
CHAPTER 5. ECONOMIC OPPORTUNITIES ANALYSIS

This chapter is designed to meet the requirements of Goal 9 and Oregon Administrative Rule (OAR) 660-009 which implements Goal 9. Goal 9 calls for “an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends” and states that “a principal determinant in planning for major industrial and commercial developments should be the comparative advantage of the region within which the developments would be located.” OAR 660-009-0015 (4) requires an assessment of community economic development potential that estimates the types and amounts of industrial and commercial development likely to occur in the planning area. This assessment must be based on the following components:

- A review of national, state, and local economic trends to identify the categories of industrial and commercial uses that can reasonably be expected to locate in the planning area;
- Site requirements for industrial and commercial uses that might expand or locate in the planning area;
- A survey of the expansion plans of major employers; and
- An inventory of buildable land and availability of public services.

The assessment of community economic development potential must also consider the planning area's economic advantages and disadvantages for attracting new or expanded development. Relevant economic advantages and disadvantages include:

- Location relative to markets;
- Availability of key transportation facilities and other public services;
- Labor market factors;
- Materials and energy availability and cost;
- Necessary support services; and
- Educational and training programs.

OAR 660-009-0025 requires most plans to address the long-term supply of land (20 years), as well as the short term supply (5 years). Recent changes to the OAR's addressing Economic Analysis have identified that only cities within a Metropolitan Planning Organization (MPO) greater than 2,500 population are subject to short-term supply analysis requirements. Coburg has a population that is under 2,500, therefore the short-term analysis is not required. However, the City determined that the analysis was valuable and pursued elements of it. This Study contains an abbreviated analysis of short-term (5 years) supply and demand.

Economic Opportunities Analysis within the Overall UGB Expansion Process

This portion of the Study addresses the demand for commercial and industrial lands within Coburg's UGB and provides a summary of Coburg's economic advantages and challenges as they relate to its economic opportunities over the planning period. The Economic Opportunities Analysis (EOA) estimates the need for commercial and industrial land based on historic and current trends related to employment projections and local economic potential. The analysis will identify lot size and characteristics of employment land needs, and address other requirements of Goal 9.:

	Chapter 3. Buildable Land Inventory: Inventories all types of vacant, potential infill, potential redevelopment and environmentally constrained land within the existing UGB for residential, commercial, and industrial development.
	Chapter 4. Housing Needs Analysis: Determines types and densities of residential development within the UGB using the Housing/Land Needs. Determine the amount of land needed to meet future demand at appropriate types and densities based on historical and potential future development trends, population changes and growth projections, and economic factors. Address all Goal 10 Housing, and Goal 14 requirements. Housing needs are estimated using a Housing Needs Model.
<i>This Section</i>	Chapter 5. Economic Opportunities Analysis.
	Chapter 6. Supply and Demand Comparison: Determines whether there is a deficit or surplus of buildable land for residential, commercial, and Industrial needs.
	Chapter 7. UGB Expansion Areas Study. Identifies and assesses areas where urban expansion should take place based on expansion criteria per Goal 14, ORS 197.298 , and OAR 660-0024-0060, including (but not limited to) the efficiency of service provision; economic, social, environmental, and energy impacts; compatibility with surrounding uses, as well as other information provided in the previous steps.

A Review of Trends

Coburg's economy occurs within a greater social, political and economic context. A review of national, state and local economic trends is important to recognizing the City's potential for growth in various industries and expected changes that are likely to occur within the planning period.

National trends

National economic trends will influence development in Coburg. ECONorthwest, an Oregon economic development planning firm, recently generated a summary of significant national and state economic trends³³. These trends are applicable to the City of Coburg. Important among the national trends are:

- **The aging of the baby boom generation accompanied by increases in life expectancy.** As the number of people age 65 and older increases (100 percent by 2050), the number of people under age 65 will grow by only 12 percent. The economic effects of this demographic change include a slowing of the growth of the labor force, an increase in the demand for healthcare services, and an increase in the percent of the federal budget dedicated to Social Security and Medicare.
- **Changes in demographics.** As reported in the 2008 Diversity Forum held by the American Planning Association, the American population continues to undergo a demographic shift. It is estimated that by the year 2050, the percentage of Hispanics

³³ City of Grants Pass, Economic Element, Pre-Policy Draft, ECONorthwest, 11/05/07 pgs. 4-18

and blacks in the United States will increase from 25 to 45 percent. With this change in demographics also comes an increase in purchasing power. According to information derived from the Census, from 1990 to 1999, minority purchasing power increased by 77 percent compared to 49 percent of the general population. Increased diversity has the potential to lead to a growth of related industries, such as language services, and market products and services.

- **Innovation in electronics and communication technology, and its application to production.** Advancements in communication and manufacturing technology increase worker productivity. There will be growth in the production of both services and goods, but the economy's emphasis on services will increasingly dominate.
- **Continued growth in global trade and the globalization of business activity.** With increased global trade, both exports and imports rise. Faced with increasing domestic and international competition, firms will seek to reduce costs and some production processes will be outsourced offshore.
- **Continued shift of employment from manufacturing and resource-intensive industries to the service-oriented sectors of the economy.** Increased worker productivity and the international outsourcing of routine tasks lead to declines in employment in the major goods-producing industries. Projections from the Bureau of Labor Statistics indicate that U.S. employment growth will continue to be strongest in professional and business services, healthcare and social assistance, and other service industries. Construction employment is also anticipated to grow.
- **Continued westward and southward migration of the U.S. population.** Although there are some exceptions at the state level, a 2006 Census report documents an ongoing pattern of interstate population movement from the Northeast and Midwest to the South and West. This expectation should, however, be tempered by considerations of climate change, which is predicted to cause a rise in temperatures and a decline in rainfall in the Southern US.
- **The combination of rising energy costs, strong energy demand, and requirements to reduce emissions and increase use of renewable fuels.** Output from the most energy-intensive industries will decline, but growth in the population and in the economy will increase the total amount of energy demanded. Energy sources will diversify and the energy efficiency of automobiles, appliances, and production processes will increase.
- **The growing importance of education as a determinant of wages and household income.** The Bureau of Labor Statistics (BLS) has conducted research showing that the fastest growing occupations will require an academic degree and will typically yield higher incomes than occupations that do not require an academic degree. In addition, the percentage of high school graduates that attend college will increase.
- **The importance of high-quality natural resources.** The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction. Increases in the population and in household incomes, plus changes in tastes and preferences, have dramatically increased demands for outdoor recreation, scenic vistas, clean water, and other resource-related amenities. Such amenities contribute to a region's quality of life and play an important role in attracting both households and firms.

Additional national trends include:

- **Climate change is an issue that may influence urban growth.** The impacts of climate change are likely to be uneven in different geographical regions and this will have varying effects on current migratory patterns, communities, and economies. Potential adverse impacts from climate change include increased flood risk and then reduced water supplies, declining crop yields and increases in threat of malnutrition, heat stress, and spread of vector-borne diseases.

A number of factors may affect the built environment. For example, *The City in 2050: Creating Blueprints for Change* highlights the following:

- Worldwide efforts to reduce greenhouse gas emissions are likely to drive new economies.
- Higher energy and water prices will induce investment and alter behavior patterns.
- New transportation options—from smaller cars and individualized transit to high-speed rail and smart buses.
- Buildings and their construction will continue to adapt as a result of continuing efforts to reduce greenhouse gas emissions.

Changes in Credit. Lowered credit access (beginning in 2008) has negatively affected businesses. Credit access has contributed to increased foreclosures which, in turn negatively affects property values. These circumstances generally have long-term effects on communities. At the same time, positive impacts include reduced debt and excess spending, demand for increased corporate transparency and improvements to financial sector regulation improve, and stock prices decline catalyzes long-term valuations.

State and Regional Trends

State and regional economic trends will also influence development. Important among those identified by ECONorthwest are the following:

- **Population changes in Oregon.** Oregon’s population grew more rapidly than the U.S. population in the 1990s, but did not grow as fast in the U.S. in the 1980s. Oregon’s slow growth in the 1980s was primarily due to the nationwide recession early in the decade.

Table 5.1: Population Growth in the US and Oregon 1970-2006.

	1970	1980	1990	2000	2006	Average Annual Growth Rate			
						70-80	80-90	90-00	00-06
US	203,211,926	226,545,805	248,709,873	281,655,404	299,398,484	1.1%	0.9%	1.3%	1.0%
Oregon	2,091,385	2,633,105	2,842,321	3,421,399	3,700,758	2.3%	0.8%	1.9%	1.3%

Source: US Census Bureau 1970, 1980, 1990, 2000, PSU 2006

Oregon’s population growth regained momentum beginning in 1987, growing at annual rates of between 1.4 percent and 2.9 percent between 1988 and 1996. Population growth for Oregon and its regions slowed in 1997, to 1.1 percent statewide, the slowest rate since 1987. Between 2000 and 2007 the rate of population growth in Oregon increased slightly to 1.1 percent annually. Oregon’s population growth between 2005 and 2007 was considerably higher at 1.5 percent annually. Overall, population change since 2000 is much lower than the rate of growth of well over 2.0 percent during the early 1990s.

As a result of recent economic downturn, Oregon's population is expected to grow at a slower pace in the near future. Based on the current forecast, Oregon's population will reach 4.13 million in the year 2015 with an annual rate of growth of 1.2 percent between 2007 and 2015.³⁴

- **Continued in-migration from other states.** Migration is the largest component of population growth in Oregon. Although migration slowed in the late 1990's, the rate of migration increased between 2000 and 2004, averaging about 22,800 people moving to Oregon annually. The reasons most often cited for the slowing of migration after 1996 are the recovery of the California economy, the combination of a high cost of living (especially housing) and low wages in Oregon, and a perceived decline in the quality of Oregon's schools. According to a U.S. Census study, Oregon had net interstate in-migration (more people moved *to* Oregon than moved *from* Oregon) during the period 1990-2004.

The *1999 Oregon In-migration Study* found that migrants to Oregon generally have the same characteristics as existing residents. However, include - on average - Oregon's in-migration has been younger, more educated, and more likely to hold professional or managerial jobs, compared to the existing population. The race and ethnicity of in-migrants generally mirrors Oregon's established pattern, with one exception: Hispanics make up more than seven percent of in-migrants but only three percent of the State's population. The number-one reason cited by Oregon in-migrants was family or friends, followed by quality of life and employment.

