to assess the economic landscape in Umatilla and Umatilla County. The objective of this process is to identify a range of industry types that can be considered targeted economic opportunities over the 20-year planning period.

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

ECONOMIC SPECIALIZATION

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

We completed a location quotient analysis for Umatilla County, which compares the distribution of local employment relative to national averages, as well as average annual wage levels by industry (Figure 3.1). The most over-represented industries were natural resources and mining, manufacturing and government.

FIGURE 3.1: INDUSTRY SECTOR SPECIALIZATION BY MAJOR INDUSTRY, UMATILLA COUNTY, 2018¹

Industry	Annual Establishments	Avg. Annual Employment	Total Annual Wages	Avg. Annual Wages	Employment Loc. Quotient
1011 Natural resources and mining	193	3,386	\$111,161,727	\$32,832	8.3
1012 Construction	193	1,176	\$61,441,498	\$52,265	0.8
1013 Manufacturing	74	3,415	\$139,497,112	\$40,849	1.3
1021 Trade, transportation, and utilities	402	6,341	\$260,936,079	\$41,149	1.1
1022 Information	23	175	\$7,251,966	\$41,479	0.3
1023 Financial activities	153	698	\$32,889,517	\$47,137	0.4
1024 Professional and business services	201	1,403	\$55,157,349	\$39,319	0.3
1025 Education and health services	218	3,778	\$159,564,205	\$42,233	0.8
1026 Leisure and hospitality	211	2,578	\$44,250,408	\$17,166	0.8
1027 Other services	421	999	\$26,607,848	\$26,634	1.1
Federal Government	32	485	\$36,873,687	\$76,002	0.8
State Government	44	1,391	\$90,039,107	\$64,730	1.4
Local Government	104	5,047	\$216,324,995	\$42,861	1.7
Total	2,269	30,872	\$1,241,995,498	\$40,231	

SOURCE: Bureau of Labor Statistics

¹ QCEW Data, Annual Average 2018 Data

In terms of total employment, the largest sectors are government, transportation/warehousing/utilities, education and health services, and manufacturing. Natural resources (agriculture and forestry, and support services to these industries) as well as leisure and hospitality (tourism-related industry) are also major employment sectors in the county.

Figure 3.2 shows a more detailed analysis of the top 20 local industry subsectors in the county, as ranked by their LQ. The LQ shows that agricultural subsectors have the highest share of employment in comparison to nationwide averages, but also food manufacturing and wood product manufacturing. Various transportation and distribution-related industries are also well represented, as are utilities. Nursing and residential care, construction, and retailers are some of the subsectors rounding out the list.

The average wage LQ (right column) is an indicator of how much local wages paid in these industries are paid relative to the total wages in that industry typical across the nation. For instance, the agricultural and forestry subsector in Umatilla County represents 28.5 times the share of total wages paid as would be expected by looking at the national average.

FIGURE 3.2: INDUSTRY SECTOR SPECIALIZATION BY DETAILED INDUSTRY, UMATILLA COUNTY, 2018

Rank	NAICS	Description	Employment	Emp. L.Q.	Average Wage	Total Wages L.Q.
1	115	Agriculture and forestry support activities	1,685	20.6	\$32,950	28.5
2	111	Crop production	1,393	12.0	\$31,030	15.6
3	311	Food manufacturing	1,711	5.0	\$41,909	6.2
4	112	Animal production and aquaculture	237	4.2	\$38,318	5.9
5	321	Wood product manufacturing	357	4.2	\$44,516	5.8
6	814	Private households	235	3.9	\$18,252	3.8
7	484	Truck transportation	789	2.5	\$60,964	4.1
8	447	Gasoline stations	450	2.3	\$19,028	2.8
9	485	Transit and ground passenger transportation	151	1.5	\$23,353	1.4
10	221	Utilities	170	1.5	\$109,579	2.1
11	623	Nursing and residential care facilities	985	1.4	\$28,869	1.8
12	236	Construction of buildings	422	1.2	\$52,518	1.4
13	452	General merchandise stores	787	1.2	\$26,238	1.8
14	441	Motor vehicle and parts dealers	484	1.1	\$46,121	1.5
15	813	Membership associations and organizations	331	1.1	\$22,670	0.8
16	811	Repair and maintenance	295	1.1	\$34,824	1.2
17	445	Food and beverage stores	684	1.1	\$24,680	1.5
18	424	Merchant wholesalers, nondurable goods	449	1.0	\$56,184	1.1
19	312	Beverage and tobacco product manufacturing	54	0.9	\$24,687	0.6
20	562	Waste management and remediation services	85	0.9	\$45,727	1.0

SOURCE: Bureau of Labor Statistics

Sectors such as local government, education, health care and retail trade, are industries that are driven by serving a local population. The county also has a significant amount of employment in export or “traded sector” industries that send their products beyond the county, and thus bring new dollars into the region. These industries include manufacturing, utilities, and data centers.

ECONOMIC DRIVERS

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

A shift-share analysis measures local effect of economic performance within an industry or occupation. The process considers local economic performance in the context of national economic trends—indicating the extent to which local growth can be attributed to unique regional competitiveness or simply growth in line with broader trends.

For example, assume that Widget Manufacturing is growing at a 1.5% rate locally, about the same rate as the local economy. On the surface we would consider the Widget Manufacturing industry to be healthy and contributing soundly to local economic expansion. However, consider also that Widget Manufacturing is booming across the country, growing at a robust 4% annually. In this context, local widget manufacturers are struggling, and some local or regional condition is stifling economic opportunities.

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

- **Growing, Outperforming:** Industries that are growing locally at a rate faster than the national average. These industries have local characteristics leading them to be particularly competitive.
- **Growing, Underperforming:** Industries that are growing locally but slower than the national average. These industries generally have a sound foundation, but some local factor is limiting growth.
- **Contracting, Outperforming:** Industries that are declining locally but slower than the national average. These industries have structural issues that are impacting growth industry wide. However, local firms are leveraging some local or regional factor that is making them more competitive than other firms on average.
- **Contracting, Underperforming:** Industries that are declining locally at a rate faster than the national average. These industries have structural issues that are impacting growth industry wide. However, some local or regional factor is making it increasingly tough on local firms.

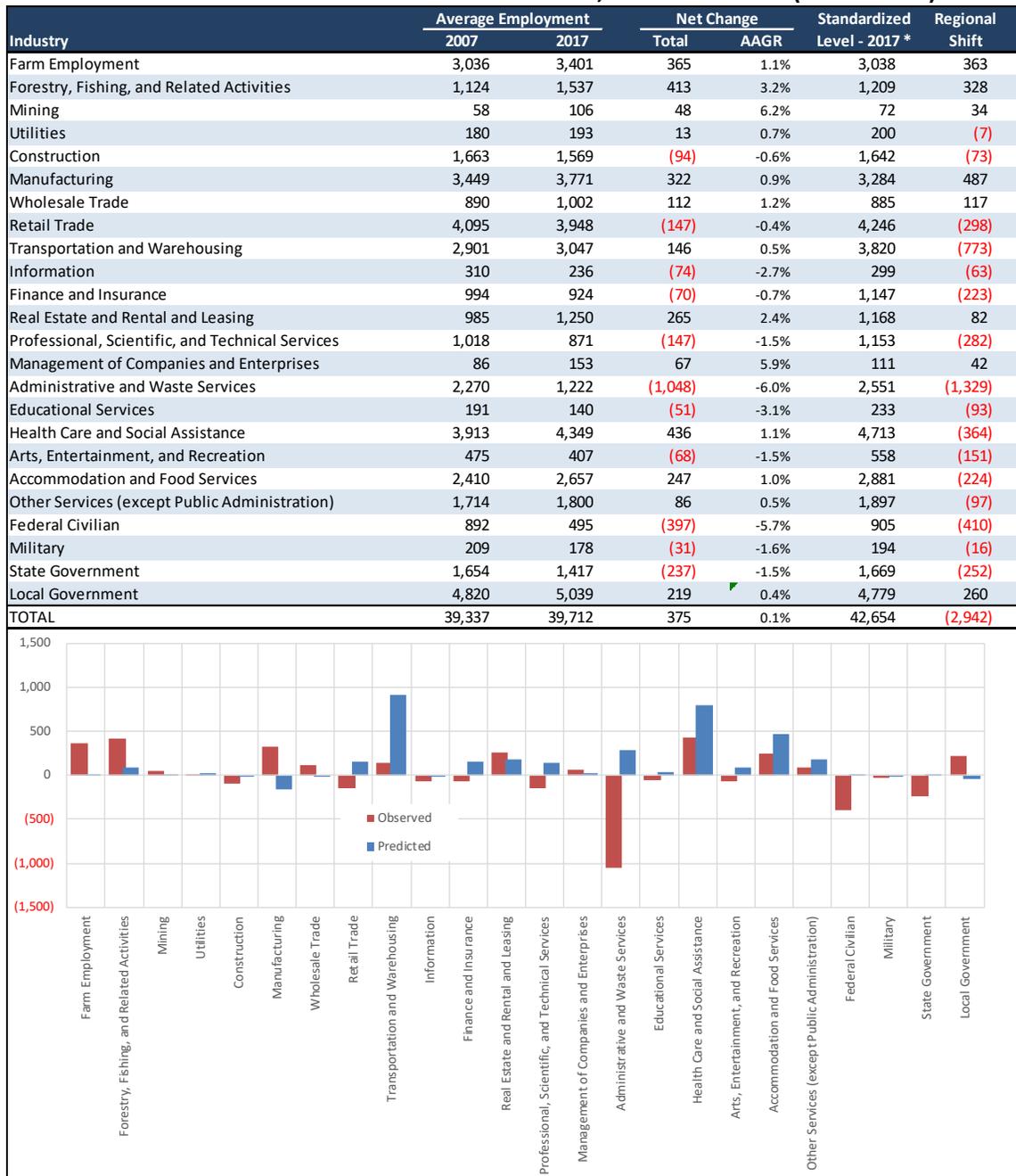
We evaluated the average annual growth rate by industry from 2008 through 2017 for Umatilla County relative to the national rate. The observed local change was compared to a standardized level reflecting what would be expected if the local industry grew at a rate consistent with national rates for that industry.

As shown in Figure 3.3, only a few industries showed growth in excess of national rates. These include manufacturing, natural resources industries, real estate rental and leasing, and wholesale trade.

² Measured from the trough of recent recession to 2017, the most recent period available for local employment data.

It is also known that in the last few years, Umatilla County has added significant employment and investment in the data center industry. This employment is not yet reflected in the most recent QCEW data (2017) of covered employment where it would appear under the “Information” sector. It is known that this industry has experienced significant and rapid growth in the county and the city of Umatilla itself. (This target industry is discussed more in the following section.)

FIGURE 3.3: INDUSTRY SECTOR SHIFT SHARE ANALYSIS, UMATILLA COUNTY (2008 – 2017)



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

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

ECONOMIC DEVELOPMENT ASSETS

In this section, we summarize some of the key economic development assets of the city and the area, which will shape the nature of economic growth in the foreseeable future.

1. *Abundance of Energy & Water*

Availability of quality power will continue to increase regional competitiveness over the long-term. This provides an advantage when pursuing users requiring large power sources, including data center investments, as well as durable goods manufacturing. While much of the local power production is exported outside of the region, there is substantial loss in transmission. Average electrical rates in Oregon are 23% below national levels, but higher than those in Washington or Idaho.

2. *Transportation Linkages*

Along with abundant affordable power, transportation linkages are arguably the region's best asset. The city of Umatilla is positioned near one of only five confluences of major interstates in Oregon and is the only one outside of the Willamette Valley. The City is also located at the border with Washington State, with the next nearest bridge crossings of the Columbia located 50 miles north, or 80 miles to the west. Further, the Port terminals and regional rail linkages provide access to world-wide shipping networks, particularly for the region's agricultural products.

3. *Amenity Values*

Amenity values are encompassed in the concept of livability. Amenity values are often characterized in the field of Economics and Economic Geography because amenity values have real economic impacts on attracting residents, employers and workforce to an area. The Columbia Basin has abundant natural amenities, with scenery and proximity to nature and recreational activities. However, the region is lacking in some urban amenities given the size of its communities.

4. *Proximity to a Large Well-Educated Workforce*

While the local workforce is underrepresented in higher skilled laborers, regional economic growth can tap into a large population base with above average training levels. Both Umatilla (15.6%) and Morrow Counties (10.7%) have lower rates of persons aged 25 and older holding bachelor's degrees than the State of Oregon (29.0%). In Benton County, the ratio is 27.7% while the State of Washington ratio is 31.4%.³ Benton and Franklin Counties in Washington combine for 42,000 adults with an Associate Degree or better. The size and commuting patterns of the greater region, allows for large new employers to draw sufficient workforce from beyond the immediate community if needed.

5. *Flat, Developable Land*

The study area has a diversity of potentially available land to accommodate a range of uses and intensity of uses. This diversity can expand regional marketability and offers the flexibility to plan uses meeting specific site criteria. Within the State of Oregon, there are very limited opportunities for large-lot industrial development. The region's potential supply of large sites can provide a strong competitive advantage, if it is made available. While the land in the county may be hypothetically suitable however, the right amount, location, and sizes of development sites for different employers may not be currently available within the Urban Growth Boundary. The suitability of buildable land in Umatilla is discussed elsewhere in this report.