- **Distribution of population and employment across the State** Nearly 70 percent of Oregon's population lives in the Willamette Valley. With higher growth rates than the rest of the state, the Willamette Valley and Central Oregon have each captured a higher percentage of the state's population throughout the period 1970-2005. After the Willamette Valley, Southern Oregon is the second-largest population center in the state.

Employment growth generally follows the same trend as population growth. However, employment growth varies between regions more quickly as people tend to be willing to change jobs before moving their residence.. Total employment increased in each of the state's regions over the period 1970-2004, but over 70 percent of Oregon's employment growth in that period occurred in the Willamette Valley.

- **Tightening of labor market as a result of retiring workers.** As baby-boomers reach retirement age over the next two decades, the State may have a scarcity of qualified workers. The sectors with the most employment and the largest share of employees 55 years or older include: Education Services; Real Estate; Transportation and Warehousing; Health Care and Social Assistance; Public Administration; and Agriculture, Forestry, Fishing, and Hunting. The State expects little or no growth in manufacturing employment over the next decade but expects that retirements will create demand for employees in Manufacturing.
- **Shift from natural resource-based to high tech industries.** The composition of Oregon's employment has changed since 1970. Employment growth has been led by the Services sector. The share of Oregon's total employment in this sector increased from its 1970s average of 19 percent to 30 percent in 2000. Slow growth in Manufacturing caused its share of total employment to decline from its 1970s average of 18 percent to 12 percent in 2000.

³⁴ Quarterly Economic and Review Forecast, November 19, 2008, pg. 4

During the same period, Oregon started to transition away from reliance on traditional resource-extraction industries. A significant indicator of this transition is the shift within Oregon's manufacturing sector, with a decline in the level of employment in the Lumber & Wood Products industry and concurrent growth of employment in high-technology manufacturing industries (Industrial Machinery, Electronic Equipment, and Instruments). The peak of Oregon's employment in the Lumber & Wood Products industry was in 1979. From 1979 to 2000, employment in the Lumber and Wood Products industry declined 40 percent. Over the same time period, employment in high-tech industries increased by 60 percent.

The high-tech industry will keep changing, but there are often common needs. For example, the same things that attracted computer chip manufacturers to Oregon in the 1990s are helping attract solar panel manufacturers here now (e.g. good workforce, abundant, affordable and reliable supplies of water and electricity, good transportation connections, favorable tax incentives, etc).

- **Continued lack of diversity in State economy.** While the transition from Lumber and Wood Products manufacturing to High-Tech Manufacturing has increased the diversity of employment, it has not significantly improved Oregon's diversity relative to the national economy. Oregon ranked 35th in diversity (1st = most diversified) based on Gross State Product data for 1963–1986, and 32nd based on data for the 1977–1996 period. 2003 data ranks Oregon 33rd. These rankings suggest that Oregon is still highly dependent on a limited number of industries. Low economic diversity increases the risk of economic volatility as measured by changes in output or employment.

The changing composition of employment has not evenly affected all regions. Growth in High-Tech and Services has been concentrated in urban areas of the Willamette Valley and Southern Oregon, particularly in Washington, Benton, and Josephine Counties. The brunt of the decline in Lumber & Wood Products employment was felt in rural Oregon, where these jobs represented a larger share of total employment and an even larger share of high-paying jobs than in urban areas.

According to the November 2008 Oregon Quarterly and Economic Review Forecast (QERF) produced by the Oregon Office of Economic Analysis (OEA), the following additional key factors will fuel the state's long-term growth:

- **Export growth and high commodity prices:** Global economic expansion will increase demand for Oregon commodities, both finished and capital goods. Oregon is well positioned for trade with countries in the Pacific Rim. High commodity prices will benefit agricultural and timber producers in the state.
- **Continued strength in domestic markets:** Continued economic growth in California and other major domestic markets will fuel demand for Oregon products.
- **Business costs advantages:** The Oregon economy will benefit from a comprehensive energy plan. Efforts which have long been in place for electricity planning should extend to all energy sources. If the plan can assure businesses of an abundant, reliable, and relatively inexpensive supply of electricity and other sources of energy, the state (and the Pacific Northwest) will continue to have a relative energy cost advantage over other regions. Oregon has other business cost advantages, such as lower workers' compensation rates and multi-modal transportation options compared to other states. Equally important is an educated work force that contributes to productivity.
- **Environmental issues:** Salmon protection measures, the Portland Super Fund, and other issues could change the economic landscape.

- **Affordable housing:** For most of the late 1990s and the early part of this decade, California, Washington, and the nation as a whole have experienced more rapidly rising housing costs than Oregon. The housing boom once again raised California prices above Oregon's house prices, and Washington kept pace with Oregon. This relative advantage in housing cost is narrowing as prices in California fall faster than in Oregon, with Washington once again keeping pace with Oregon. If housing costs rise faster in Oregon than in the rest of the nation, companies will face increased difficulties recruiting workers. If Oregon can maintain a relative cost advantage in housing, this factor will be attractive for firm location.
- **Biotechnology and Clean Technology:** These sectors are seen by many as the next growth industries. Portland and the State have launched funding plans to promote the biotechnology sector. The platform for the Oregon Business Plan includes nanotechnology as an emerging field for Oregon. It is too early to tell if these are indeed the next growth industries and what returns they may bring.
- **Renewable Energy and Sustainable development:** Centered in the Portland area, this movement in sustainable building practices is spreading throughout the U.S. Uncertainty surrounds the number of new jobs associated with this movement, but it may allow gains in market shares for construction and consulting firms in Oregon. Renewable energy such as solar and wind mills are increasing looking to Oregon as a place to locate.
- **Quality of life:** Oregon will continue to attract financially secure retirees. Companies that place a high premium on quality of life will also want to locate in Oregon.

Additional Statewide trends include the following:

- **Emphasis on Business Clusters as an economic development strategy.** In 2003, the Oregon Business Plan placed the development of traded-sector industry clusters at the center of its economic development strategy. Traded-sector clusters are those that sell their products and services outside the state, bringing in fresh dollars that directly sustain high-paying jobs while spurring growth and good jobs among local suppliers, retailers, and service businesses. The State has been involved in a number of initiatives that are aimed at learning about cluster needs so that the community at large can support clusters through a wide range of strategies, including higher education research, education and workforce development, transportation and logistics, recruiting key suppliers, and branding and marketing.
- **Impacts and adaptations in response to climate change.** In the fall of 2008, the University of Oregon's Climate Leadership Initiative and the National Center for Conservation Science & Policy, in partnership with the MAPSS Team at the U.S. Forest Service Pacific Northwest Research Station, initiated a project to assess the likely consequences of climate change for the Upper Willamette River Basin. In the spring of 2009, the project team released a report, *Preparing for Climate Change in the Upper Willamette River Basin of Western Oregon*, which seeks to raise awareness about the likely consequences of climate change to natural and built systems in the Upper Willamette Basin, as well as identify actions that can be taken to better prepare aquatic, terrestrial, human, built, and economic systems for climate change. Some of the key findings of this study, related to economic opportunities and risks, are:
 - Current supplies of power and water may become increasingly less stable.
 - Road, rail, and air transportation may face disruption due to increased storm events, flooding, and wildfires.

- Rising fuel costs due to potential greenhouse gas mitigation measures, and higher power costs due to reduced hydroelectric supply will likely produce increased street for many facets of the manufacturing, retail, and service economy. In addition, transportation disruptions due to climate related extreme weather events along with more restrictive use of water are likely to affect these sectors.
- Hotter summer temperatures, increased allergens, and reduced air quality may adversely impact the health of the local workforce.
- The optimal tourist season may shift as rising temperatures make summers less attractive. In the summer months, these changes may affect the entire service sector and their suppliers, including motels, hotels, and restaurants.
- As noted elsewhere in this study, sales of motor coaches could be impacted by rising gasoline prices and greater awareness of vehicle emissions that contribute to climate change. However, innovations that reduce emissions could transform the industry due to the demand that is likely to exist if retirees regain recently lost financial security.
- Bicycle manufacturing may increase as incentives are developed for alternative forms of transportation to automobiles.
- Increased crop productivity may result in the short term, with a longer associated growing season increasing crop harvests. Growers may need to shift to different, more diverse crops, and new varieties and types of crops may need to be developed and planted.
- Forestry is likely to be under increasing stress.

Economic Outlook for Oregon

Oregon's economy grew slower than the U.S. economy from 1998 through 2003, but outpaced the nation in growth between 2004 and 2007. According to the November, 2008 Oregon Quarterly and Economic Review Forecast, between 2008 and 2015, employment growth in Oregon is forecasted to be slower than in the mid-1990s. It also suggests that the U.S. economy is expected to have even slower growth than that expected in Oregon. Economic forecaster Global Insight projects Oregon's Gross State Product to have the second highest growth rate in the nation over the coming years.³⁵

The Oregon Department of Employment's latest forecast for employment in the 2006–2016 period shows that Education and Health Services and the Trade, Transportation and Utilities sectors are expected to lead employment growth in Oregon—together these sectors are expected to add around 101,000 jobs or 42 percent of total employment growth in Oregon over the ten-year period.

Table 5.2 shows the sectors that are expected to have the largest amounts of employment growth and largest percentage employment growth in Oregon during the 2006–2016 period, from the Oregon Employment Department forecast. Three of the sectors with the largest employment growth are Education and Health Services, Trade, Transportation and Utilities, and Professional and Business Services. Each of these sectors are also expected to have some of the largest percentage increase in employment in Oregon over the 2006–2016 period, along with two additional sectors: Leisure and Hospitality, Construction and Other services. Substantial employment growth is also expected in Government, and Manufacturing over the 2006–2016 period.

³⁵ Quarterly Economic and Review Forecast, November 19, 2008, pg. 49-50

Industry	No. Of Emp	No. Of Emp	2006-2016	
	2006	2016	Increase	% Increase
Largest Increase				
Education and Health Services	205,200	262,700	57,500	28%
Trade, Trans. and Utilities	336,200	379,800	43,600	13%
Professional and Business Services	193,100	232,800	39,700	21%
Leisure and Hospitality	165,300	197,500	32,200	19%
Government	286,500	314,200	27,700	10%
Manufacturing	286,500	314,200	27,700	10%
Largest % Increase				
Education and Health	205,200	262,700	57,500	28%
Professional and Business Services	193,100	232,800	39,700	21%
Leisure and Hospitality	165,300	197,500	32,200	19%
Construction	100,300	115,000	14,700	15%
Trade, Trans. and Utilities	336,200	379,800	43,600	13%
Other services	59,000	66,500	7,500	13%

Source: Oregon Employment Department. November 2007. Employment Projections by Industry.

Changing economic conditions in Oregon have not only been affected by national and international trends, but also by past and current government action in Oregon. State policy made a concerted effort to attract industries with tax policy (e.g., no unitary tax, which would tax world-wide corporate income of businesses operating in Oregon), changes in corporation codes, reforms to reduce the costs of workers' compensation, investments in infrastructure, and other incentives (e.g., enterprise zones and the Strategic Investment Program, which attempts to stimulate capital-intensive industries through property tax abatement). The State has encouraged international trade and investments with missions and offices in Japan, Taiwan, and other Pacific Rim countries. And State policy on land use and environmental quality aim at preserving the natural and cultural amenities that make Oregon attractive to its current and potential residents and businesses.

Regional and County Trends

Research of available economic data sources, along with conversations with state and local economic authorities, and local staff and stakeholders, revealed a number of economic trends for Lane County. Generally, county trends mirror national and state trends with a few exceptions.

Aging Population. Lane County is expected to experience the same aging of the baby boom generation. Worker replacement needs may create new employment opportunities, but the County will need to have qualified workers to meet demand. A regional analysis completed by Oregon Economic & Community Development Department (OECDD) shows that the number of retirement age workers in the region is highest in Educational & Health Services and Manufacturing.. Further, almost one third of Transportation & Utilities sector workers are at retirement age, with Transportation workers having the highest percentage (26.9 percent).

Locally Competitive Industries. OECDD suggests that some industries have a competitive advantage in the region. This analysis is based on an examination of

employment concentrations, relative wage levels and differential growth rates within each region to identify industries that appear stronger in the region than elsewhere in the state. Of the competitive industries in the region, 15 are projected to grow faster than the regional average. Ambulatory Health Care Services, Nursing and Residential Care Facilities, and Internet Publishing and Broadcasting are expected to grow fastest.

Net Importer of Business. The workforce region composed of Benton, Lane, Lincoln and Linn Counties was a net importer of businesses, with the Service industry accounting for the largest share of net moves into the region.

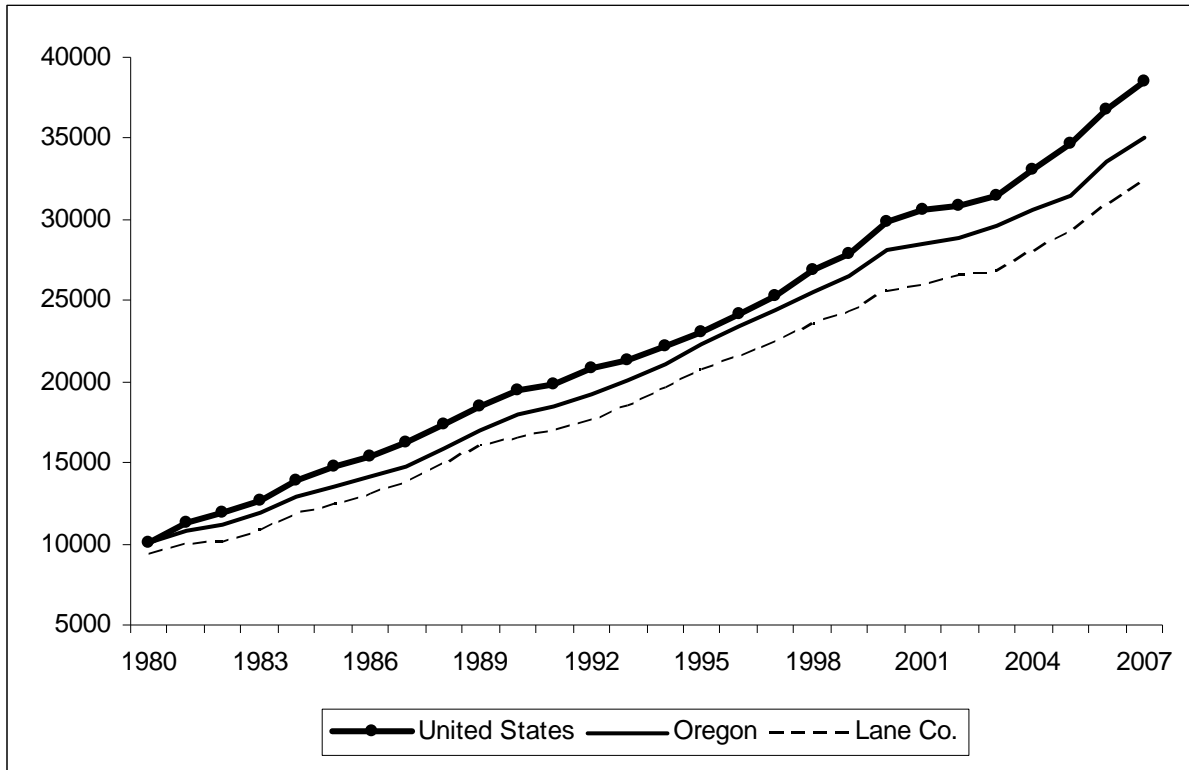
Shift from Manufacturing to Technology. In line with national and state trends, Lane County is expected to continue experiencing a shift of employment from manufacturing and resource-intensive industries to the service-oriented sectors of the economy. This is reflected in regional employment projections. It is noted that the region will remain strongly poised for the wood products industry and over the next decade or so, the amount of second-growth timber available from private timberlands could lead to a mini-boom in this industry.

Strong Sector Growth. There will be an increase in Lane County in the demand for healthcare services. Health care services are projected to have the highest percentage of new workers (33 percent increase from 2006 to 2016) when compared to all the sectors in the County. This will be largely due to the health care needs of the aging population. Employment growth within Lane County is also projected to be strong in Leisure and hospitality (20 percent increase from 2006 to 2016), Food Services (19 percent increase from 2006 to 2016), and Professional and business services (19 percent increase from 2006 to 2016). There will also be an increase in Lane County in the demand for education. Educational and health services are projected to have the second highest percentage of new workers (31 percent increase from 2006 to 2016) when compared to all County sectors.

Personal Income in Lane County and the Nation

Figure 5.1 shows the level of per capita income in the United States, Oregon, and Lane County over the 1980–2007 period, in non inflated-adjusted dollars. Per capita income has experienced relatively steady growth since 1980, with the exception of the early-1980s recession in Oregon and Lane County. Figure 5.2 shows that per capita income in Lane County has historically lagged behind the Oregon and U.S. average. In the late 1990s and early part of this decade, Lane County experienced a widening of the gap between its per capita income and the national per capita income. That gap is maintained through this decade and the current per capita figures are reported as \$38,564 for the United States, \$35,027 for Oregon and \$32,281 for Lane County.

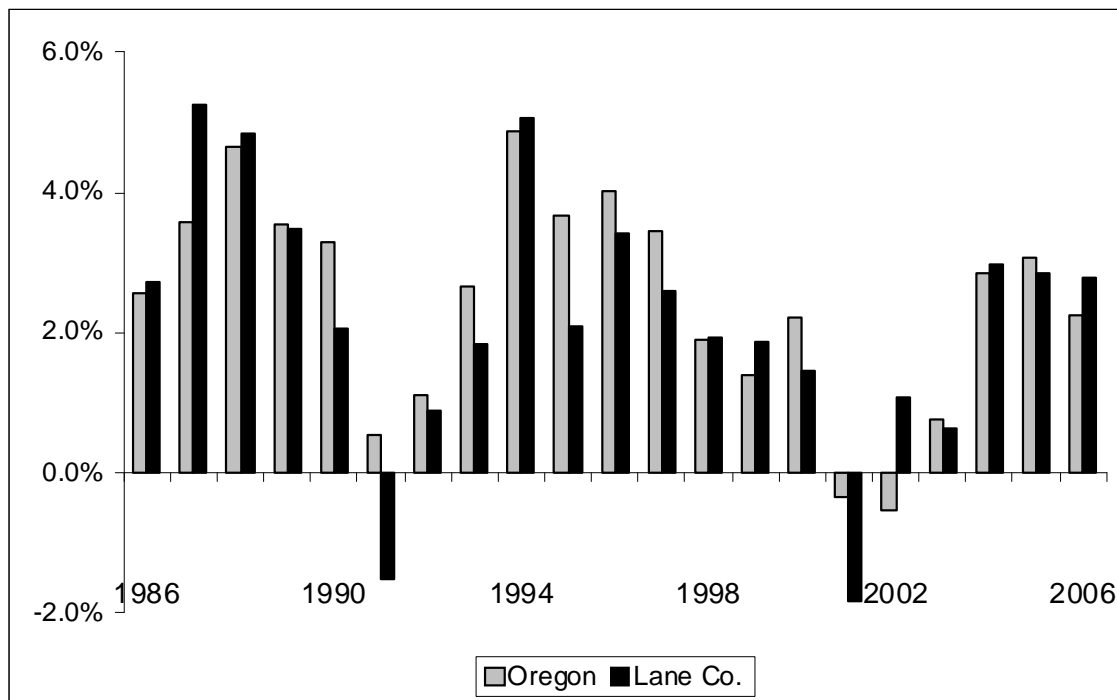
Figure 5.1. Per capita income Lane County, Oregon & U.S., 1980-2007



Historic Employment in Lane County and Oregon

Employment growth has generally followed the trend of population growth, but employment growth varies more because employment is more closely tied to economic conditions. As for population, over 70 percent of Oregon's employment is located in the Willamette Valley. The Valley also experienced the largest loss of employment in the recession of the early 1980s. Since 1969, employment in Oregon has grown most rapidly in the 1970s, with annual employment growth above 5 percent in 1972–73 and 1977–78. Annual employment growth in Oregon was slow or negative in the early 1980s but peaked at 4.6 percent per year in 1988, declined in the early 1990s and peaked at 4.9 percent in 1994. Annual employment growth in Oregon has declined since 1994, falling to -0.1 percent in 2001. As with population, employment growth in Lane County tends to be more cyclical than employment growth in Oregon as a whole. Annual employment growth in Oregon and Lane County is shown in Figure 5.3 for the 1986–2006 period. Figure 5.2 shows that Lane County has seen periods of both lesser and greater growth than Oregon as whole. The recessions of the early 1990s, and in 2001 saw Lane County experiencing significantly less growth than the state (reductions in fact). Lane County also appears to have grown at a faster rate than Oregon during the recovery from these slow economic times.