³ 2010 Census

6. Economic Development Support & Partnerships

The region benefits from an aggressive and well-organized economic development climate. The Port Districts have had noted economic development success and local communities have undertaken countless initiatives to improve economic competitiveness. The Confederated Tribes of the Umatilla Indian Reservation also is an active participant in regional economic development efforts. The end result has been a region that has significantly outperformed non-metropolitan areas of the State over the last decade in terms of economic growth.

TARGET INDUSTRY CLUSTERS

This section discusses potential target industries for the City of Umatilla based on the community's historical strengths and advantages, established economic development goals, and discussion of community priorities through this process. These are industries where the city might focus efforts to grow local business and attract new businesses. At the end of this section is a more detailed glossary of potential community partners for economic development.

Data Centers/ Cloud Storage Services

The City of Umatilla, along with other locations in Umatilla and Morrow Counties has quickly grown as a hub for large, very-high investment data center users who seek ready access to ample inexpensive power and water, as well as large suitable development sites.

These types of industrial land users make very large capital investments in facilities and equipment. They can employ hundreds of people at each site and pay wages far above the average income for the area.

This sector is a major target industry identified by the community. There are currently nine major data centers located in the Columbia Basin, demonstrating the suitability and desirability of the area and its infrastructure. The nation's largest tech companies continue to express interest in locating new data center and cloud-computing facilities in the area, and in Umatilla specifically. There have been recent real-world opportunities to recruit these types of businesses to Umatilla if suitable sites are available.



Cluster Strengths

- Proximity to abundant and inexpensive power and water sources
- Excellent fiber optic telecom connectivity
- Suitability of land for large, flat industrial sites
- Establishment of successful examples and building of skilled workforce in this sector
- Strong economic development support from local and regional partners

Cluster Challenges

- Limited supply of appropriately large, shovel-ready development sites, within the UGB
- Need to continually recruit and grow trained workforce and supply workforce housing.

Potential Opportunities

- Recruitment of additional data center facilities
- Ensure sufficient adequately-sized shovel-ready industrial parcels within UGB and/or City limits

- Partnerships with local education sector to train and recruit additional workforce

Manufacturing (Traditional and Advanced)

Manufacturing is typically a highly desirable sector, which creates considerable value, pays good wages, and often exports the bulk of its output. The manufacturing sector currently accounts for a relatively small share of the current employment base in the city of Umatilla but is targeted by the community as a potential growth sector in the future.



Umatilla has been home to food, wood and metals product manufacturers. Going forward, these will remain good opportunities for growth taking advantage of available industrial lands, power and water resources. These export industries also benefit from the ample transportation connections and shipping options in the area.

Advanced manufacturing is also expected to be an increasing opportunity. In general, this refers to modern manufacturers who use advanced technologies such as robots and software to increase productivity and make traditional methods more efficient. Like data centers, these manufacturers also benefit from ample power and their facilities may rely on significant mechanization. Despite the automation, these industries typically require a sizable trained workforce to run the advanced processes.

Manufacturing firms can be a full range of sizes with differing land needs from small sites to very large. Potential large-site manufacturers have made inquiries in the Umatilla area.

Cluster Strengths

- Proximity to abundant and inexpensive power and water sources
- Existing food and wood products industries with workforce expertise.
- Available and serviced land supply of smaller and medium sites

Cluster Challenges

- Limited supply of larger shovel-ready development sites, for largest manufacturers
- Need to continually recruit and grow trained workforce and supply workforce housing.

Potential Manufacturing Opportunities

- Food products/value-added specialty foods
- Advanced agricultural technology, such as robotics, precision tools, indoor-growing technology
- Specialty river recreation or other recreation equipment
- Drones and robotics
- Recruitment of other large-lot, large-power users

Tourism and Retail

Umatilla has physical and locational attributes that make recreation and hospitality an attractive target sector. The city offers access to the river and recreation and has plans to redevelop the marina to encourage more visitors, concessions, tours and related activity. Regional outdoor recreation includes camping, hiking,

hunting, fishing, and rafting. Major regional draws such as the Pendleton Round Up and tribal gaming also provide an opportunity to market to new visitors.

Tourism growth can be mutually reinforcing with new business development along the city's main downtown corridor of 6th Street, and elsewhere in the community. While retail trade is typically viewed as a function of growth in local population and buying power, developing a strong retail trade base in an area helps limit spending from leaking out of the market, retaining dollars in the local economy.

The amenities that tourism traffic supports are also largely consistent with what is desirable to local residents. Quality retail, restaurant, recreation, and hospitality businesses make a community an attractive place to live and work. Studies have shown that tourism-related supportive uses have a positive impact on housing values and attract residents and businesses alike. This is a growing phenomenon in the context of emerging consumer preferences observed across Millennial and Boomer generations. Attraction of these types of businesses would offer Umatilla the opportunity to raise its amenity profile.



Cluster Strengths

- Recreational amenities, river location
- Location on freeway, at state border
- Historic Oldtown site
- Investment in trails, and outdoor and recreation events

Cluster Challenges

- Need to raise awareness/visibility beyond the region

Cluster Opportunities

- Drawing visitors from other regional attractions
- Improved access use of the marina/river

Transportation, Warehousing and Distribution

Currently, Transportation & Warehousing is among the largest sectors in the county. The location quotient analysis indicated that the study area's concentration in truck transportation is more than two and a half times the national average. The region has succeeded in attracting and retaining large transportation firms, including three firms with 100-249 employees and two additional firms with more than 250 employees.

The reason for the emergence of this industry cluster is intuitively clear. The area's geographic position and transportation linkages afford a reasonable (distribution) drive-time from major population centers throughout the Northwest, Northern California, British Columbia, and the Western Mountain States. Other regional attributes include a refrigerator cargo dock on the Columbia River, fiber optic telecommunications, and the location of the Union Pacific switching station.

The area's strong transportation access and multi-modal opportunities makes it ideal for transportation and warehousing uses. Umatilla County has successfully attracted multiple large distribution centers, including a Walmart Distribution Center and Fed Ex Freight distribution facility. One or more such distribution facilities are a viable target recruitment for Umatilla City, if appropriate sites are available.

Cluster Strengths

- Multi-modal transportation connections, confluence of two freeways
- Port/rail access

Cluster Challenges

- Need for additional large, shovel-ready sites near the freeway and within the UGB

Cluster Opportunities

- Distribution centers
- Central hub for transportation/freight/logistics businesses

Health Care

Demand for health services tends to follow demographic trends. The local population and workforce are projected to continue growing at a strong rate. At the same time, a major segment of the population will be aging in place, increasing the demand for health services and continuing care. The following are key industry trends:

- Emphasis on leveraging cost advantages.
- Strong growth in utilization of mobile health systems, software, and access to information.
- Emerging care models including smaller, distributed clinics (i.e. Zoomcare).
- Video or phone appointments.
- An estimated 5% to 8% of Boomers will age in multi-family retirement and care facilities.



The community has identified a need for more local health services located in Umatilla for the local households, many of whom currently travel to Hermiston or beyond for needed health care. Needed services include urgent care, additional clinics, dental care and other specialists. As the population grows, there should be increasing opportunities for health care providers to locate in the community to serve the local population.

Cluster Strengths

- Growth and aging of population will support health services.
- Dedicated service area.
- Identified need and captive market.

Cluster Weakness

- Sector is concentrated in Hermiston.

Cluster Opportunities

- Development of expanded and/or new medical office clusters
- Expansion of training offerings for nurses and other medical professionals.

IV. FORECAST OF EMPLOYMENT AND LAND NEED

CITY OF UMATILLA EMPLOYMENT FORECASTS

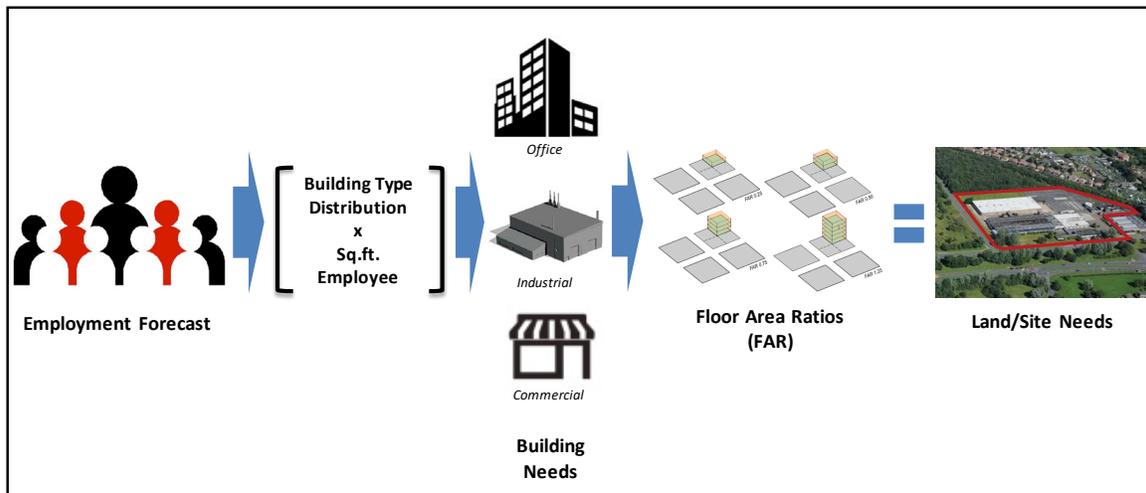
Goal 9 requires that jurisdictions plan for a 20-year supply of commercial and industrial capacity. Because employment capacity is the physical space necessary to accommodate new workers in the production of goods and services, employment needs forecasts typically begin with a forecast of employment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

The projections in this analysis are built on an estimate of employment in 2019, the commencement year for the planning period. Employment growth will come as the result of net-expansion of businesses in the community, new business formation, or the relocation/recruitment of new firms. Forecast scenarios consider a range of factors influencing growth. Long-range forecasts typically rely on a macroeconomic context for growth. Inflections in business cycles or the impact of a major shift in employment (i.e. a major unknown recruitment) are not considered.

Overview of Employment Forecast Methodology

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

FIGURE 4.01: CONVERSION OF EMPLOYMENT FORECAST TO LAND NEED FORECAST - METHODOLOGY



Source: Johnson Economics

The first step of the analysis is to update covered employment to the 2019 base year. Our City of Umatilla Quarterly Census of Employment and Wages (QCEW) dataset provides covered employment by industry

through 2017. To update these estimates, we use observed industry specific growth rates for the region between 2017 and 2019.

The second step in the analysis is to convert “covered”⁴ employment to “total” employment. Covered employment only accounts for a share of overall employment in the economy. Specifically, it does not consider sole proprietors or some contracted workers. Covered employment was converted to total employment based on observed ratios at the national level derived from the Bureau of Economic Analysis from 2010 through 2017.

The differential is the most significant in construction, professional, and administrative services. The adjusted 2019 total non-farm employment base for the City of Umatilla is an estimated 1,968 jobs.

FIGURE 4.02: UPDATE TO 2019 BASELINE AND CONVERSION OF COVERED TO TOTAL EMPLOYMENT

Major Industry Sector	QCEW Employment			Total Emp. Conversion ²	2019 Estimate
	2017 Employment	'17-'19 County Δ ¹	2019 Estimate		
Construction	172	1.8%	178	73.5%	243
Manufacturing	59	1.1%	60	97.6%	62
Wholesale Trade	88	1.0%	90	97.3%	92
Retail Trade	145	1.0%	148	94.4%	157
T.W.U.	93	1.1%	95	91.3%	104
Information*	0	2.9%	200	94.7%	211
Finance & Insurance	8	0.4%	8	91.6%	9
Real Estate	11	0.4%	11	91.6%	12
Professional & Technical Services	9	1.1%	9	88.5%	10
Administration Services	20	1.1%	20	88.5%	23
Education	215	1.5%	221	94.5%	234
Health Care	126	1.5%	130	94.5%	137
Leisure & Hospitality	79	1.0%	81	94.4%	85
Other Services	45	0.9%	46	82.7%	55
Government	525	0.7%	533	100.0%	533
TOTAL	1,595	7.1%	1,830	93.0%	1,968

¹ Forecasted AAGR from 2017-2024 for Umatilla County. Oregon Employment Department

² Bureau of Economic Analysis. Calculated as an eight-year average between 2010 and 2017

T.W.U. = Transportation, Warehousing, and Utilities

*Information sector: Employment in 2019 is estimated from local sources

Source: Johnson Economics, Oregon Employment Department, BEA

Scenario 1: Safe Harbor Forecast

The Goal 9 statute does not have a required method for employment forecasting. However, OAR 660-024-0040(9)(a) outlines several safe harbor methods, which are intended to provide jurisdictions a methodological approach that will not be challenged. The most applicable for Umatilla County jurisdictions is 660-024-0040(9)(a)(B), which recommends reliance on the adopted projected population growth rate as determined by the Portland State University Population Research Center. This method applies the projected

⁴ The Department of Labor’s Quarterly Census of Employment and Wages (QCEW) tracks employment data through state employment departments. Employment in the QCEW survey is limited to firms with employees that are “covered” by unemployment insurance.

population growth rate to the 2019 Umatilla County base, essentially reflecting that employment growth is expected to keep track with population growth. For individual industries, the projected growth rate is based on the most recent regional forecast (2017-2027) published by the Oregon Employment Department for Morrow and Umatilla Counties.