Figure 5.2. Annual Nonfarm employment growth in Oregon and Lane County, 1986-2006



The composition of employment in Oregon has changed over the last 40 years. Employment growth during this time period has been led by the Services and Retail Trade sectors.³⁶ The share of total employment in these sectors increased from 35 percent to 49 percent between 1969 and 1995. Slow growth in Manufacturing caused its share of total employment to decline from 22 percent to 13 percent over this period, while other sectors grew at rates close to the statewide average. Employment in Lane County showed a similar pattern, with employment in manufacturing declining from 25 percent to 14 percent of total employment between 1969 and 2001, while the share in Services and Retail Trade increased from 35 percent to 50 percent of total employment in the same period.³⁷

A more recent look at employment trends (2002-2006) is presented in Table 5.3, which also includes growth rates for other counties in the Western Oregon Region. Employment growth is presented by North American Industrial Classification System (NAICS) sector in the table.

³⁶ This chapter will make frequent use of the terms sector and industry. Sectors are groups of industries, as defined in the North American Industrial Classification System and the Standard Industrial Classification system used for economic statistics.

³⁷ U.S. Department of Commerce, Bureau of Economic Analysis, 2003. Regional Economic Accounts. <http://www.bea.doc.gov/bea/regional/statelocal.htm>. Share of total employment by sector calculated by ECONorthwest.

Table 5.3: Industry Growth in Western Oregon Counties 2002-2006

NAICS Sector	Linn	Benton	Lane
Natural Resources and Mining	16%	38%	-12%
Construction	89%	65%	58%
Manufacturing	18%	-9%	-1%
Wholesale trade	65%	18%	-9%
Retail trade	13%	10%	9%
Transp., Warehousing and Utilities	-20%	16%	-5%
Information	-7%	-11%	-7%
Financial Activities	23%	33%	30%
Professional and Business Services	25%	24%	12%
Education and Health Services	22%	15%	15%
Leisure and Hospitality	20%	7%	7%
Other Services	0%	9%	-5%
Government	-11%	-2%	-4%

Source: Oregon Employment Department, (OLMIS) Oregon Labor Market Information System

There is wide variation among all three counties in the region. The few exceptions include a consistent and significant increase for all counties in Construction, Education and Health Services, and Financial Activities for that period. Information was the only sector which showed a consistent decrease in growth.

Economic Outlook for Lane County

Population in Lane County is expected to grow more slowly than population for Oregon as a whole. The long-term population forecast by OEA predicts Lane County's population will grow at an annual average rate of 0.9 percent between 2000 and 2040, compared to a rate of 1.1 percent for Oregon over the same period. At this rate of growth, Lane County is expected to add almost 140,000 people by 2040, growing from 325,000 people in 2000 to 465,000 in 2040. As for Oregon, a substantial share of this population growth is expected to come from net migration into Lane County.³⁸

Lane County's total coordinated population growth over the planning period is summarized in Table 5.4 below:

Table 5.4 Lane County Population Growth 2010-2030

	2010 Coordinated Population	2030 Coordinated Population UGB Total	Change 2008 - 2030
Lane County	349,516	421,522	72,006

An important consideration of Lane County's economic outlook is projected changes in its employment dynamics. The Oregon Employment Department (OED) publishes a 10-year forecast of employment growth in Oregon and Workforce Analysis Regions. Table 5.5 shows forecast employment growth by sectors in Lane County over the 2006–2016 period.

³⁸ State and County Population Forecasts and Components of Change, 2000 to 2040
http://www.oregon.gov/DAS/OEA/demographic.shtml#Long_Term_County_Forecast , 01/15/09

Sector/Industry	2006	2016	Change	% Change
Natural Resources and Mining	900	900	0	0%
Construction	8,000	9,200	1,200	15%
Manufacturing	20,300	21,000	700	3%
Wholesale Trade	5,900	6,500	600	10%
Retail Trade	19,700	22,100	2,400	12%
Transp., Warehousing and Utilities	3,300	3,700	400	12%
Information	3,700	4,100	400	11%
Financial Activities	8,300	9,300	1,000	12%
Professional and Business Services	16,100	19,100	3,000	19%
Educational and Health Services	19,600	25,600	6,000	31%
Leisure and Hospitality	14,200	17,000	2,800	20%
Other Services	5,100	5,700	600	12%
Government	28,400	32,000	3,600	13%
Total	153,500	176,200	22,700	15%

Source: State of Oregon Employment Department

This forecast shows that the Education and Health Services, Government and Professional and Businesses Services sectors are expected to lead employment growth in Lane County, together adding 12,600 jobs or almost 56 percent of total employment growth in Lane County over the ten-year period. Most of the employment growth in Manufacturing is expected in the “Other Durable Goods” industries.

Summary of Key National, State and County Trends

Coburg’s economy must operate within the larger context of the county, state and national economies. This section has summarized recent economic trends at each of those levels. General trends that seem to occur as themes throughout the national, state and local level include:

- Demographic changes including and increase in the number of senior citizens, and increased numbers and proportions of Hispanics and Blacks. An increase in retirement aged individuals is expected to tighten the labor force.
- Economic growth in Oregon is expected to continue its gradual shift from natural resource and manufacturing based industries to service oriented industries. The same general trend is expected locally, although increases in the construction and high-tech industry could serve to bolster the former.
- Climate change has the potential to impact economic systems as measures are taken to reduce environmental impacts; innovation and emerging industries aimed at responding may change migration patterns. Oregon and the Willamette Valley are anticipated to accommodate an above average share of economic growth related to climate change.
- The recent local, national and global economic downturn impacted Oregon and Lane County. Economic forecasts suggest that the local economy will recover during the 20-year planning period.
- Industry sectors expecting the greatest growth in the region are Health Care Services, Leisure and Hospitality and Food Services. Short-term trends are difficult to predict.

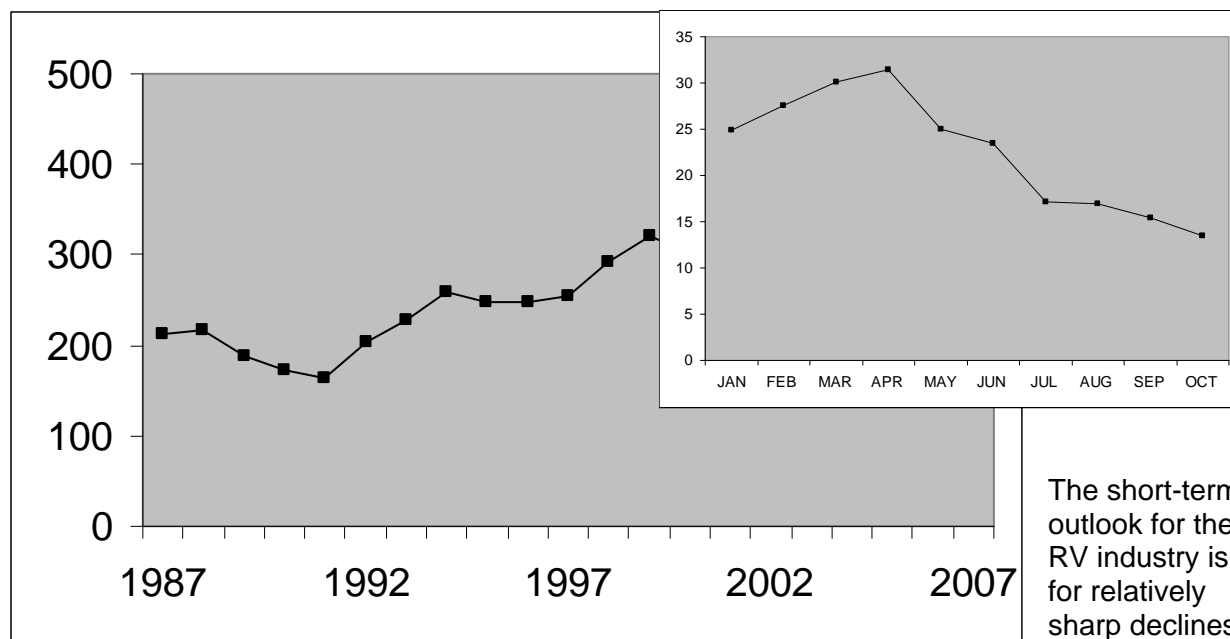
Coburg's Economy

This section provides a summary of Coburg's current economic conditions and a summary of Coburg's economic outlook. One of the next steps in completing an EOA is to revisit Coburg's Vision and economic development strategy, identify key changes since the Vision was developed, and evaluate new economic opportunities.

Current Economic Trends

- **The Wastewater System.** The lack of public wastewater service in Coburg has been the primary constraint for substantial economic and UGB expansion. A wastewater facility is targeted for completion in 2011 or 2012.
- **Low Population to Employment Ratio.** For over a decade, Coburg has been an exception among Oregon communities; it has three times as many jobs as it does people. The recent downturn in the RV industry has resulted in immediate and dramatic changes in Coburg's employment figures. However, a long range outlook suggests that Coburg will be inclined to an uneven population to employment ratio based the City's proximity to Interstate-5.
- **Adjusted Employment Forecast.** More recent analysis of state and county employment trends suggests that the employment target of 5,157 for 2025, established in the 2003 Coburg Crossroads effort, is unlikely. Though significant growth is probable, updated trends suggest more moderate future employment figures (See Chapter 2).
- **New Treatment Campus.** Anticipated by 2012, a private health related treatment center. This new development would provide 150-170 residential beds and occupy over 15 acres near the center of Coburg. The new campus will occupy a large portion of Coburg's existing large vacant residential acreage.
- **Coburg/I-5 Interchange Reconstruction.** The Coburg/I-5 Interchange is old and needs replacing. The reconstruction of this facility will provide Coburg with a new Westside gateway.
- **Growth Pressure from Eugene-Springfield.** Coburg is less than three miles from the cities of Eugene and Springfield. The Eugene-Springfield metropolitan area is the second largest in the State and is projected to see significant population increase. Coburg has been and will be subject to the growth dynamics experienced by its geographic region.
- **Recent downturn in the RV Industry.** Coburg's economic well-being is inseparable from the RV industry. RV manufacturers are the largest employers in Coburg. Trends in this industry will have a significant effect on the future level of employment in Coburg. Figure 5.3 shows total RV shipments in the United States over the 1987– 2007 period. Figure 5.3 shows a general upward trend in RV shipments over the last 20+ years; shipments have increased at an average rate of 3.6 percent per year between 1987 and 2007. While there has been an overall upward trend, RV shipments show some year-to-year declines due to economic conditions. The figures for the better part of 2008 (Figures 5.3 and 5.4) reveal that the RV industry saw an annual drop that may be its worst ever (worse than the decline in 2001).

Figures 5.3 and 5.4 Annual RV shipments (in thousands) in the United States, 1987–2007, and in January–October 2008.