This method results in an average annual growth rate of 1.7%, with total job growth of 805 jobs over the forecast period when applied to the employment profile in Umatilla.

Scenario 2: Alternative Employment Forecast

A second prepared forecast scenario was influenced by the research and analysis conducted in the EOA. This scenario formulates an employment growth trajectory based on identified trends, the growth outlook for targeted industries, and input from the project advisory committee. Further, the alternative scenario recognizes that the city's policy direction has influence over realized growth in targeted sectors. This scenario considers the influence of known or anticipated development over a near and medium-term horizon. The following identified factors that are expected to influence growth informed the forecast

Target Industries – The key industries that the community has identified for targeted growth and focused economic development efforts. Known real-world business interest and location scouting from industries have also been considered. The most significant changes were to reflect targeted growth in the information (data centers) and transportation & warehousing (distribution centers).

Power, Water and Fiber Resources – Umatilla has excellent infrastructure resources that have proven attractive to large, high-investment industrial users such as data centers.

Location - Umatilla's location within the region will influence the mix of employment uses it can attract. Transportation, labor shed, recreation, and livability are some key locational factors.

Household Growth - Growth in many sectors, including retail, hospitality, banking, and real estate, is a direct function of population and households in a community.

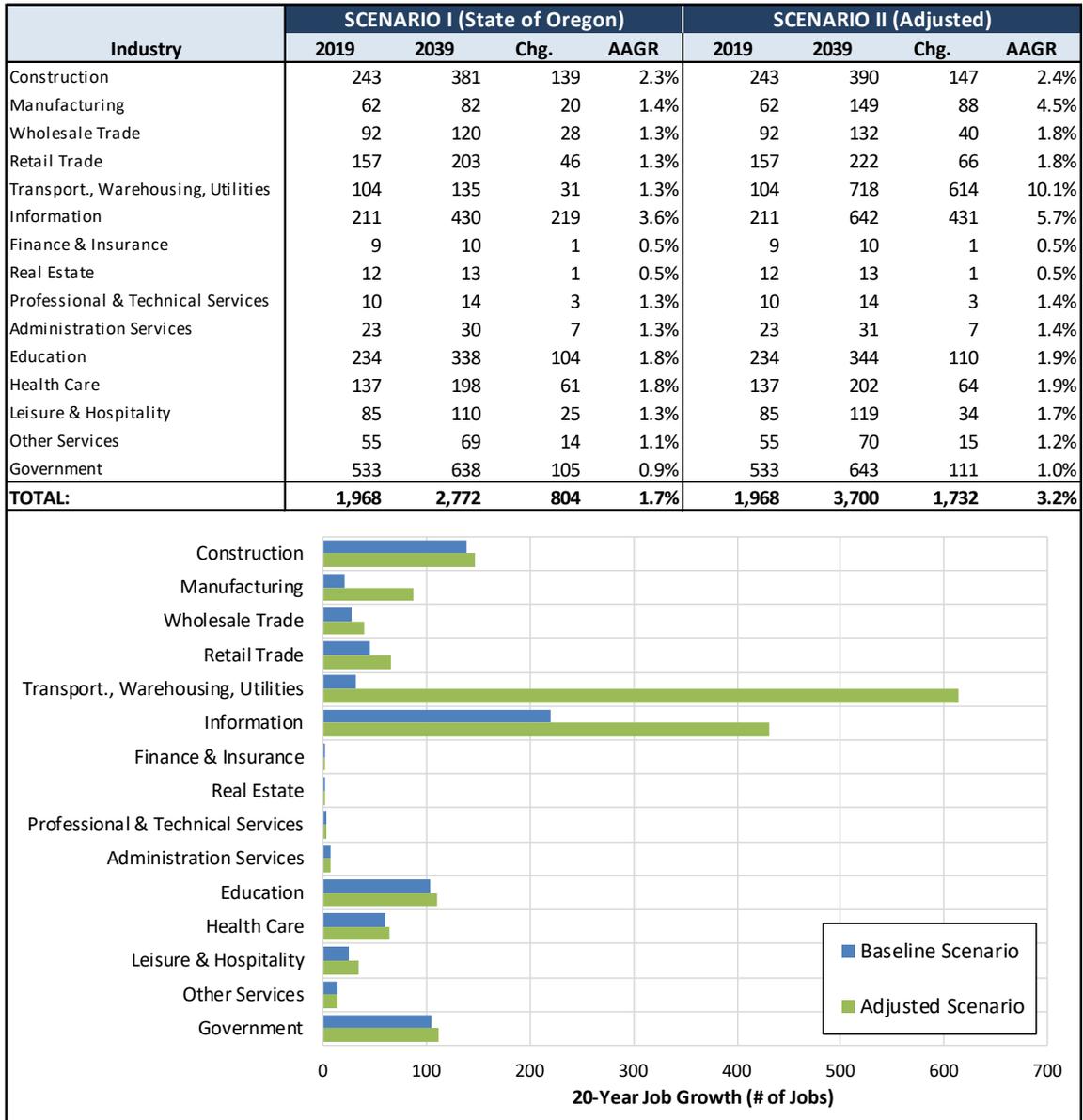
Taken together, the 20-year forecast in this scenario projects 3.2% average annual growth. Our outlook for growth in information, manufacturing, transportation and distribution, retail, and leisure & hospitality is more optimistic than macroeconomic forecasts indicate—reflecting the area's recent strength in these sectors.

Summary of Employment Forecast Scenarios

The two forecast scenarios in this analysis range from 1.7% to 3.1% average annual growth. Job growth estimates range from roughly 805 to 1,730 jobs. The first scenario is useful in creating a baseline understanding of macroeconomic growth prospects. These are common and broadly accepted approaches when looking at large geographic regions.

However, forecasts grounded in broad-based economic variables do not account for the realities of local businesses and trends among evolving industries. The second scenario is meant to reflect these unique circumstances along with local economic development goals. Any long-term forecast is inherently uncertain and should be updated on a regular basis to reflect more current information.

FIGURE 4.03: COMPARISON OF ALTERNATIVE FORECASTS, CITY OF UMATILLA



Source: Johnson Economics, Oregon Employment Department, BEA

FIGURE 4.04: SUMMARY OF PROJECTION SCENARIOS, CITY OF UMATILLA (5-YEAR INCREMENTS)

Industry	Overall Employment					Net Change by Period				Total 19-39
	2019	2024	2029	2034	2039	19-24	24-29	29-34	34-39	
SCENARIO 1 (State of Oregon)										
Construction	243	272	304	341	381	29	32	36	41	139
Manufacturing	62	66	71	77	82	5	5	5	6	20
Wholesale Trade	92	99	105	112	120	6	7	7	8	28
Retail Trade	157	167	178	190	203	10	11	12	13	46
Transport, Warehousing, Utilities	104	111	119	127	135	7	8	8	9	31
Information	211	252	302	360	430	41	49	59	70	219
Finance & Insurance	9	9	9	9	10	0	0	0	0	1
Real Estate	12	12	13	13	13	0	0	0	0	1
Professional & Technical Services	10	11	12	13	14	1	1	1	1	3
Administration Services	23	25	26	28	30	2	2	2	2	7
Education	234	257	281	308	338	22	25	27	30	104
Health Care	137	150	165	181	198	13	14	16	17	61
Leisure & Hospitality	85	91	97	103	110	6	6	6	7	25
Other Services	55	59	62	65	69	3	3	4	4	14
Government	533	557	583	610	638	25	26	27	28	105
TOTAL:	1,968	2,138	2,327	2,537	2,772	170	189	210	234	804
SCENARIO 2 (Modified)										
Construction	243	273	308	346	390	31	34	39	44	147
Manufacturing	62	77	96	120	149	15	19	24	30	88
Wholesale Trade	92	101	110	121	132	9	9	10	11	40
Retail Trade	157	171	187	204	222	14	16	17	19	66
Transport, Warehousing, Utilities	104	169	273	443	718	65	105	170	275	614
Information	211	279	368	486	642	68	89	118	156	431
Finance & Insurance	9	9	9	10	10	0	0	0	0	1
Real Estate	12	12	13	13	13	0	0	0	0	1
Professional & Technical Services	10	11	12	13	14	1	1	1	1	3
Administration Services	23	25	27	28	31	2	2	2	2	7
Education	234	258	284	313	344	24	26	29	32	110
Health Care	137	151	166	183	202	14	15	17	18	64
Leisure & Hospitality	85	93	101	110	119	7	8	9	10	34
Other Services	55	59	62	66	70	3	4	4	4	15
Government	533	558	585	614	643	26	27	28	30	111
TOTAL:	1,968	2,246	2,602	3,069	3,700	278	356	467	631	1,732

Source: Johnson Economics, Oregon Employment Department, BEA

EMPLOYMENT LAND NEED FORECAST – CITY OF UMATILLA

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

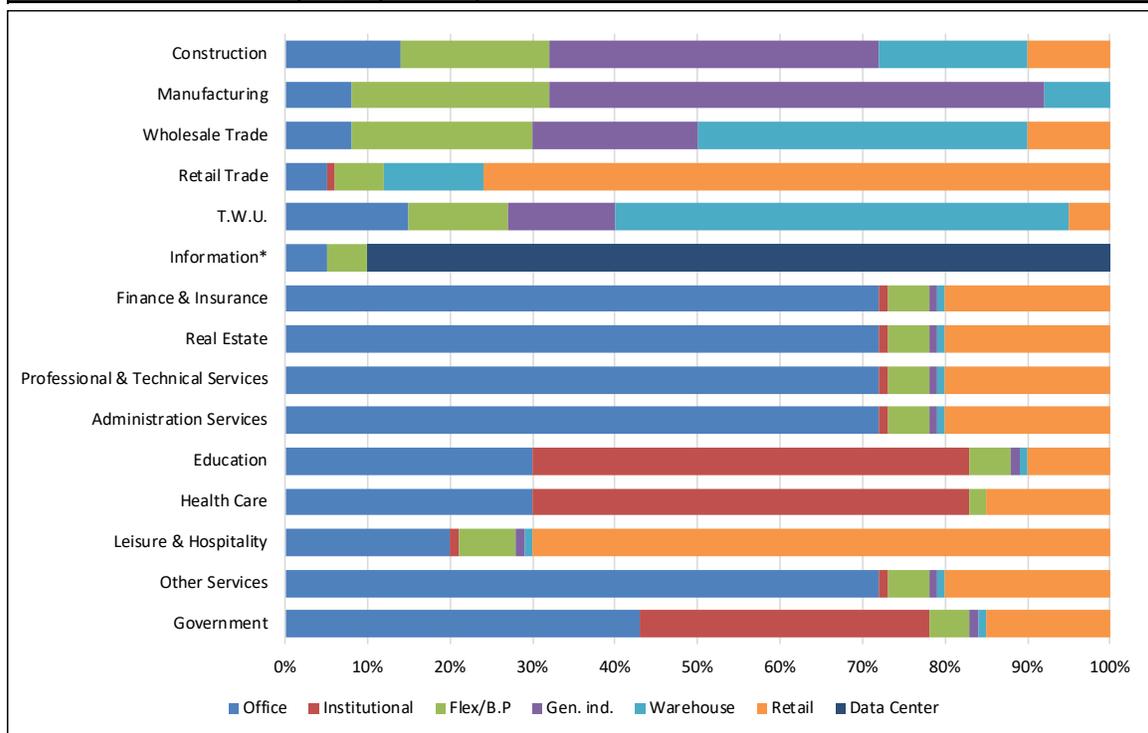
The next step converts employment into space using estimates of the typical square footage exhibited within each typology. Adjusting for market clearing vacancy we arrive at an estimate of total space demand for each building type. Finally, we can consider the physical characteristics of individual building types and the amount of land they typically require for development. The site utilization metric commonly used is referred to as a “floor area ratio” or FAR. For example, assume a 25,000-square foot general industrial building requires approximately two acres to accommodate its structure, setbacks, parking, and necessary yard/storage space. This building would have an FAR. of roughly 0.29. Demand for space is then converted to net acres using a standard FAR for each development form.

Land Demand Analysis (Adjusted Forecast)

To demonstrate the methodology used, this report will develop land need estimates in a step-by-step process, clearly presenting underlying assumptions. In this analytical step we allocate employment growth into standard building typologies. The building typology matrix represents the share of sectoral employment that locates across various building types.

FIGURE 4.05: DISTRIBUTION OF EMPLOYMENT BY SPACE TYPE, CITY OF UMATILLA

Industry Sector	20-year Job Forecast		BUILDING TYPE MATRIX						
	Number	AAGR	Office	Institutional	Flex/B.P	Gen. ind.	Warehouse	Data Center	Retail
Construction	147	2.3%	14%	0%	18%	40%	18%	0%	10%
Manufacturing	88	1.4%	8%	0%	24%	60%	8%	0%	0%
Wholesale Trade	40	1.3%	5%	0%	5%	10%	75%	0%	5%
Retail Trade	66	1.3%	5%	1%	6%	0%	12%	0%	76%
Transport, Warehousing, Utilities	614	1.3%	15%	0%	12%	13%	55%	0%	5%
Information	431	3.6%	5%	0%	5%	0%	0%	90%	0%
Finance & Insurance	1	0.5%	72%	1%	5%	1%	1%	0%	20%
Real Estate	1	0.5%	72%	1%	5%	1%	1%	0%	20%
Professional & Technical Services	3	1.3%	72%	1%	5%	1%	1%	0%	20%
Administration Services	7	1.3%	72%	1%	5%	1%	1%	0%	20%
Education	110	1.8%	30%	53%	5%	1%	1%	0%	10%
Health Care	64	1.8%	30%	53%	2%	0%	0%	0%	15%
Leisure & Hospitality	34	1.3%	20%	1%	7%	1%	1%	0%	70%
Other Services	15	1.1%	72%	1%	5%	1%	1%	0%	20%
Government	111	0.9%	43%	35%	5%	1%	1%	0%	15%
TOTAL	1,732	1.7%	16%	8%	10%	11%	24%	22%	9%



Source: Johnson Economics, Oregon Employment Department

Under the employment forecast scenario, employment housed in data center, office, retail, and general industrial space accounts for the greatest share of growth.

FIGURE 4.06: NET CHANGE IN EMPLOYMENT ALLOCATED BY BUILDING TYPE, CITY OF UMATILLA – 2019-2039

Industry Sector	20-year Job Forecast		NET CHANGE IN EMPLOYMENT BY BUILDING TYPE - 2019-2039							Total
	Number	AAGR	Office	Institutional	Flex/B.P	Gen. Ind.	Warehouse	Data Center	Retail	
Construction	147	2.3%	21	0	27	59	27	0	15	147
Manufacturing	88	1.4%	7	0	21	53	7	0	0	88
Wholesale Trade	40	1.3%	2	0	2	4	30	0	2	40
Retail Trade	66	1.3%	3	1	4	0	8	0	50	66
Transport., Warehousing, Utilities	614	1.3%	92	0	74	80	338	0	31	614
Information	431	3.6%	22	0	22	0	0	388	0	431
Finance & Insurance	1	0.5%	1	0	0	0	0	0	0	1
Real Estate	1	0.5%	1	0	0	0	0	0	0	1
Professional & Technical Services	3	1.3%	2	0	0	0	0	0	1	3
Administration Services	7	1.3%	5	0	0	0	0	0	1	7
Education	110	1.8%	33	58	5	1	1	0	11	110
Health Care	64	1.8%	19	34	1	0	0	0	10	64
Leisure & Hospitality	34	1.3%	7	0	2	0	0	0	24	34
Other Services	15	1.1%	11	0	1	0	0	0	3	15
Government	111	0.9%	48	39	6	1	1	0	17	111
TOTAL	1,732	1.7%	273	132	165	198	412	388	164	1,732

Source: Johnson Economics, Oregon Employment Department

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

The demand for space is converted into an associated demand for acreage using an assumed Floor Area Ratio (FAR). The combined space and FAR assumptions further provide estimates indicative of job densities, determined on a per net-developable acre basis.

FIGURE 4.07: NET ACRES REQUIRED BY BUILDING TYPOLOGY

ADJUSTED SCENARIO	DEMAND BY GENERAL USE TYPOLOGY, 2019-2039							Total
	Office	Institutional	Flex/B.P	Gen. Ind.	Warehouse	Data Center	Retail	
Employment Growth	273	132	165	198	412	388	164	1,732
Avg. SF Per Employee	350	600	990	600	1,850	8,000	500	2,542
Demand for Space (SF)	95,600	79,400	163,100	118,900	761,900	3,101,100	81,900	4,401,900
Floor Area Ratio (FAR)	0.35	0.35	0.30	0.30	0.35	0.35	0.25	0.32
Market Vacancy	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	10.0%	5.6%
Implied Density (Jobs/Acre)	39.2	22.9	11.9	20.7	7.8	1.8	19.6	5.6
Net Acres Required	7.0	5.8	13.9	9.6	52.6	214.1	8.4	311.3

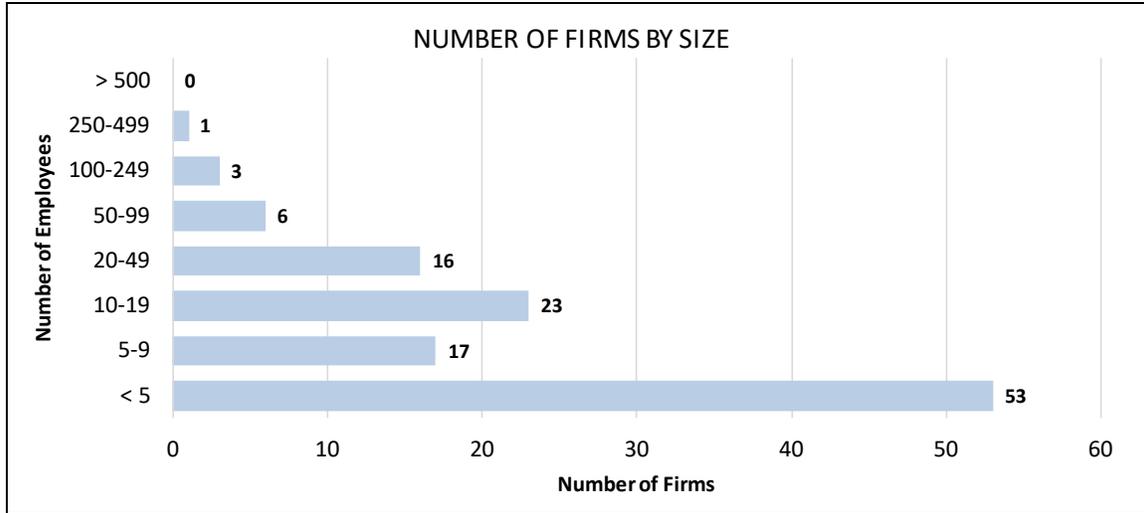
Source: Johnson Economics, Oregon Employment Department

Commercial office and retail densities are 39 and 20 jobs per acre, respectively. Industrial uses range from 21 jobs per acre for general industrial to 8 jobs per acre for warehouse/distribution to as few as 2 jobs per acre for data center users. The projected 1,730 job expansion in the local employment base would require an estimated 311 net acres of employment land to house.

EMPLOYMENT LAND NEED FORECAST – NEEDED SITE SIZES

The local employment base is largely dominated by small firms of 10 or fewer employees, with four employers currently accounting for more than 100 employees and one accounting for more than 250 (Figure 4.08).

FIGURE 4.08: DISTRIBUTION OF CURRENT FIRMS BY SIZE, UMATILLA OREGON



Source: Johnson Economics, Oregon Employment Department

Figure 4.09 presents the projected need for new commercial and industrial sites based on the industry growth projections presented above. These site needs are an estimate of future needs to aid comparison to available supply (see following Section.)

FIGURE 4.09: ESTIMATED SITE NEEDS (ACRES) OF FUTURE EMPLOYERS, UMATILLA OREGON

LAND USE	0 TO .9 acres	1 to 4.9 acres	5 to 9.9 acres	10 to 19.9 acres	20 to 29.9 acres	30 to 49.9 acres	50 to 99.9 acres	100+ acres	TOTAL
Office	10	1	0	0	0	0	0	0	11
Institutional	2	2	0	0	0	0	0	0	4
Retail	5	2	0	0	0	0	0	0	7
Commercial:	17	5	0	0	0	0	0	0	22
Flex/B.P	3	2	1	0	0	0	0	0	6
Gen. Ind.	5	3	1	0	0	0	0	0	9
Warehouse	2	3	2	0	0	0	1	0	8
Data Center	0	0	0	0	0	0	1	2	3
Industrial:	10	8	4	0	0	0	2	2	26
TOTAL:	27	13	4	0	0	0	2	2	48

Source: Johnson Economics, Oregon Employment Department

The estimates presented in Figure 4.09 are based on the average firm sizes of businesses in the different industry subsectors in Umatilla County. *However, economic development and job growth are dynamic, and this estimate of site needs is unlikely to match actual future needs exactly. Communities should maintain flexibility and ensure a supply of a variety of site types with short-term availability, as allowed through the Goal 9 EOA process.*

Local and regional employment trends in Umatilla and Morrow Counties support the likely ability to continue to recruit larger users such as data centers and larger manufacturers going forward. At the same time, there will be a continued demand for real estate space and sites of all size to accommodate the full range of employers across sectors.

Additional Considerations in Land Demand

Beyond a consideration of gross acreage, there is a significantly broader range of site characteristics that industries would require to accommodate future growth. We summarize some key findings here:

- Industrial buildings are generally more susceptible to slope constraints due to larger building footprints. For a site to be competitive for most industrial uses, a 5% slope is the maximum for development sites. Office and commercial uses are generally smaller and more vertical, allowing for slopes up to 15%.
- Most industries require some direct access to a major transportation route, particularly manufacturing and distribution industries that move goods throughout the region and beyond. A distance of 10-to-20 miles to a major interstate is generally acceptable for most manufacturing activities, but distribution activities require five miles or less and generally prefer a direct interstate linkage. Visibility and access are highly important to most commercial activities and site location with both attributes from a major commercial arterial is commonly required.
- Access and capacity for water, power, gas, and sewer infrastructure is more important to industrial than commercial operations. Water/sewer lines of up to 10" are commonly required for large manufacturers. Appendix A details utility infrastructure requirements by typology.
- Fiber telecommunications networks are likely to be increasingly required in site selection criteria for most commercial office and manufacturing industries. Medical, high-tech, creative office, research & development, and most professional service industries will prefer or require strong fiber access in the coming business cycles.

Section VI and Appendix A of this report discuss industry-specific site requirements in greater detail.

V. CURRENT EMPLOYMENT LAND SUPPLY

BUILDABLE LAND INVENTORY

The inventory of employment land provides a snapshot of the currently local capacity to accommodate more business and jobs. This current available land will be compared to the forecasted need for new land over the 20-year planning period.

Employment land includes land zoned for industrial, retail or other commercial use (i.e. office), and may also include mixed-use zoning that allows for employment uses. This inventory includes vacant parcels with the proper zoning, as well as “redevelopable” parcels. (The methodology used in this analysis is described in detail below.)

Methodology

The Buildable Lands Inventory (BLI) used in this analysis is based on tax account data from the County, supplemented with data from the State of Oregon. The data was provided in Geographic Information Systems (GIS) compatible format, providing information on land use, parcel size and other relevant data categories on the taxlot level. Zoning information was also provided by the City.

The tax account data was used to identify vacant and redevelopable parcels in the city and its UGB. Environmental constraints including wetlands, floodplain and steep slopes that might impact developability were also considered. The identified candidate parcels were then further screened and refined by Johnson Economics.

In keeping with State requirements, the BLI includes an assessment of vacant buildable lands and redevelopable parcels. This analysis applied the “safe harbor” assumptions allowed under state rules to determine the infill potential of developed parcels (OAR 660-024-0050):

FIGURE 5.01: SUMMARY OF EMPLOYMENT BUILDABLE LAND INVENTORY METHODOLOGY



Appendix B provides an in-depth summary of the Buildable Lands Inventory, including methodology and mapping of the identified parcels of employment land. The results are summarized below.

FIGURE 5.02: SUMMARY OF EMPLOYMENT BUILDABLE LAND INVENTORY (UMATILLA)

ZONE	VACANT		REDEVELOPABLE		TOTAL	
	Parcels	Acreage	Parcels	Acreage	Parcels	Acreage
C-1	4	8.5	2	1.0	6	9.5
DC	11	2.2	3	0.4	14	2.6
DT	8	1.4	0	0.0	8	1.4
GC	6	10.0	2	3.6	8	13.5
MC	3	4.1	0	0.0	3	4.1
NC	3	31.4	0	0.0	3	31.4
Commercial Total:	35	57.6	7	4.9	42	62.5
M1	6	23.5	5	27.6	11	51.1
M2	16	247.9	3	16.8	19	264.7
Industrial Total:	22	271.3	8	44.5	30	315.8
TOTAL:	57	328.9	15	49.4	72	378.3

Source: Umatilla County, Umatilla, Johnson Economics LLC

The inventory identifies over 378 acres of vacant or potentially redevelopable land in both commercial and industrial zones. A smaller share is in the Commercial zones, while the majority has Industrial zoning. 80% of the sites are identified as “vacant”, and 20% are potential “redevelopment” sites.