The short-term outlook for the RV industry is for relatively sharp declines in the number

and value of RVs shipped in the United States. Following is a summary of the RV industry outlook generated in December, 2008 by the Recreation Vehicle Industry Association (RVIA)³⁹:

- **Short-term projection.** As the current recession is expected to affect all sectors of the economy, RV shipments are expected to be lower in 2009 as well. Credit restrictions are causing RV buyers to delay purchases and RV dealers to keep inventories low. Sales in 2009 will be affected by high credit standards, falling employment, and continued declines in household wealth and home prices. Dr. Curtin predicts 2009 shipments will total 186,800, about 25 percent lower than the projected total for 2008.
- **Long-term forecast.** The RV marketplace continues to look favorable in the long-term. Current limitations on RV credit are expected to gradually diminish over time since RV owners are, on average, excellent credit risks.
- **Demographic trends.** As the baby boomers continue to age, they will have increasing levels of disposable income and free time. This group currently has the highest rate of RV ownership of any group, and this is expected to increase as a larger share of this age group reaches retirement age.

The 2004 Urbanization Study, which was written during a favorable climate for the RV industry, concluded that the industry is vulnerable to changes in economic conditions. It was asserted that increases in interest rates, increased gas prices, or poor economic conditions could lead to a decrease in the level of RV shipments. These vulnerabilities were realized by 2010.

³⁹ Recreation Vehicle Industry Association Website, http://www.rvia.org/AM/customsource/INCL_BusinessIndicators.cfm?Section=Business_Indicators, 01/13/09

Retail Sales and Leakage

Retail demand relates to the volume of retail purchases made by local residents - whether made in the local trade area or elsewhere. Supply is defined as the volume of retail sales activity actually experienced by local businesses. In conditions where demand outstrips supply, retail sales leakage occurs as local residents travel outside the immediate trade area to shop. In some areas, the volume of sales actually experienced by local businesses will outstrip locally generated demand, meaning that retailers are drawn beyond the local trade area.

City of Coburg:

- Retail purchasing power generated only by existing Coburg residents is estimated at \$12.3 million per year. In comparison, area retailers capture an estimated \$68.2 million in annual retail sales. Therefore, there is no current retail sales leakage overall; however, much of the retail sales supply is provided by the RV industry.
- A majority of retail categories appear to be underserved, largely due to a lack of any business presence to serve local resident demand. Retail categories without an identified presence in Coburg include furniture/home furnishings, electronics/appliances, health and personal care stores, clothing and accessories, sporting goods, hobby, book and music stores, general merchandise retail (both department store and discount-oriented), and nonstore retailers. The ability for local stores to be attracted that would serve these niches is challenging as these store types tend to require customer counts in excess of the population in Coburg.
- Several retail types have a local presence but appear to experience some level of net sales leakage. These include specialty food stores, beer, wine and liquor stores, and gasoline stations.
- Some business types located in Coburg are realizing retail sales in excess of what in-city population alone could be expected to support (indicating substantial tourism and pass-through related business volume). These well-served retail store types include motor vehicle and parts dealers, building materials, garden equipment and supply stores, food and beverage stores, used merchandise stores, and food services.

While detailed sales data is not available for non-retail businesses, it is noted that Coburg also has an extremely limited inventory of service establishments including finance and medical. These gaps detrimentally affect the livability of the community. Lack of services such as banking also reduces the attractiveness and viability of conducting business in Coburg.

Historic Employment and Payroll in Coburg

A comparison of total covered employment and payroll in Coburg, Lane County and Oregon reveals some interesting economic characteristics of Coburg. Table 5.6 shows the level of covered employment, payroll, and average pay per employee in Oregon, Lane County, and Coburg in 1998 and 2002. The numbers are shown in 2002 dollars for comparison.

Table 5.6 Total covered employment, payroll (in millions), and average pay per employee in Oregon, Lane County, and Coburg, 1998 - 2002 (2002 dollars)

	1998			2002			AAGR		
	Emp	Payroll	Pay/ Emp	Emp	Payroll	Pay/ Emp	Emp	Payroll	Pay/ Emp
Oregon	1,550,148	\$50,555	\$32,613	1,573,083	\$52,989	\$33,685	0.37%	1.18%	0.81%
Lane County	135,897	\$3,920	\$28,846	137,969	\$4,060	\$29,427	0.38%	0.88%	0.50%
Coburg	1,734	\$55	\$31,959	2,788	\$87	\$31,252	12.61%	11.98%	-0.56%

Source: Oregon Employment Department. 1998, 2002. Employment and payroll estimated by LCOG using QCEW from OED. AAGR calculated by LCOG.

This table shows that total employment and payroll in Coburg grew at a substantially higher rate than in Oregon or Lane County between 1998 and 2002. The rapid growth during that period caused Coburg's share of Lane County employment to grow from 1.3 percent in 1998 to 2.0 percent in 2002. During this period average payroll per employee in Coburg was higher than the Lane County average but lower than the State average. After adjusting for inflation, Coburg's average rate of pay actually decreases by 0.56 percent during this time period. Coburg's dramatic employment growth during this period is largely explained by a significant increase in production and employment in the City's RV manufacturing industry.

In contrast, Coburg experienced less employment growth in the subsequent period of time between 2002 and 2006. Table 5.7 shows employment statistics for this time period. The numbers are shown in 2006 dollars.

Table 5.7 Total covered employment, payroll (in millions), and average pay per employee in Oregon, Lane County, and Coburg, 2002 - 2006 (2006 dollars)

	2002			2006			AAGR		
	Emp	Payroll	Pay/ Emp	Emp	Payroll	Pay/ Emp	Emp	Payroll	Pay/ Emp
Oregon	1,573,083	\$59,116	\$37,579	1,700,609	\$64,742	\$38,070	1.97%	2.30%	0.32%
Lane County	137,969	\$4,529	\$32,829	148,850	\$4,948	\$33,240	1.92%	2.23%	0.31%
Coburg	2,788	\$96	\$34,493	2,848	\$99	\$34,902	0.54%	0.83%	0.30%

Source: Oregon Employment Department. 2002, 2006. Employment and payroll estimated by LCOG using QCEW data from OED. AAGR calculated by LCOG.

The table shows that total employment and payroll in Coburg grew less than in Oregon or Lane County over the 2002–2006 period. The rapid employment growth experienced during the previous four years was not maintained. Average pay over the period increased, however not at rates as high as both Lane County and the State.

Table 5.8 shows employment and payroll in Coburg by specific employment sectors⁴⁰. The data in Table 5.8 is from confidential QCEW data on individual employers from OED. Requirements to maintain the confidentiality of individual firms prevents reporting employment for sectors or industries where there are fewer than three firms or where a single firm accounts for 85 percent

⁴⁰ This chapter will make frequent use of the terms *sector* and *industry*. *Sectors* are groups of *industries*, as defined in the North American Industrial Classification System (NAICS) used for economic statistics. For example, the Manufacturing *sector* contains the Wood Products, Metal, and other manufacturing *industries*.

or more of the sector/industry employment. This confidentiality restriction applies to several sectors in Coburg, which are summed in the “Other” sector category in Table 5.8.

Table 5.8 Covered employment and payroll (in millions), by sector in Coburg, 2002-2006 (2006 dollars)

Sector	2002			2006			AAGR		
	Emp	Payroll	Pay/ Emp	Emp	Payroll	Pay/ Emp	Emp	Payroll	Pay/ Emp
Construction	143	\$6.3	\$43,995	156	\$7.2	\$46,126	2.24%	3.46%	1.19%
Wholesale trade	125	\$5.5	\$43,812	140	\$6.5	\$46,714	2.80%	4.46%	1.62%
Retail trade	135	\$3.1	\$22,703	188	\$5.4	\$29,079	8.68%	15.62%	6.38%
Trans., W.house, Util.	57	\$1.6	\$27,682	28	\$1.2	\$43,853	-16.59%	-6.43%	12.19%
Financial Activities	112	\$3.2	\$28,131	121	\$3.6	\$29,559	1.92%	3.19%	1.25%
Professional and Bus.	8	\$0.1	\$12,616	21	\$0.7	\$34,672	25.24%	61.25%	28.75%
Leisure and Hospitality	58	\$0.7	\$11,429	37	\$0.4	\$10,095	-10.55%	-13.28%	-3.06%
Other*	2,150	\$75.8	\$35,275	2,147	\$74.3	\$34,622	-0.03%	-0.50%	-0.47%
Total	2,788	\$96.2	\$34,493	2,848	\$99.4	\$34,902	0.54%	0.83%	0.30%

Source: Oregon Employment Department. 2002, 2006. Employment and payroll estimated by LCOG using sector specific QCEW data from OED. AAGR calculated by LCOG.

*Sum of sectors with \leq 3 firms

Table 5.8 shows that the bulk of Coburg’s employment (77 percent) is in the Other category, which represents sectors with few firms or with a single firm that accounts for a large share of that sector’s employment. The Other category includes Coburg’s two largest employers, Monaco Coach (Navistar) and Marathon Coach, both which manufacture (d) recreational vehicles. These firms are in the Manufacturing Sector. The Other category also includes firms in the Information, Health and Education, Natural Resources, and other sectors. The Other category reflected a minor decrease in employee numbers between 2002 and 2006. Most sector within the Other category experienced decreasing numbers, including the largest portion of that category, Manufacturing, which saw a loss of 18 employees over the period.

The Professional and Scientific sector experienced the fastest growth between 2002 and 2006, adding 25 percent over the period. Retail trade saw the greatest employment growth, adding 53 jobs and growing at an average annual rate of 8.7 percent. Most of the employment in the Retail Trade sector is in the Auto Dealers & Service and Eating & Drinking Places industries.

The Construction and Wholesale Trade sectors have above-average levels of annual payroll per employee. Payroll per employee in the Other sector is close to the Coburg average, which is not surprising because this sector accounts for such a large share of Coburg’s employment. Annual payroll per employee in the Retail Trade, and Financial Activities sectors was roughly \$5,000 below the Coburg average in 2006. The Leisure and Hospitality sector shows a very low payroll per employee figure compared with the Coburg average. Table 5-3 shows that payroll per employee grew in every sector between 2002 and 2006 except Leisure and Hospitality and Other (in constant 2006 dollars). Overall, confidential data provided by the OED shows that employment in Coburg has been dominated by the following activities:

- Recreational vehicle manufacturing
- Heavy equipment sales and service
- Construction contractors
- Trucking
- Automobile and truck service stations

In addition to these dominant activities, Coburg has numerous small firms that serve local residents and visitors, such as restaurants, a food store, hotels, real estate offices, and churches. Coburg also has several small firms that serve customers in metropolitan Eugene-Springfield or statewide. Examples include Manley Administrative Services, which administers flexible spending accounts for employers, and Experience Oregon, which operates charter and tour buses in Oregon.