FIGURE 5.03: SUMMARY OF EMPLOYMENT BUILDABLE LAND INVENTORY, BY PARCEL SIZE (UMATILLA)

ZONE	0 TO .99 acres		1 to 4.99 acres		5 to 9.99 acres		10 to 19.99 acres		20 to 29.99 acres		30 to 49.99 acres		50+ acres		TOTALS	
	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage
C-1	4	2.2	1	1.9	1	5.5	0	0.0	0	0.0	0	0.0	0	0.0	6	9.5
DC	14	2.6	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	14	2.6
DT	8	1.4	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	8	1.4
GC	2	1.7	3	5.0	1	6.9	0	0.0	0	0.0	0	0.0	0	0.0	6	13.5
MC	1	0.7	2	3.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	3	4.1
NC	0	0.0	0	0.0	2	13.4	1	18.0	0	0.0	0	0.0	0	0.0	3	31.4
<i>Commercial Total:</i>	<i>29</i>	<i>8.6</i>	<i>6</i>	<i>10.2</i>	<i>4</i>	<i>25.8</i>	<i>1</i>	<i>18.0</i>	<i>0</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>40</i>	<i>62.5</i>
M1	0	0.0	8	20.7	2	13.4	1	17.0	0	0.0	0	0.0	0	0.0	11	51.1
M2	0	0.0	3	10.3	6	39.7	4	53.3	0	0.0	0	0.0	1	161.4	14	264.7
<i>Industrial Total:</i>	<i>0</i>	<i>0.0</i>	<i>11</i>	<i>31.0</i>	<i>8</i>	<i>53.2</i>	<i>5</i>	<i>70.3</i>	<i>0</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>	<i>1</i>	<i>161.4</i>	<i>25</i>	<i>315.8</i>
TOTAL:	29	8.6	17	41.2	12	78.9	6	88.2	0	0.0	0	0.0	1	161.4	65	378.3

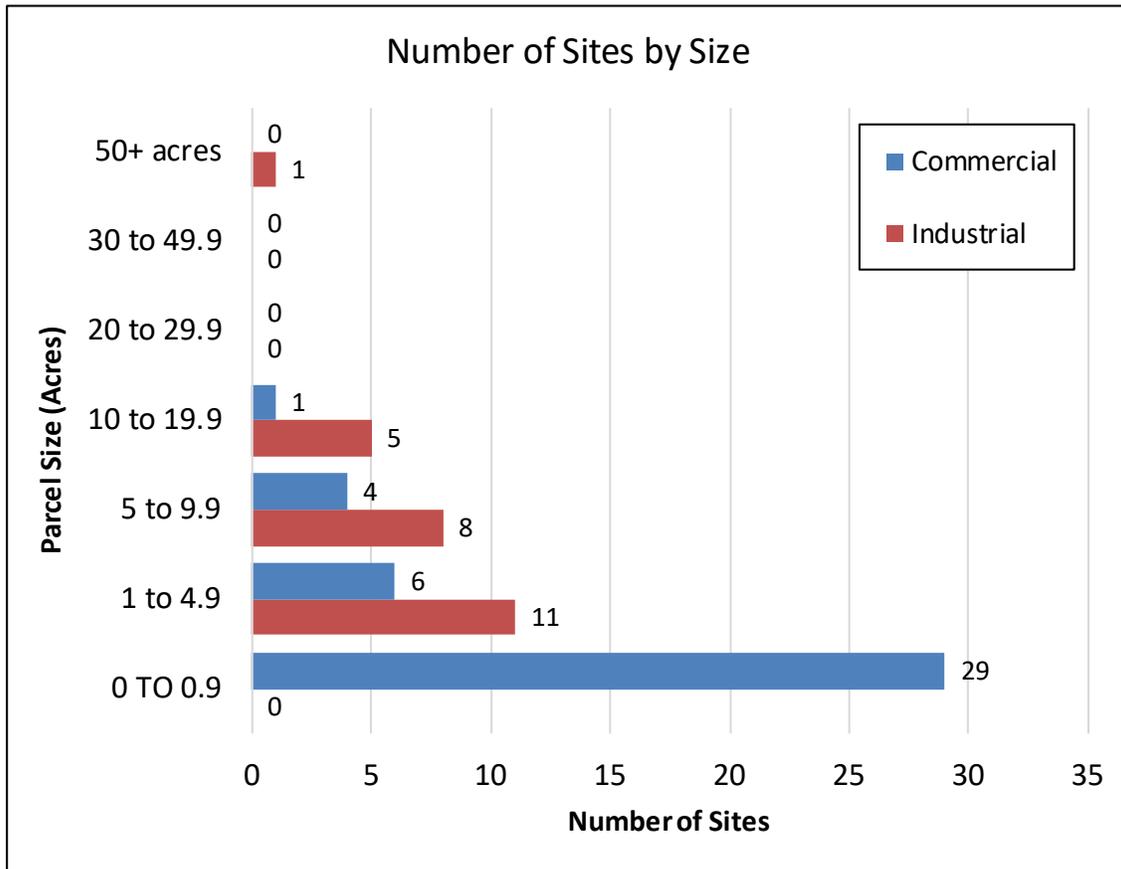
Source: Umatilla County, Umatilla, Johnson Economics LLC

Figure 5.03 presents the inventory broken down by the size of parcels. Most of the buildable unconstrained parcels identified are smaller than 20 acres, with the largest share of commercial parcels being smaller than

one acre in size. The largest share of industrial parcels (over one third) are between one and five acres. There is one large industrial parcel of roughly 160 acres located at the Port.

The following chart provides a visual presentation of the site-size data.

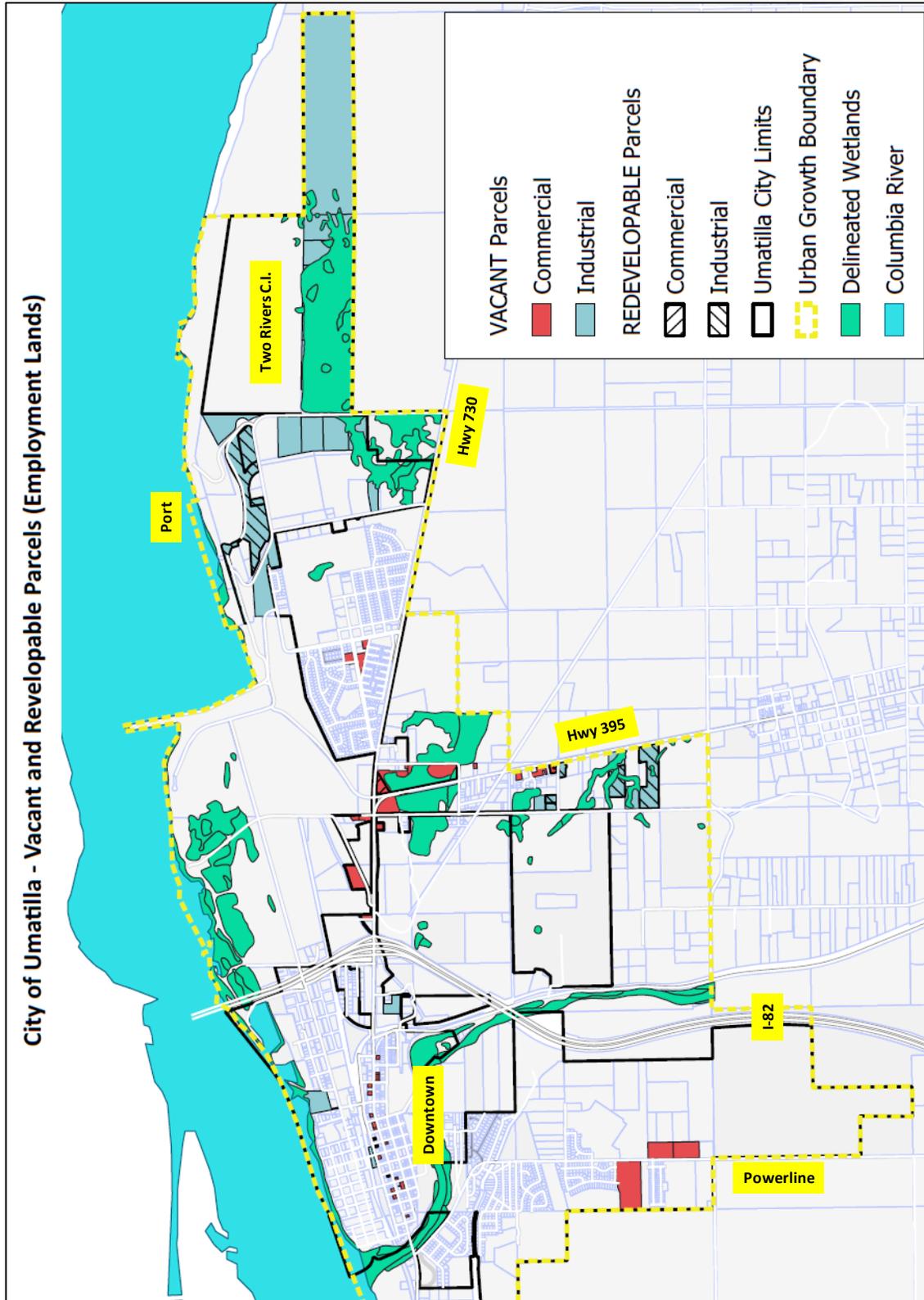
FIGURE 5.04: SUMMARY OF EMPLOYMENT BUILDABLE LAND INVENTORY, BY PARCEL SIZE (UMATILLA)



Source: Umatilla County, Umatilla, Johnson Economics LLC

The following figure shows a map of the Buildable Land Inventory for commercial and industrial parcels. Wetland constraints are highlighted to show how they hamper some of nominally vacant land supply. Where wetlands constrain a parcel, these parcels may be partially or wholly discounted from the inventory.

FIGURE 5.05: MAP OF EMPLOYMENT BUILDABLE LAND INVENTORY (UMATILLA)



Source: Umatilla County, State of Oregon, Johnson Economics LLC

BUILDABLE LAND INVENTORY VS. 20-YEAR LAND NEED

The inventory of employment land provides a snapshot of the currently local capacity to accommodate more business and jobs. This current available land is compared to the forecasted need for new land over the 20-year planning period, generated in a previous step of this project (Section IV).

The estimate of future land need is presented below. A total need for 309 net acres was identified across a range of building types.

FIGURE 5.06: SUMMARY OF FORECASTED 20-YEAR LAND NEED BY BUILDING TYPOLOGY (UMATILLA)

ADJUSTED SCENARIO	DEMAND BY GENERAL USE TYPOLOGY, 2019-2039							Total
	Office	Institutional	Flex/B.P	Gen. Ind.	Warehouse	Data Center	Retail	
Employment Growth	273	132	165	198	412	388	164	1,732
Avg. SF Per Employee	350	600	990	600	1,850	8,000	500	2,542
Demand for Space (SF)	95,600	79,400	163,100	118,900	761,900	3,101,100	81,900	4,401,900
Floor Area Ratio (FAR)	0.35	0.35	0.30	0.30	0.35	0.35	0.25	0.32
Market Vacancy	10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	10.0%	5.6%
Implied Density (Jobs/Acre)	39.2	22.9	11.9	20.7	7.8	1.8	19.6	5.6
Net Acres Required	7.0	5.8	13.9	9.6	52.6	214.1	8.4	311.3

Source: Oregon Employment Department, Umatilla, Johnson Economics LLC

There is a total projected 20-year need for 309 acres of buildable employment land in industrial and commercial zones. Roughly 90% of this projected need is for uses most appropriate to industrial zones (Flex, General Industrial, Warehouse, and Data Center), while the remainder is for uses most appropriate for commercial zones (Office, Retail, Institutional).

Conclusion

This combined identified need (311 acres) is less than the 378 acres of combined buildable employment land noted in Figure 5.02. **It is important to remember that the different categories of employment land are not (necessarily) substitutable.** For instance, a shortage of 10 acres of commercial land, and a surplus of 10 acres of industrial land do not cancel each other.

Also, this does not address the more specific site needs from specific categories of employment land users. **Some of the forecasted growth includes employers who may have specific site needs and preferences that are not reflected in the available buildable inventory, even though *in total* the available parcels sum to a significant amount.**

In particular, there is forecasted demand for more suitable large-lot industrial sites while relatively few of these sites were found in the inventory. This is discussed in greater detail below.

VI. EMPLOYER SITE NEEDS VS. BUILDABLE LAND SUPPLY

This section compares the more specific site requirements of projected future commercial and industrial users with the specific inventory of prospective employment sites identified within the UGB. Oregon Administrative Rules requires a determination of 20-year employment land need, as well as a determination of need for suitable, readily serviceable land to meet short-term demand.

The following definitions from OAR 660-009-005 are relevant to this discussion:

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

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

(11) "Site Characteristics" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.

(12) "Suitable" means serviceable land designated for industrial or other employment use that provides, or can be expected to provide the appropriate site characteristics for the proposed

As noted in the previous section, the Buildable Land Inventory was screened for major constraints, including current development, floodways, wetlands, steep slopes, and federal ownership. The remaining parcels in the inventory may be buildable but may not meet the specific site requirements of certain users. Others may be part of the long-term supply, but not be well-suited for the short-term supply.

Estimated 20-Year Site Needs vs. Current Supply

The following figures re-present the findings of estimated need and current supply of sites by size, as presented in the preceding sections. Note that the estimate of future needs is approximate, as economic growth is dynamic and difficult to predict. Communities should maintain flexibility and ensure a supply of a variety of site types with short-term availability, as allowed through the Goal 9 EOA process.

As Figure 6.01 presents there is currently estimated to be a sufficient supply of commercial (retail/office/institutional) parcels to meet the projected demand. Most of the demand is estimated to be from employers seeking relatively small sites of five acres or less. Due to higher employment density for commercial uses, some of these may still have sizable workforces, despite smaller sites.

For industrial users, there is an estimated deficit of sites of some sizes. Most notably there is a deficit of suitable large industrial sites, and a deficit of small industrial sites.