Employment Forecast for Coburg

An employment forecast is a useful tool in determining employment change, and more specifically, employment land needs. Chapter 2 introduces and explains the employment forecast for the City of Coburg for the planning period. Table 5.9 presents a summary of employment growth expected in Coburg between 2010 and 2030.

	Coburg 2010 Adjusted** Total	Projected Employment 2030	Emp. Change 2010-2030
Natural Resources	*	*	*
Construction	253	335	82
Manufacturing	*	*	*
Wholesale trade	171	207	37
Retail trade	408	606	198
Transportation and warehousing utilities	39	49	10
Information	*	*	*
Financial Activities	220	276	56
Professional and Business Services	35	53	19
Education and Health Services	*	*	*
Leisure and Hospitality	52	82	29
Other services, except public administration	28	35	7
<i>*Sectors with < 3 Firms</i>	2,214	2,392	177
Government and government enterprises	*	*	*
Total employment	3,420	4,035	615

A

Source: Oregon Employment Department ten-year industry forecast (2006-2016). Adjustments to specific sector AAGR developed by Coburg TAC.

* QCEW confidentiality regulations forbid the presentation of data for sectors that consist of 3 or fewer firms.

**Due to the recent closure of Monaco Coach, the 2010 adjusted total is not anticipated to be realized, the figure is maintained in the analysis because the long term forecast is expected to be realized, and therefore the calculation of employment change requires a starting figure reflecting the very likely reuse of the Monaco Site.

forecast of employment growth in Coburg through 2030 is necessary to forecast demand for buildable land and public services in Coburg. In order to estimate demand for buildable land by type, employment by industry was grouped into categories with similar types of land use, based on Coburg's existing zoning. The results of this demand will be presented later in this chapter.

Employment and Land Use in Coburg

Table 5.10 shows employment in Coburg and Lane County by land use type in 2002 and 2006. Lane County is included in the table for comparison. The table shows that employment in Coburg is dominated by industries with industrial types of land uses, (accounting for 85 percent of employment in Coburg compared to 25 percent in Lane County). Coburg's employment in industries with Commercial and Office land uses have substantially smaller shares of

employment compared to Lane County. As Coburg grows, the distribution of employment by land use type should ideally move closer to the distribution in Lane County, which requires the share of Coburg's Industrial employment to decline while the shares in Commercial and Office increase.

Land use Type	2002		2006		00-06
	Emp	Share	Emp	Share	AAGR
Coburg					
Commercial	135	5%	188	7%	8.6%
Office	208	7%	231	8%	2.7%
Industrial	2,445	88%	2,429	85%	-0.2%
Total	2,788		2,848		
Lane County					
Commercial	18,300	13%	19,700	13%	1.9%
Office	84,300	61%	95,400	62%	3.1%
Industrial	35,400	26%	38,400	25%	2.1%
Total	138,000		153,500		

Source: LCOG from confidential QCEW data provided by the Oregon Department of Employment

ECONOMIC DEVELOPMENT VISION AND STRATEGY

Starting Assumptions and Objectives

There is more than one possible economic future for Coburg. Many of the factors that determine that future are outside of the City's control. For example, national economic conditions, international trade and migration, and the policies of other cities in the southern Willamette Valley can encourage or retard growth.

City of Coburg does have some control over many factors that will affect the type and rate of growth in the City over the next 20 years. It can adopt policies that affect the amount and price of land, and quality and price of public utilities, and incentives and charges affecting businesses building and operating in the City. This is called a city's "economic vision" or "economic development objectives."

Coburg's location and character creates opportunities and constraints. Among the opportunities is its proximity to Interstate 5 and the Eugene-Springfield metropolitan area, a strong industrial base, a historic core, and a high quality of life. Constraints include the immediate lack of a wastewater facility, I-5 interchange age and safety issues, limited buildable land for large employment uses and housing. It would be unrealistic for Coburg to aspire to or plan for accommodating a high percentage of regional economic growth. It is realistic for Coburg to plan for more diverse or regional industrial growth.

An Economic Vision for Coburg

As previously stated, this Study is consistent with the Periodic Review results for the community. The following summarizes the economic portion of the Vision (2003):

- Coburg will work to maintain and enhance its quality of life. In Coburg this means (1) preserving the character of the downtown core area, (2) encouraging a broader range

of services, and (3) providing housing opportunities for individuals that are employed in Coburg.

- Coburg recognizes its locational advantages (as described in the *Economic Opportunity Analysis*) and believes it is in its interest to manage economic development and growth in the City.
- To that end, Coburg establishes a 2025 employment target of 5,157; an increase of about 2,000 employees between 2002 and 2025. This figure is consistent with the preferred employment forecast in the *Coburg Crossroads Vision*. (*This figure has been updated based on more recent employment data and trend analysis see Table 5.9*)
- Coburg wants new businesses to start, expand, or relocate in the City that will provide higher-wage jobs and a broader range of goods and services for existing and future Coburg residents.
- Coburg desires to encourage new employment to locate in the core area as appropriate. The comprehensive plan will define the types of commercial activities that are appropriate for the core area.
- New businesses will need, among other things, developable land, good services and transportation, and an educated and skilled labor force. The City should take actions to make sure those things are provided at competitive prices. Coburg will welcome industries that help it achieve its economic vision.
- Coburg wants to maintain and increase the livability of its community as it grows. To that end, the City will ensure that adequate public facilities are available to accommodate new employment and residents.
- Coburg should be strategic about any economic incentives it gives to businesses, ensuring that it has the financial resources to maintain the quality of its facilities and services.

The City also identified a set of Goals and related strategies for achieving its economic vision. These goals and strategies are included in this report in their entirety as Appendix F.

2005 Comprehensive Plan Economic Element Update

The 2005 Update of the Coburg Comprehensive Plan included an economic element that further articulates the City's economic goals and objectives. The overarching objective established in this Plan is to "guide community development in such a way that the local economy is improved while maintaining Coburg's small town atmosphere". The Comprehensive Plan also contains 27 policies that further articulate this objective, including (but not limited to) the following concepts:

- Provide land suitable for a full range of retail, professional and service uses in the downtown area. Mixed use is encouraged, as are small –scale downtown commercial uses.
- Provide land area adjacent to the I-5 interchange for goods and services that primarily serve the traveling public.
- Provide an adequate amount of level, buildable land which has good access to arterial streets to meet local and regional industrial needs. Group industrial uses together within well-designated industrial parks or subdivisions.
- Promote a diverse economy that continues to support a strong tax base for the community.

- Discourage big-box retail and strip commercial uses.
- Sustain and enhance business skills and management training available in Coburg.

Despite recent changes in industry trends and potential new opportunities, the vision and policies developed as part of the 2003 Coburg Crossroads and 2005 Comprehensive Plan Update still appear to be relevant. However, since Coburg's economic vision was updated in 2003 and 2005, there have been changes in the local and regional economy that should be evaluated as part of this Economic Opportunities Analysis. The goals and policies should be revisited as part of the update process to ensure that they continue to reflect the most current economic development vision for Coburg.

Factors Affecting Economic Development in Coburg

Each place has access to different combinations of productive factors: land (and natural resources), labor (including technological expertise), and capital (investments in infrastructure, technology, and public services). While all places have these factors to some degree, the mix and condition of these factors vary by location. The mix and condition of productive factors may allow firms in one area to produce goods and services more cheaply than firms in other areas. Location also affects transportation costs to markets for goods and services, which may allow firms in one area to generate more revenue or profits per unit than firms in other locations.

The mix of factors of production and access to markets in a location relative to other locations is referred to as a location's *comparative advantage*. By affecting the cost of production and potential revenue, comparative advantages affect the pattern of economic development in an area relative to other areas. The administrative rule for Goal 9 recognizes this by requiring jurisdictions to include an analysis of economic advantages and disadvantages in an economic opportunities analysis. The forecasts for population and employment growth in Oregon and Lane County presented earlier in this chapter implicitly considered the comparative advantages of the State and County when projecting the rate and composition of growth. This section focuses on the comparative advantages of Coburg relative to Lane County and Oregon.

Location

As stated, Coburg's proximity to Eugene-Springfield and the Interstate-5 (I-5) corridor are its two most key comparative advantages that provide:

- A large potential customer base and a skilled workforce.
- Suppliers of intermediate production goods, parts, and raw materials.
- Distributors of finished products to regional, national, and international markets.
- Specialized support services such as marketing, finance, accountants, and attorneys.

Location positions Coburg to compete for expected growth in Manufacturing as well as Warehousing and Distribution. As noted in the summary of trends, the region has historically been particularly competitive in Machinery Manufacturing and although these sectors are expected to grow less than the regional average from 2006 to 2016, Coburg has the potential to accommodate the growth that will occur (see Table 5.22).

Quality of life

Coburg's small-town character is also an important comparative advantage. As stated above, Coburg is an attractive location for firms that desire a small-town atmosphere but require the advantages of a larger city. This is particularly true for firms that are concerned about the quality

of life for their employees and want to give employees options. Coburg provides desirable living environment. Aspects of this character include its traditional downtown with quaint structures, low-density residential neighborhoods, and proximity to farm land and open space. One aspect of quality of life that is lacking in Coburg is retail services. Coburg currently lacks convenient retail options for residents, particularly a full-service grocery store and pharmacy. City officials have also cited the lack of a “city center” or “anchor” as impacting quality of life.

Another aspect of quality of life is the lack of a middle or high school. Coburg’s elementary school (K-5) which had 139 students enrolled for the 2008-2009 school year. Declining enrollment in Coburg Elementary School has caused the Eugene 4J School District to consider closure several times. In February of 2008 the 4J Superintendent provided a preliminary recommendation School Board to close Coburg Elementary school in 2012 and move students to a new school in north Eugene. Public outcry and the argument that Coburg’s population was expected to grow after completion of a wastewater system, resulted in a revised recommendation to delay the closure decision. The 4J Superintendent developed an Intergovernmental Agreement (IGA) with the City to provide support for Coburg as a “very small neighborhood school.” Adopting growth policies that support preservation of Coburg elementary is a high priority to Coburg.

Buildable Land

Chapter 3 presents detailed information on the supply of buildable land in Coburg. Table 5.11 summarizes the amount of buildable land in Coburg to accommodate employment growth. Buildable land in Table 5.11 includes vacant and partially vacant land.