**FIGURE 6.01: SUMMARY OF FORECASTED 20-YEAR SITE NEED VS. SITE SUPPLY
BY LAND USE AND SITE SIZE (ACRES), UMATILLA**

Estimated 20-year Site NEED

LAND USE	0 TO .9 acres	1 to 4.9 acres	5 to 9.9 acres	10 to 19.9 acres	20 to 29.9 acres	30 to 49.9 acres	50 to 99.9 acres	100+ acres	TOTAL
Office	10	1	0	0	0	0	0	0	11
Institutional	2	2	0	0	0	0	0	0	4
Retail	5	2	0	0	0	0	0	0	7
Commercial:	17	5	0	0	0	0	0	0	22
Flex/B.P	3	2	1	0	0	0	0	0	6
Gen. Ind.	5	3	1	0	0	0	0	0	9
Warehouse	2	3	2	0	0	0	1	0	8
Data Center	0	0	0	0	0	0	1	2	3
Industrial:	10	8	4	0	0	0	2	2	26
TOTAL:	27	13	4	0	0	0	2	2	48

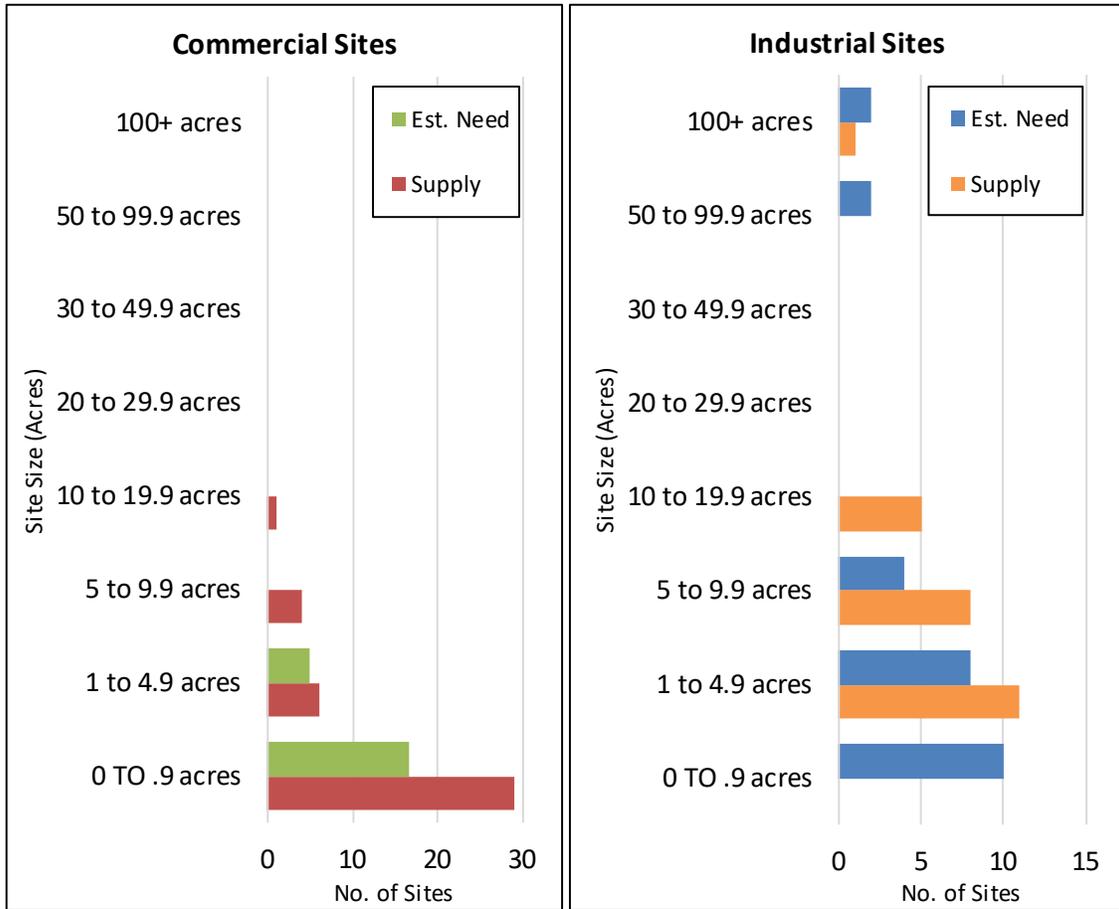
Estimated Employment Land SUPPLY (BLI)

LAND USE	0 TO .9 acres	1 to 4.9 acres	5 to 9.9 acres	10 to 19.9 acres	20 to 29.9 acres	30 to 49.9 acres	50 to 99.9 acres	100+ acres	TOTAL
C-1	4	1	1	0	0	0	0	0	6
DC	14	0	0	0	0	0	0	0	14
DT	8	0	0	0	0	0	0	0	8
GC	2	3	1	0	0	0	0	0	6
MC	1	2	0	0	0	0	0	0	3
NC	0	0	2	1	0	0	0	0	3
Commercial:	29	6	4	1	0	0	0	0	40
M1	0	8	2	1	0	0	0	0	11
M2	0	3	6	4	0	0	0	1	14
Industrial:	0	11	8	5	0	0	0	1	25
TOTAL:	29	17	12	6	0	0	0	1	65

Source: Oregon Employment Department, Umatilla, Johnson Economics LLC

Figure 6.02 presents the same data in chart form.

**FIGURE 6.02: SUMMARY OF FORECASTED 20-YEAR SITE NEED VS. SITE SUPPLY
BY LAND USE AND SITE SIZE (ACRES), UMATILLA**



Source: Oregon Employment Department, Umatilla, Johnson Economics LLC

Identified Industrial Site Deficits

Large Lot: The specific site deficits identified are for large industrial parcels. This finding is the result of strong projected growth in the information sector, and specifically data centers and cloud computing facilities. The Umatilla and Morrow County regions are now established centers for these facilities in Oregon due to a confluence of available infrastructure and workforce that have attracted these employers over the past decade. These facilities represent huge capital investments and offer high average wages for the region. There are known prospective opportunities to attract more of these facilities in the Umatilla area, which are excellent candidates for a ready short-term supply of suitable sites.

As outlined in the matrix of site requirements presented in Appendix A, these users seek large-lot industrial land with excellent power, water, and fiber access. These facilities have thus far used sites of 30 to over 100 acres. These users have stated a preference for very large sites in order to allow for future expansion. The most recent data center development in Umatilla sought a 120-acre site.

Given the projected short-term growth, and prospective long-term growth in this industry, Johnson Economics estimates a need for at least one site of 100+ acres meeting serviceability requirements for data center or large manufacturing users, and at least two sites of 50+ acres.

In addition, there is a need for an additional large site or sites for potential distribution facilities. This is an identified target industry based on local economic goals, and the Umatilla area provides strong advantages for this type of facility based on its location at the connection of two interstate freeways.

Distribution centers require large sites for warehousing and truck staging, with ready freeway or major highway access for the receiving and shipping of large volumes of goods. For example, the nearby Walmart Distribution Center uses a 190-acre site, while the Fed Ex Freight distribution facility uses a 62.5-acre site. The currently available industrial sites are generally too limited in size and most are too distant from the freeway to serve as suitable candidates for this use.

Small Lot: There is also a projected future need from small industrial firms for smaller sites. It is also common for these types of users to also be accommodated in multi-tenant industrial buildings on larger sites. Given the supply of industrial sites in the 5- to 20-acre range that can be subdivided or built with multi-tenant space, it may be less critical to designate new land for these small users at this time. However, policies which facilitate availability of space for small industrial firms within current zones may be warranted.

APPENDIX A: SITE REQUIREMENTS

The following series of tables summarize key site requirements for a range of prospective tenant types.⁵

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

⁵ Business Oregon, Mackenzie.

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

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

Terms:

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

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

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

General Requirements:

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

Site Requirements:

1. **Total Site Size:** The site size is taken to mean the size of the building footprint and includes buffers, setbacks, parking, mitigation, and expansion space.
2. **Competitive Slope:** Most industrial uses require relatively large building footprints that do not accommodate steps in floor slabs, and sloping topography will require extensive excavation and retaining systems that increase development cost over flat sites. The figures given are the preferred maximum average slope across the developable portion of the site, recognizing that sites with additional area outside the building, or developments with multiple building pads, generally will have lower slope earthwork costs than sites with limited space outside the building footprint.
3. **Trip Generation:** Sites are frequently limited by a jurisdiction to a specified total number of vehicle trips entering and exiting the site. This site requirement is an estimate of the minimum number of average daily trips per acre (based on the range of building coverage) that should be available for each of the industrial categories based on the Institute of Traffic Engineers (ITE) Manual-Ninth Edition. The following table lists the ITE codes used to estimate average trips for the industry profiles represented in the matrix.

4. **Miles to Interstate or Freight Route:** With few exceptions, access to major freeways or freight routes is critical for the movement of goods. This site requirement indicates the typical maximum range of distance, in miles, from the site to the freeway or highway access. The roadways/intersections between the site and freeway/highway must generally operate at a level of service 'D' or better in accordance with the Highway Capacity Manual methodologies and general engineering standards.
5. **Miles to Frequent Transit Service:** Businesses located walking distance (within one-quarter of a mile) to a bus stop that is serviced by a frequent bus line enjoy a competitive advantage over others that are more limited in transportation access options.⁶
6. **Railroad Access:** The need for access to railroad for the movement of goods within each industrial category is dependent upon individual users, so the site requirements are identified as either "Preferred," "Not Required," or "Avoid" in some cases where the presence of rail may be considered a deterrent to business.
7. **Proximity to Marine Port:** The need for access to a marine port for the movement of goods within each industrial category is dependent upon individual users.
8. **Proximity to International/Regional Airport:** The need for access to a regional airport for the movement of goods or business travel within each industrial category is dependent upon individual users.
9. **Availability of Water:** This requirement indicates the minimum sizes of domestic water and fire lines immediately available to the site. In certain rural cases, a comparable supply from an on-site water system (i.e., well or reservoir with available water rights) may be acceptable. In addition to lines sizes, preference for high-pressure water capabilities and average flow demand in gallons per day is specified for each industry type.
10. **Availability of Sanitary Sewer:** This requirement indicates the minimum size of public sanitary sewer service line immediately available to the site. In certain rural cases, an on-site subsurface system providing a comparable level of service may be acceptable. Sewer flow requirements were determined by calculating a percentage of the water flow for each industry type.
11. **Natural Gas:** This requirement indicates the minimum size natural gas line that is immediately available to the site. It is assumed that the pressure demand for all industry categories is 40-60 psi.
12. **Electricity:** This requirement indicates the minimum electrical demand readily available to each industry and where proximity to a substation and redundancy dependency rank on the continuum of less critical to more critical. Estimated demand is based on review of existing usage from local utility providers, referencing industrial NAICS codes for the various profiles.
13. **Telecommunications:** This requirement indicates whether the availability of telecommunication systems are readily available, and where major commercial capacity, route diversity and fiber optic lines rank on the continuum of less critical to more critical. All sites are assumed to have a T-1 line readily available.

INDUSTRY PROFILES

The following provides supplemental information for the attached Industrial Development Profile Matrix. The preceding matrix identifies 10 industry type categories (labeled A-J on the matrix) and 14 "site needs" which will assist in evaluating selected sites using the criteria of a given industry type.

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

The industry categories have been established based primarily on Business Oregon information (including input from various state agencies). Due to the wide range and constantly evolving characteristics of uses, borderline and/or non-typical applications will likely arise and will be evaluated on a case-by-case basis. It should be noted that certain industry types might have unique requirements, such as proximity to an international airport, which may require an additional category. It should also be noted that the industry types represent the primary use of the industry, and exclude secondary/accessory uses (e.g., training facilities, etc.) at this

A: Food Processing

a) Description:

Generally, this category includes industries that manufacture or process foods and beverages for human or animal consumption. Although this category has similar siting characteristics as Other Manufacturing, the unique needs associated with food processing, such as high-volume water and/or pressure demand, warrant this separate category. Broadly, there are two types of food processing categories:

- (1) raw materials; and
- (2) assembling.

Additionally, there is a packaging and warehousing component to these facilities.

b) Representative Industry Types:

- Production foods/goods (e.g., bakeries)
- Fruits and vegetables
- Breweries and wineries
- Dairy
- Bottling/beverages

c) Representative Companies:

- Ajinomoto (Portland)
- Beaverton Foods Inc. (Hillsboro)
- Cabroso (Medford)
- Rogue Creamery
- Hermiston Foods (Hermiston)
- Nancy's Yogurt (Eugene)
- Reser's Foods (Beaverton)
- Norpac (Salem and Stayton)
- Tillamook Dairy (Tillamook)
- Coca Cola bottling (statewide)
- Pepsi bottling (statewide)
- Full Sail Brewing (Hood River)
- Hood River Juice Company (Hood River)

B: Other Manufacturing

a) Description:

This category is intended to include industries that utilize relatively less intensive manufacturing processes, more assembly activities, and direct transfer to wholesale and domestic consumers. Typically, these facilities are freestanding, devoted to a single use, and emphasize manufacturing space over office space. Generally, these non-high-tech industries may be located on individual sites or in business/industrial parks and have less effect on surrounding uses. This category also includes some industrial service uses that are engaged in serving other businesses, such as an industrial laundry facility.

b) Representative Industry Types:

- Electronic assembly support

- Wood products
 - Automobile products
 - Steel/metals
 - Building materials fabrication and processing
- c) *Representative Companies:*
- Warn Industries (Clackamas)
 - JV Northwest (Canby)
 - Hartung Glass (Wilsonville)
 - Oregon Iron Works (Clackamas)
 - Daimler Trucks North America (Portland)
 - Maxim Integrated (Beaverton and Hillsboro)
 - Oregon Steel Mills (Portland)

C: Wholesaling

- a) *Description:*
 The wholesale industry comprises companies involved in wholesaling merchandise and other goods such as mining, agriculture, manufacturing, and certain information industries. This industry typically represents an intermediate step in the production and distribution of goods and merchandise, as wholesalers generally sell goods intended for resale by a retailer. In some cases, users and customers may purchase these goods directly from a wholesaler with a retailer.
- b) *Representative Industry Types:*
- Automobile and Other Motor Vehicle Merchant Wholesalers
 - Furniture Merchant Wholesalers
 - Office Equipment Merchant Wholesalers
 - Hardware Merchant Wholesalers
 - Farm and Garden Machinery and Equipment Merchant Wholesalers
 - Sporting and Recreational Goods and Supplies Merchant Wholesalers
- c) *Representative Companies:*
- Cascade Wholesale Hardware
 - Costco Wholesale
 - Pearlier Auto Wholesale

D: Retail

- b) *Description:*
 This industry contains businesses that sell merchandise, largely without any transformation of the good, with services largely being ancillary to the sale of said merchandise. The businesses usually receive goods from wholesalers, and typically do not transform the good before its final sale to the user or customer. There are sixty-nine subsectors of retail trade, some of which are reflected in the bulleted list below.
- c) *Representative Industry Types:*
- Specialty food/grocery
 - Coffee shops/cafes
 - Theater/recreation/entertainment
 - Brew pub/wine or bottle shops
 - Full service local restaurants
 - Food car pods
 - Bookstores and boutiques
 - Wellness and spa services
 - Hotel & hospitality
 - Niche manufacturing (bike, bakery, outdoor, etc.)

d) *Representative Companies:*

- New Seasons
- Dutch Bros. Coffee
- McMenamins Cornelius Pass Roadhouse
- P.F. Chang's
- Barnes & Noble
- Align Wellness Center
- Embassy Suites
- Orenco Station Cyclery

E: Incubator

a) *Description:*

This industry type is often established by local municipalities and has a symbiotic relationship with colleges and universities within the vicinity. Business incubators are designed to help new and small businesses in the start-up and early growth phases of development, through providing a flexible combination of business development tools, facilities and resources, and personal contacts.

b) *Representative Industry Types:*

- Not applicable for this industry type, as the incubators serve as cultivating space for several uses to grow in their nascent business stages.

c) *Representative Examples:*

- Launch Pad Baker City
- Microenterprise Investors Program of Oregon (Portland)
- BESThq (Beaverton)
- Forge Portland
- WeWork (Portland)

F: Data Center

a) *Description:*

Data centers are classified under NAICS 5182: Data Processing, Hosting, and Related Services. We consider them separately from other "information and software" activities because the land and utility needs are far different. Over the just the last five years, unprecedented growth in demand for data hosting has developed an entirely new segment of the industrial landscape in Oregon attracted to a generally temperate climate, low overall disaster risk, low utility rates from renewable sources, and abundant water.

The growth outlook for data center siting is strong, as high growth rates for streaming, software as a service (SaaS), and cloud data and processing across the industry creates an accelerating need for hosting services. Global data center demand is expected to grow threefold over just the next five years.⁷ Key areas like the Columbia Basin, Central Oregon and Hillsboro compete for these industrial users.

b) *Representative Companies:*

- Vadata
- Google
- Apple
- Facebook
- ViaWest
- Adobe

⁷ Cisco Global Cloud Index (2015).

Appendix B: Buildable Land Inventory

MEMORANDUM

To: Tamra Mabbott, Community Development Director
Technical Advisory Committee

From: Johnson Economics

Subject: Economic Opportunities Analysis, City of Umatilla, OR
Inventory of Buildable Employment Lands

INTRODUCTION

This memo summarizes an interim step in the Economic Opportunities Analysis. The inventory of employment land provides a snapshot of the currently local capacity to accommodate more business and jobs. This current available land will be compared to the forecasted need for new land over the 20-year planning period.

Employment land includes land zoned for industrial, retail or other commercial use (i.e. office), and may also include mixed-use zoning that allows for employment uses. This inventory includes vacant parcels with the proper zoning, as well as “redevelopable” parcels. (The methodology used in this analysis is described in detail below.)

For planning purposes, this type of inventory is often called a Buildable Lands Inventory (BLI).

METHODOLOGY

The Buildable Lands Inventory (BLI) used in this analysis is based on tax account data, zoning and other key mapping information provided by the City of Umatilla, Umatilla County, and the state. The data was provided in Geographic Information Systems (GIS) compatible format, providing information on land use, parcel size and other relevant data categories on the taxlot level.

The tax account data was used to identify vacant and redevelopable parcels in Umatilla with their Urban Growth Boundary (UGB). The identified candidate parcels were then further screened and refined by JOHNSON ECONOMICS.

In keeping with State requirements, the BLI includes an assessment of vacant buildable lands and redevelopable parcels. This analysis applied the “safe harbor” assumptions allowed under state rules to determine the infill potential of developed parcels (OAR 660-024-0050).

The Buildable Lands Inventory relied on the following sources:

- Umatilla County Geographic Information System (GIS) data
- DLCDC GIS data
- Google Earth
- Assessment of environmental constraints
- City staff input



Appendix B

- Advisory Committee input
- Site visits

Identification of Vacant Parcels

JOHNSON ECONOMICS used the most recent available tax account data from Umatilla County to identify those parcels located in appropriate commercial or industrial zones and determine whether they are developed or undeveloped. The County supplied taxlot data in GIS format. Johnson Economics applied the following steps to further refine the Buildable Lands Inventory:

- 1) Isolate the taxlots located within Umatilla's UGB. The shapefile contains data on the individual property tax accounts associated with each taxlot in the county.
- 2) Using zoning layers, isolate those taxlots that are located in appropriate employment zones, including industrial and commercial areas.
- 3) Through a combination of parsing individual taxlot data and aerial map surveying, develop preliminary list of qualified vacant parcels. For this preliminary analysis, all vacant lots were included regardless of size.
- 4) Using staff and advisory committee feedback, additional GIS data and surveying, and site visits, the vacant inventory was further refined to remove anomalies or misidentified parcels.

Identification of Redevelopable Parcels

In order to identify those developed parcels which might accommodate additional development, JOHNSON ECONOMICS applied the so-called "safe harbor" provisions of the Oregon Administrative Rules, which provide cities a systematic means to estimate the development capacity of larger parcels with a limited amount of existing development:

OAR 660-024-0050

Land Inventory and Response to Deficiency

...

- (3) As safe harbors when inventorying land to accommodate industrial and other employment needs, a local government may assume that a lot of parcel is vacant if it is:
 - (a) Equal to or larger than one-half acre, if the lot or parcel does not contain a permanent building;
 - or
 - (b) Equal to or larger than five acres, if less than one-half acre of the lot or parcel is occupied by a permanent building.

Source: Oregon Administrative Rules, 660-024

Using GIS data, the above criteria were applied to the developed parcels in Umatilla in order to identify those developed parcels which are prospective candidates for infill development or redevelopment.

The Buildable Lands Inventory of Employment Lands was prepared following the preceding steps by JOHNSON ECONOMICS LLC. The findings are presented below with additional discussion.



Appendix B

BUILDABLE LANDS INVENTORY – EMPLOYMENT LANDS

The methodology as described above finds an existing buildable employment lands inventory as follows in Umatilla:

1. UMATILLA

FIGURE 1: SUMMARY OF EMPLOYMENT BUILDABLE LAND INVENTORY (UMATILLA)

ZONE	VACANT		REDEVELOPABLE		TOTAL	
	Parcels	Acreage	Parcels	Acreage	Parcels	Acreage
C-1	4	8.5	2	1.0	6	9.5
DC	11	2.2	3	0.4	14	2.6
DT	8	1.4	0	0.0	8	1.4
GC	6	10.0	2	3.6	8	13.5
MC	3	4.1	0	0.0	3	4.1
NC	3	31.4	0	0.0	3	31.4
Commercial Total:	35	57.6	7	4.9	42	62.5
M1	6	23.5	5	27.6	11	51.1
M2	16	247.9	3	16.8	19	264.7
Industrial Total:	22	271.3	8	44.5	30	315.8
TOTAL:	57	328.9	15	49.4	72	378.3

Source: Umatilla County, State of Oregon, Johnson Economics LLC

The inventory identifies 378 acres of vacant or potentially redevelopable land in the commercial and industrial zones. 87% of the acreage is identified as “vacant”, and 13% in potential “redevelopment” sites. Roughly 62.5 of the acres are in commercial zones, while nearly 316 acres are industrial.

FIGURE 2: SUMMARY OF EMPLOYMENT BUILDABLE LAND INVENTORY, BY PARCEL SIZE (UMATILLA)

ZONE	0 TO .99 acres		1 to 4.99 acres		5 to 9.99 acres		10 to 19.99 acres		20 to 29.99 acres		30 to 49.99 acres		50+ acres		TOTALS	
	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage	# of Parcels	Acreage
C-1	4	2.2	1	1.9	1	5.5	0	0.0	0	0.0	0	0.0	0	0.0	6	9.5
DC	14	2.6	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	14	2.6
DT	8	1.4	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	8	1.4
GC	2	1.7	3	5.0	1	6.9	0	0.0	0	0.0	0	0.0	0	0.0	6	13.5
MC	1	0.7	2	3.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	3	4.1
NC	0	0.0	0	0.0	2	13.4	1	18.0	0	0.0	0	0.0	0	0.0	3	31.4
Commercial Total:	29	8.6	6	10.2	4	25.8	1	18.0	0	0.0	0	0.0	0	0.0	40	62.5
M1	0	0.0	8	20.7	2	13.4	1	17.0	0	0.0	0	0.0	0	0.0	11	51.1
M2	0	0.0	3	10.3	6	39.7	4	53.3	0	0.0	0	0.0	1	161.4	14	264.7
Industrial Total:	0	0.0	11	31.0	8	53.2	5	70.3	0	0.0	0	0.0	1	161.4	25	315.8
TOTAL:	29	8.6	17	41.2	12	78.9	6	88.2	0	0.0	0	0.0	1	161.4	65	378.3

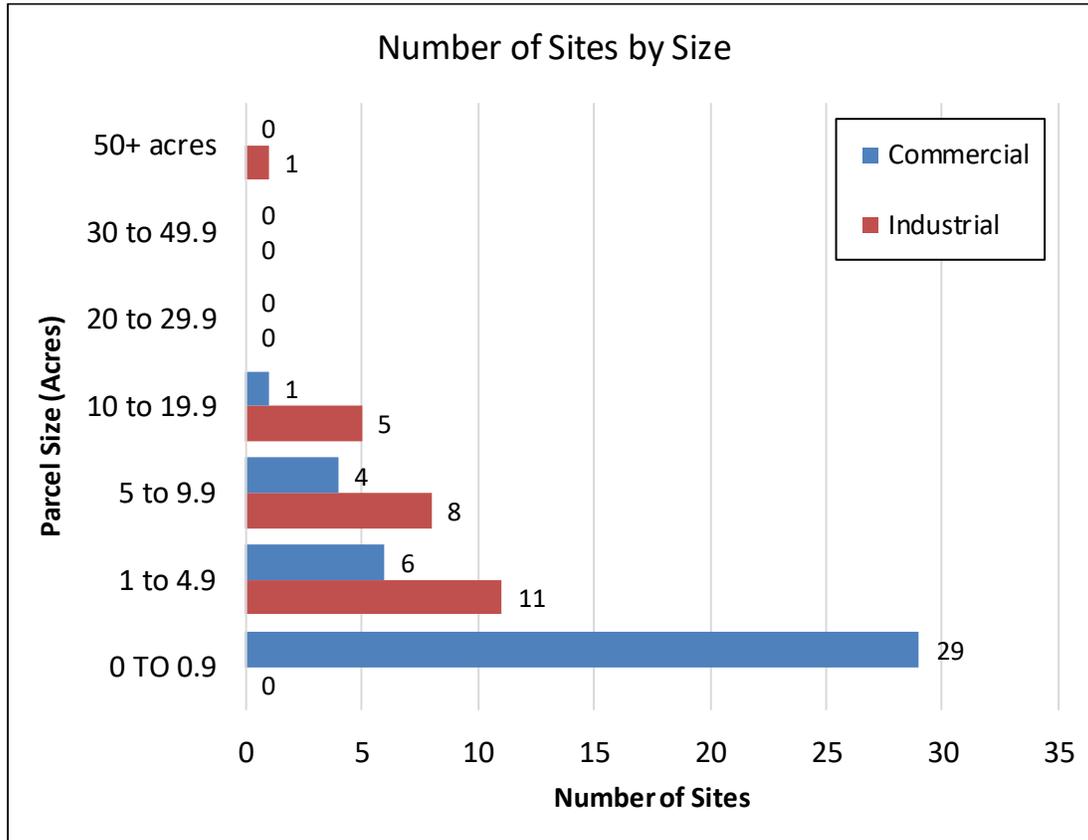
Source: Umatilla County, State of Oregon, Johnson Economics LLC



Appendix B

Figure 2 presents the inventory broken down by the size of parcels. The distribution is weighted towards smaller parcels, with few unconstrained parcels over 20 acres in size. Figure 3 presents the same data in chart form.