Plan Designation	Vacant*		Partially Vacant		Total Buildable Emp.	
	Acres	% Total Vac. Acres	Acres	% Total P. Vac. Acres	Acres	Percent
Central Business District	4.00	9.2%	1.00	3.4%	5.00	6.9%
Highway Commercial	23.20	53.5%	15.90	54.6%	39.10	53.9%
Light Industrial	16.20	37.3%	12.20	41.9%	28.40	39.2%
Total	43.40	100.0%	29.10	100.0%	72.50	100.0%

* Includes 25% Public Facilities Land Deduction
Source: LCOG

Table 5.11 shows that the City of Coburg currently has about 72.5 vacant, partially vacant or underdeveloped non-residential acres.

In reviewing the information, one of the key issues is the availability of commercial and industrial land within the UGB; total acreage parcel size, shape, and variety of sites are important. According to information in the BLI contained in Chapter 3, Coburg does not contain any vacant Light Industrial sites over 10 acres in size or Highway Commercial sites over 20 acres in size. There is the potential to aggregate properties into larger tracts, particularly in the vacant Highway Commercial located between Industrial Way and I-5. However, the limitations in available land may impact the ability for the City to attract larger businesses that require significant land area. This is presented in greater detail in Tables 5.20 – 5.23.

All of the commercial and industrial sites identified as vacant, partially vacant, or underdeveloped within the Coburg UGB are serviceable or can be serviced in the future. Water

service is available to all sites on the westside of the interchange. The City intends to complete construction of the wastewater facility by 2012 .

Transportation

Transportation access is critical for economic development. Firms must have transportation access so that workers and customers can reach their destination and shipments of supplies and products can easily arrive and leave. Transportation systems consist of regional and local facilities. The primary regional facility in Coburg is Interstate-5, which provides access to regional, national, and international markets. Proximity to Interstate-5 is an important comparative advantage for Coburg, particularly to attract firms that need a high degree of access for employees, suppliers, customers, and shipping products.

Access to Interstate-5 in Coburg is presently limited by an outdated interchange. This interchange currently consists of a narrow overpass that limits the volume to capacity ratio and truck turn-movements; causing a number of safety issues. Further, the current interchange does not provide access for bicycles or pedestrians over Interstate 5. In 2010, the City, Lane County, and the Oregon Department of Transportation (ODOT) adopted the Coburg Interchange Area Management Plan (IAMP). IAMPs manage interchanges and adjacent land to ensure that the transportation planning reflects the local land use assumptions and builds future transportation infrastructure within the IAMP boundary accordingly.

Coburg Road is also an important transportation facility which links Coburg to Eugene(South) and Harrisburg (North). Coburg Road becomes Willamette St. within the Coburg city limits. The local street system in Coburg is adequate for current development and to serve existing vacant sites within city limits, though local circulation at the periphery of the city limits needs to be improved; there are several dead-ends. Internal streets will be needed for development of some vacantlots. Extension and improvements to local collector roads will be required in conjunction to future development.

Transit service, provided by Lane Transit District, includes minimal circulation within the City, but does provide direct service to Eugene. Transit service helps link Coburg to the larger Eugene-Springfield labor market. Limited transit service may constrain labor supply, particularly for employers that rely on workers that may not have access to a car. Population and employment growth in Coburg may lead to more frequent bus service. Coburg is not served by a railroad. Lack of railroad access makes Coburg a poor location for firms engaged in heavy manufacturing, warehousing and distribution, and other activities that rely on rail access.

The location of future transportation corridors and access to I-5 will be key issues to consider if the City determines that expansion of the UGB is needed to accommodate additional employment lands.

Public Services

The availability of public services is crucial to support employment growth in Coburg. Water and sewer service are essential for production and to support employees in the workplace. Police and fire services are needed to protect the assets of firms in Coburg. A major deficiency in Coburg's existing public service profile is the lack of sewer service; residents and firms in Coburg are served by on-site septic tanks and drainfields. This deficiency is seen as the main cause of Coburg's lack of economic growth in the recent past. The amount of residential and commercial development in Coburg is limited by the lack of sewer service, and sewer service will be necessary to support forecast population and employment growth.

Sewer

The Wastewater Facilities Plan (S1999) identified options for the development of a wastewater collection and treatment system. The City of Coburg chose to pursue a Septic Tank Effluent Pump (STEP) sewage collection and treatment system. As soon as 2012, all residents and businesses will be connected and the plant will be turned on. The City is responsible for maintenance of the STEP system.

Coburg's wastewater facility has capacity to accommodate growth within the 20-year planning period. Coburg's 2010 wastewater average usage is 760 EDUs. (An EDU is a measure of flow, representing the equivalent of a residence. Commercial usage is approximately 50 percent of the total.

The Coburg wastewater facility is being planned and constructed to accommodate approximately 2000 EDUs. All of the system will be built either to immediately accommodate that many users or as a part of a modular system where additional modules can be added in the future. The funding structure is such that existing users are paying for their share of the capacity of the system and future users will pay via system development charges (SDCs).

Water

The City of Coburg owns and operates the Coburg Water System, which serves businesses and residents within the city limits. According to the 2005 Water System Master Plan Update, the current water system is deficient in both supply and storage. Coburg is currently in the process of increasing its water capacity. The City is in the process of selecting a site and design for a new well and City officials assert that water capacity and storage will be sufficient to meet future demands as planned.

The 2005 Water System Master Plan estimates future water demand based upon future growth forecast in the 2004 Study for the year 2025, which used a population projection of 3,300 residents, and a land need of 311 acres of employment land, and 78.7 acres of parks and recreation and other public land. The future demand estimate is based upon residential demand increasing proportional to population increases, while industrial and commercial uses were based upon an analysis of water demand based upon water use per acre of developed land, using an evaluation of past billing records.

The design for the wastewater system, which was completed after the 2005 Update, allows for reclaimed water to be used for irrigation at parks, schools and businesses, which may decrease overall water demand.

Public Safety/Emergency Services

Coburg receives fire services from the Coburg Rural Fire Department's two paid and 26 volunteer firefighters out of one station located in the northwest corner of Coburg. Coburg is also served by its own Police Department which consists of two full-time officers, four reserve officers and one police records clerk.⁴¹ This level of fire and police protection has been significantly reduced from past levels due to budget constraints, but it should be noted that Coburg's six-officer department remains the largest in Oregon per capita, it is 50 percent larger than the next two largest departments, and twice the size of an average Oregon municipal force.

State of the art medical services are available only 5.5 miles away from Coburg at the newly constructed Peacehealth Riverbend hospital in Springfield. The hospital is a comprehensive regional medical center and Level II trauma center. A level II trauma center provides

⁴¹ City of Coburg Website, http://www.coburgoregon.org/home/cob/smartlist_64/departments_personnel.html, 01/27/09

comprehensive trauma care and supplements the clinical expertise of a level I institution. It provides 24-hour availability of all essential specialties, personnel, and equipment.⁴²

Utilities

According to the Oregon Economic & Community Development Department, Coburg is served by Northwest Natural for natural gas and both Emerald Public Utilities District (EPUD) and Pacific Power and Light (PPAL) for electricity. Properties north of Pearl Street are served by EPUD and properties south of Pearl Street are served of PPAL. Rates for industrial and commercial customers vary by need and may be negotiated for very large consumers of utilities.

Equally critical to the attraction and retention of many business sectors, is the creation and maintenance of a strong technology infrastructure. Coburg's telecommunications services are provided by Qwest and by Charter High-Speed Cable. Broadband services are available only from QWest. Among these DSL and T1 lines are the primary services used. These services are sufficient to meet the telecommunications needs of most potential firms.

Local Planning and Support

Economic Development in Coburg and Lane County is served and supported by a number of organizations who are dedicated to elements of economic wellbeing in Coburg and Lane County as a whole. These organizations include: Travel Lane County, Coburg Chamber of Commerce, Lane County Community and Economic Development, Lane Metro Partnership, as well as staff and officials responsible for economic development at the City of Coburg. Most of these organizations address economic development for Lane County or the entire State forcing Coburg to compete with other communities for the resources available for such assistance. Coburg's development constraints, specifically the lack of sewer service, have made it a challenging area for economic development, however its excellent location and other economic factors have provided for significant industrial development in the recent past.

The planned development of Coburg's wastewater treatment facility is evidence of local planning and support for environmental sustainability and controlled growth opportunities.

Coburg's Comprehensive Plan includes numerous policies and goals aimed at supporting Coburg's Economy (see Appendix F). As part of its comprehensive planning, the City will have to find some balance between sometimes conflicting goals of, for example, high-quality public services and low costs, or accommodating employment growth with low-cost land and protecting farmland around Coburg from urbanization. Additionally, there are several comprehensive plan policies addressing the preservation of Coburg's small town atmosphere and quality of life. Economic development will be subject to both sets of local values and priorities.

Coburg also has a number of districts and other planning characteristics which lend economic development. These include both Local Improvement Districts and Urban Renewal Districts.

A survey was sent to Coburg businesses and local economic development organization personnel. Respondents to that survey identified both positive and negative local planning and support dynamics in Coburg. Due to a relatively meager response to the survey the results should only be considered anecdotally. From those who responded the following themes arose:

⁴²PeaceHealth Medical Group Website, <http://www.peacehealth.org/Oregon/News/Facilities>, 2/23/09

- Respondents confirmed that factors attracting business to Coburg are its proximity to Eugene-Springfield, its small town environment, proximity to I-5 and reasonable start-up costs.
- More than one respondent identified the following factors that may detract business from locating in Coburg: small town politics, lack of sewer service, and lack of services. One respondent expressed disappointment with the lack of a strong “anchor” in town.
- Respondents suggested that better dining and grocery opportunities were needed. Others suggested focusing on the antiques industry.
- Among respondents generally, interest in industry growth was limited to areas along the freeway.
- Some respondents expressed concern in making plans during this period of economic recession.
- Respondents generally expressed optimism in Coburg’s economic advantages (proximity to I-5 mentioned multiple times).
- Some concerns for future included “lack of civic protocol”, lack of sufficient City staff, loss of citizen’s trust, lack of clear vision.
- More than one respondent expressed frustration with inconsistencies in design standards, causing confusion and lack of cohesion in town.

The City has established the Coburg Urban Renewal District under the provisions of Oregon Revised Statute Chapter 457. The Coburg Urban Renewal Agency was created for the purpose of providing funding for the City of Coburg to plan and construct a municipal wastewater collection and treatment center.