FIGURE 3: SUMMARY OF EMPLOYMENT BUILDABLE LAND INVENTORY, BY PARCEL SIZE (UMATILLA)



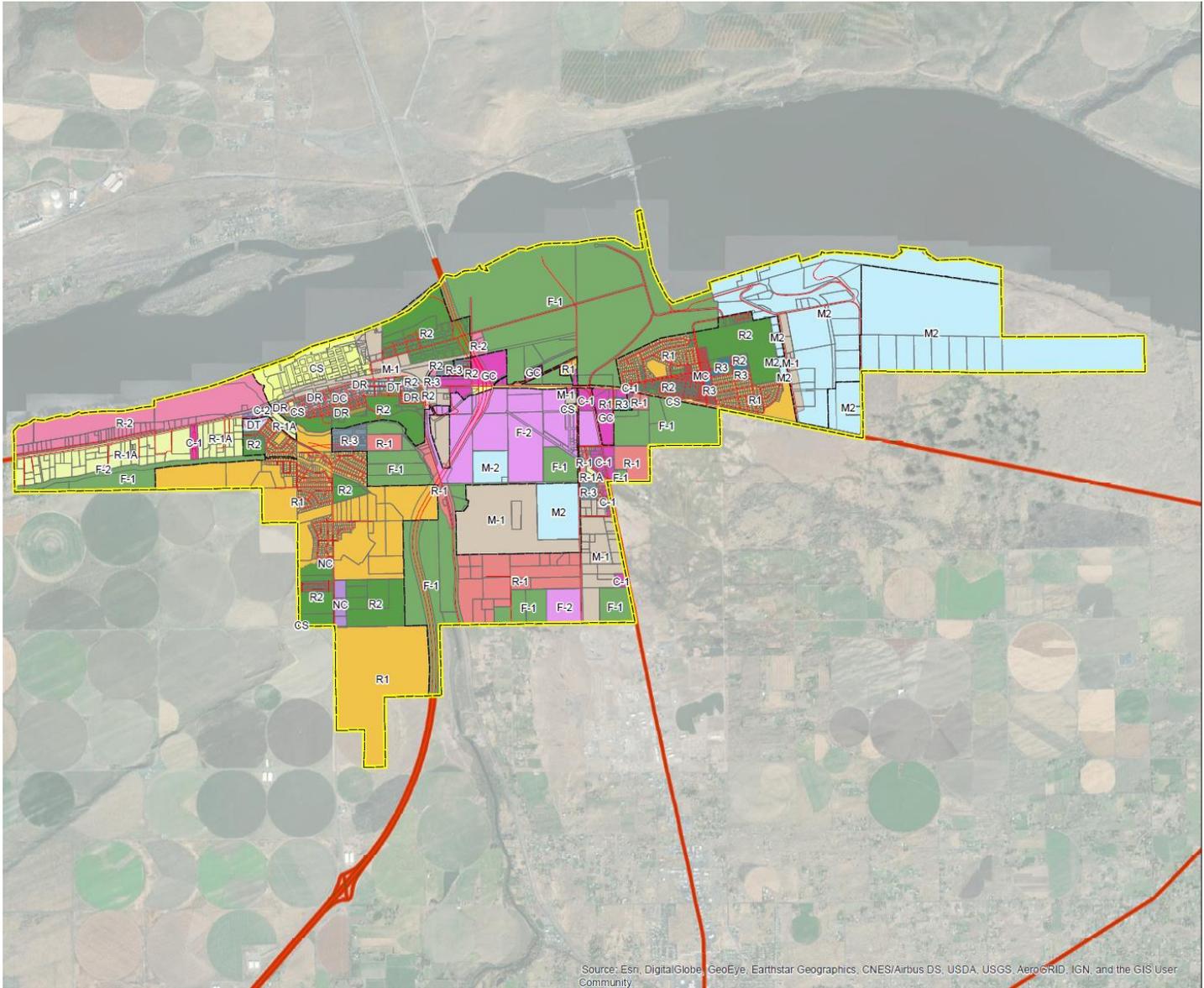
Source: Umatilla County, State of Oregon, Johnson Economics LLC

The following set of maps presents the Buildable Land Inventory and some reference information. The maps include:

- Figure 4: City Zoning Map
- Figure 5: Constrained Lands
- Figure 6: Buildable Employment Lands

Appendix B: Buildable Land Inventory

FIGURE 5: ZONING MAP, UMATILLA



West Umatilla Cities Buildable Lands Inventory

City of Umatilla:

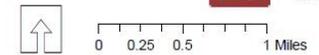
Zoning

- Streets
- Taxlot
- City Limits
- Umatilla_UGB

Zone

- Agricultural Residential, R-1
- Community Services, CS
- Downtown Commercial, DC
- Downtown Residential, DR
- Downtown Transitional, DT
- Exclusive Farm Use, F-1
- General Commercial, C-1, GC
- General Rural, F-2
- Heavy Industrial, M-2
- Light Industrial, M-1
- McNary Center Commercial, MC
- Medium Density Residential, R2
- Multi-Family Residential, R3
- Neighborhood Commercial, NC
- Single-Family Residential, R1
- Suburban Residential, R-2
- Tourist Commercial, C-2
- Two Acre Residential, R-1A
- Urban Residential, R-3

Prepared by:
Angelo Planning Group
Date: 01/15/19



Coordinate System:
NAD 1983 HARN StatePlane Oregon North FIPS 3601 Feet Intl

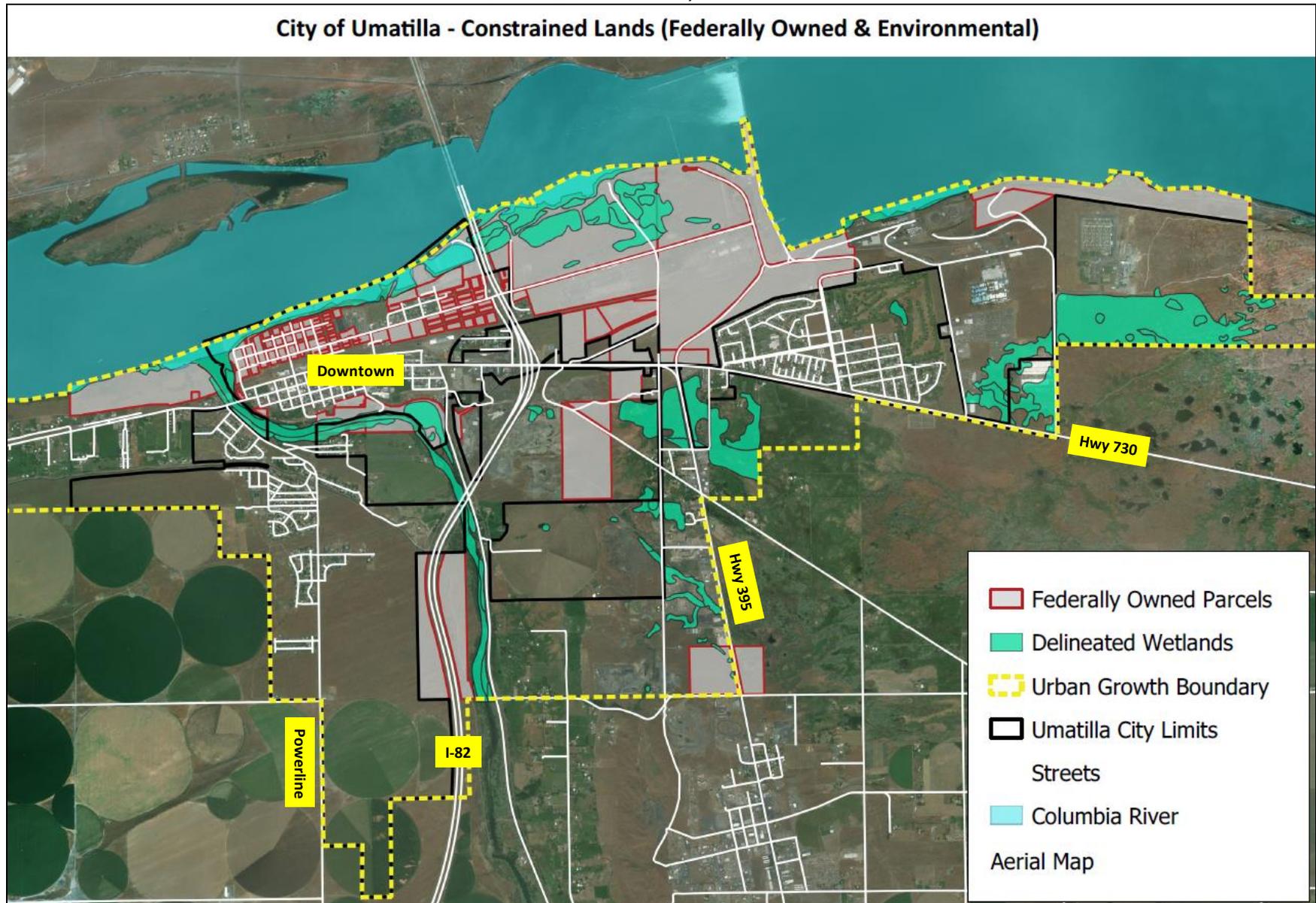
This map is intended for informational purposes only. While this map represents the best data available at the time of publication, APG makes no claims, representations, or warranties as to its accuracy or completeness. Metadata available upon request.

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Source: Angelo Planning Group (2019)



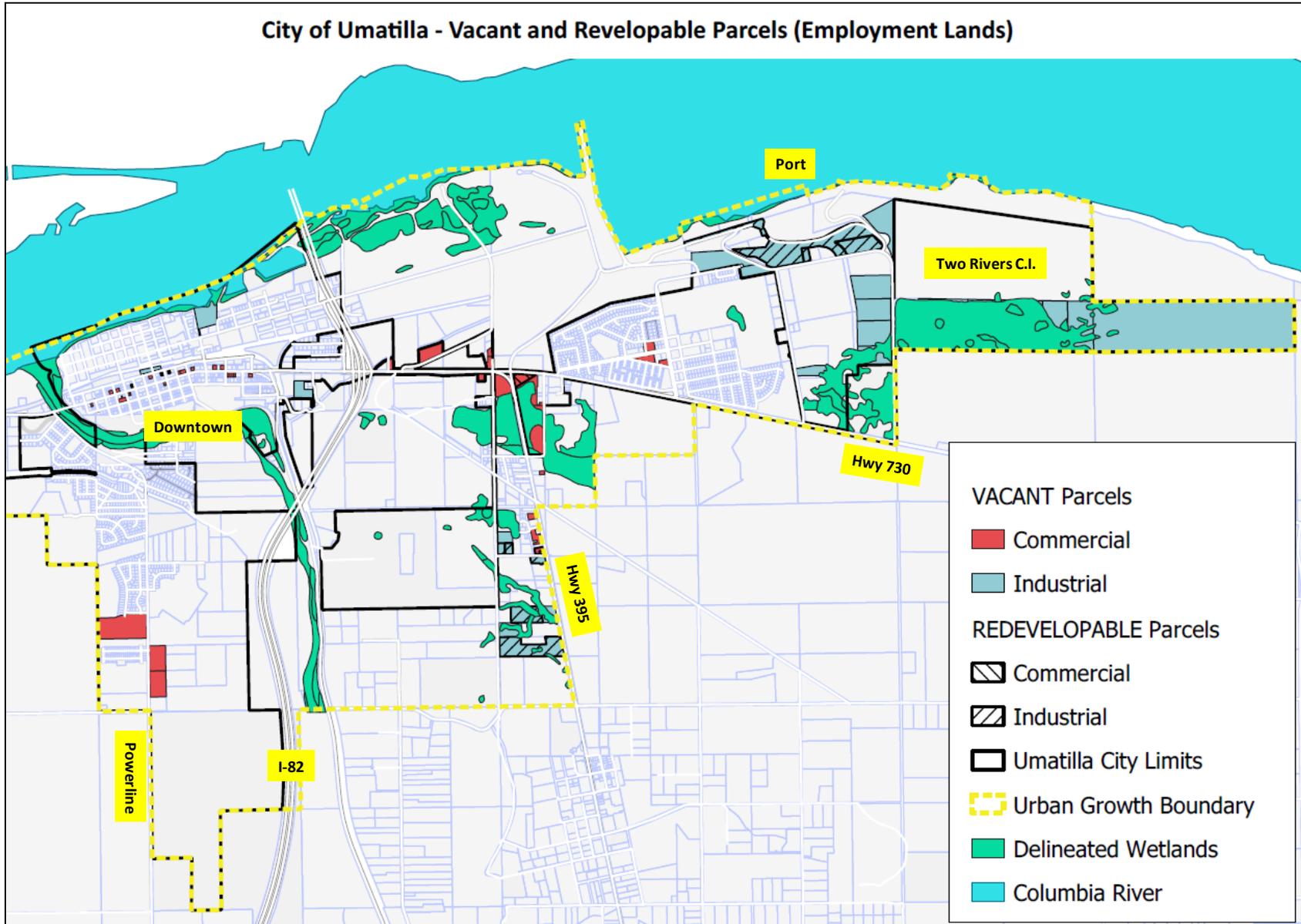
FIGURE 6: CONSTRAINED LAND, UMATILLA



Source: Umatilla County, State of Oregon, Johnson Economics LLC



FIGURE 7: BUILDABLE EMPLOYMENT LANDS, UMATILLA



Source: Umatilla County, State of Oregon, Johnson Economics LLC