The City does not contain an enterprise zone designated under ORS 285C.250. An enterprise zone is a specific area in which new plant and equipment of “eligible” (typically manufacturing) businesses that create jobs receive exemption from local property taxes for three or more years. Previously, an enterprise zone was established, but this was terminated in 1995. According to the Lane Metro Partnership, the City is also not eligible to reinstate an enterprise zone.

The State’s Economic and Community Development Department has an industrial site certification process in place. Site certification can be very helpful to firms looking to locate, as it ensures that sites are “shovel ready”, and can be utilized quickly, without time consuming and risky permit processes. Although there are industrial sites in Coburg that could be considered “shovel ready”, or nearly shovel ready, there are currently no “certified” sites within Coburg’s UGB.

Labor Force

The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force.

The labor force in Coburg is not limited to local residents; firms in Coburg attract workers from surrounding communities, and residents of Coburg may work in other communities. The labor market area in Coburg includes the Eugene-Springfield metropolitan area and rural communities in the southern Willamette Valley. In 2007, the Lane Council of Governments (LCOG) conducted a survey for the Lane Transit District (LTD) of employees at Monaco Coach that asked employees their place of residence. As Coburg’s recent largest employer, the extent of

the labor market area for Monaco Coach is a good indicator of the potential labor market area for Coburg as a whole.

Table 5.12 shows the place of residence by zip code for Monaco Coach employees that reported this information in the survey. The table shows that 63 percent of Monaco Coach employees in 2001 were from Eugene or Springfield. At least 3 percent of Monaco Coach employees commuted from the communities of Cottage Grove, Junction City, Creswell, and Veneta and Elmira combined. The geographic area bounded by these communities represents the primary labor market area for firms located in Coburg. According to these results, a small share of Monaco Coach employees were from more outlying communities, such as Oakridge and Blue River, but the number of employees is too small to include these communities in the primary labor market area for Coburg. Surprisingly, no employees of Monaco coach reported living in Harrisburg, despite its relative proximity.

Zip Code	City	Share
97402	Eugene	18%
97478	Springfield	18%
97477	Springfield	16%
97404	Eugene	11%
97424	Cottage Grove	7%
97401	Eugene	6%
97448	Junction City	6%
97408	Eugene	5%
97405	Eugene	4%
97426	Creswell	3%
97487	Veneta	2%
97455	Pleasant Hill	1%
97437	Elmira	1%
97463	Oakridge	1%
97419	Cheshire	1%
Total		100%

Source: Lane Council of Governments, 2001

The availability of skilled labor is critical for economic development. A recent statewide survey in Oregon found that nearly one-half of Oregon's employers in Lane County said that a shortage of skilled workers made it difficult to find qualified workers to fill job vacancies.⁴³ This shortage was reported at a slightly higher frequency by Lane County employers than Oregon employers. The recent economic downturn will greatly reduce this issue in the short-term, but it will likely remain a long-term issue if not addressed.

Availability of labor depends not only on the number of workers available, but the quality, skills, and experience of available workers as well. The Oregon Employment Department reports that Lane County had an unemployment rate of 11.3 percent in February of 2009. This is up 6.3 percent from the 5.0 percent reported in February of 2008. In February 2008, Lane County's unemployment rate was above the State level of 10.8 percent and the U.S. rate of 8.1 percent.⁴⁴

⁴³ 2008 Region 5 Employer Survey Results, Worksource Oregon Employment Department, October 2008, pg. 6

⁴⁴ Unemployment rate chart

<http://www.qualityinfo.org/olmisj/ChartView?startyear=1996&area=410100000y&area2=000000000y&area3=4104000039n&=View+Chart&graph=unemp>

The Oregon Employment Department does not have any information on the skills or experience of unemployed workers in the state. Considering the significant number of manufacturing facility closures, it is safe to assume that Lane County currently has a Labor Force with high levels of skill in the manufacturing sector. Of concern is the chance that skilled laborers will leave the region in search of jobs and create a shortage of employees with such skills.

Housing

Housing is an important component of any economic development strategy. Goal 10 requires cities to develop strategies to provide housing affordable to households at all income levels. In addition to concerns about availability of needed housing, the need for higher quality housing for managers also needs to be considered in both housing and economic development strategies. Moreover, ORS 197.296 requires communities to inventory Buildable residential lands and conduct housing needs analysis. Such an analysis is presented in Chapter 3 of this report. Accommodating this population growth, however, requires expansion of the City's sewer capacity. Since employees in Coburg could live in Eugene-Springfield or other communities in the southern Willamette Valley, housing capacity is not crucial for increasing employment in Coburg. Housing availability, however, is important if Coburg seeks to attract employers who wish to offer their employees the quality of life and short commute that comes from living and working in a small town.

Housing is also important to maintain a balance between jobs and housing to reduce automobile commuting and to achieve other economic development goals. As mentioned before, past planning efforts in Coburg, including the Coburg Crossroads visioning process (2003) provided guidance that the City should adopt policies to target housing for families, in part to help maintain enrollment at Coburg Elementary and to address Comprehensive Plan goals to lower (VMT) Vehicle Miles Traveled.

Renewable and Non-Renewable Resources

Coburg is located near large areas of forest land owned by private owners and under Federal contains access roads and is managed for timber production. Despite reduced logging because of environmental concerns, the proximity to supplies of raw timber mean that forestry, logging, and other production related to the forest will remain important economic activities in the southern Willamette Valley and western Oregon. Coburg's proximity to timber supplies and I-5 might allow it to attract firms engaged in lumber and wood products manufacturing or related activities. A Weyerhaeuser lumber mill is currently located north of Coburg (employment at this mill is not included in the Coburg employment data presented in this chapter because the mill is too far away from the City's UGB).

Coburg is also located in an area with prime agricultural land, particularly to the north and west of the city. The proximity to prime farmland can help Coburg attract businesses that support farming activities, such as farm equipment manufacturing and sales. Coburg might also attract businesses in food processing or markets that sell local agriculture products, such as organic farms or specialty nurseries. The development of the local agriculture industry can help support the small-town character of Coburg. Development of a farmer's market or similar farm stands could help attract visitors to Coburg and create synergy with existing businesses and events in the city.

Coburg also has several hundred acres of land designated and zoned for sand and gravel extraction and processing along the McKenzie River west of Coburg Road (owned and operated by both Egge Sand & Gravel Co and Wildish Sand & Gravel Co.). Aggregate is a non-renewable resource that is becoming more and more difficult to develop in the Willamette Valley. The

resource on the north side of the McKenzie has been designated in county planning documents since before 1980, and most of it is zoned and permitted for sand and gravel operations. Based on past conversations with staff at the two aggregate operations, the resources on the north side of the McKenzie could last 25 to 35 or more years. Transport of aggregate is an issue germane to the City's planning efforts.

According to staff at Wildish, the company will be transporting the excavated aggregate to the processing plant on the south side of the McKenzie via a conveyor belt bridge. Egge will continue to use Coburg Road. As part of the UGB expansion analysis (see Chapter 7), aggregate resource needs should be considered so that identified aggregate resources can be protected and conflicting uses can be avoided. None of the lands designated for sand and gravel use are included in the review of areas for potential UGB expansions in this study; this resource should be considered in future studies.

Coburg's Economic Priorities

A review of recent Coburg community visioning documents, interviews with stakeholders and conversations with the Coburg Technical Advisory Committee reveal a number of priorities for Coburg's economy. First, it is a clear priority of the City to protect the small town atmosphere that exists in much of Coburg, particularly the area in and around the Central Business District. The City's economic priorities seem to focus on the possibility of industries that capitalize on that dynamic, or at least do not directly threaten it. Additional priorities include a desire to attract more professional office activity, as well as health related businesses. Also, the City has indicated its continuing commitment to provide an adequate amount of level, buildable land which has good access to arterial streets within existing city limits to meet local and regional industrial needs.

In order to better assess business trends and needs and their impact on Coburg's economic development potential, LCOG staff were in contact with a number of representatives from organizations who are actively involved in economic development issues in the Lane County area. These contacts included Jack Roberts of the Lane Metro Partnership and Bob Warren of the Oregon Economic & Community Development Department, as well as the Region 5 State Economist, Brian Rooney. Their expertise provided important insight into Coburg's stated economic priorities.

The following describes these different priorities in more detail:

Retail Trade

There is a widely expressed desire for more Retail Trade businesses that focus on Coburg's reputation and history in antique shops and malls. Connected to that is a desire to develop and attract more businesses in the Leisure and Hospitality Sector. Because of the City's proximity to I-5 and its uniqueness, Coburg is seen by many as having additional potential as a tourist destination.

There was agreement among the economists that there will be demand for retail goods and services with increasing population, but it probably will not be a large economic opportunity for the City. One economist suggested however, that Coburg's economic fortunes could benefit through a stronger retail and service sector that would not only serve its own residents but also the rest of the Eugene-Springfield area. He further explained that unlike some isolated regions, such as the Oregon Coast, where affluent retirees are primarily served by a lower-paid retail service sector base (creating a somewhat unhealthy dichotomy among economic classes), Coburg should consider that

its residential and employment opportunities exist within the context of the broader economic region of Eugene-Springfield and thus should not see the growth of retail and service sector jobs as in any way unhealthy.

Similarly, the consulting economists confirmed that growth in Leisure and Hospitality sector is a reliable assumption based on Lane County's dynamics as well as Coburg's.

Professional Office

Priorities include a desire to attract more professional office activity, and more specifically, health related businesses. Coburg is not far from the new Peacehealth Riverbend Hospital in Springfield and sees its locale as desirable for health related and support services. It is noted that Coburg is currently home to Manley Services which is a licensed third party medical benefits administrator.

The consulting economists expressed uncertainty about the potential for Coburg to attract firms in the health industry. In general, there is a tremendous amount of competition for these firms, and as close as Coburg is, it may be regarded as being too far from the new hospital. Therefore, it is projected that the majority of support services to the hospital will locate in Springfield, closer to the hospital. This does not suggest that other office uses should not be able to realize some of Coburg's comparative economic advantages.

Industrial

Coburg's residents cannot and do not disregard the City's potential for industrial business growth. The City lies directly on I-5, the main thoroughfare for ground transportation in the Pacific West. The RV industry currently dominates the industrial lands between downtown Coburg and I-5. With legitimate concern existing regarding the long-term health of the RV Industry, and Coburg's desire to better realize its economic potential, diversify, and be flexible to respond to a variety of potential business sectors, the City has identified several other industrial priorities. These include:

Clean-Tech Manufactures

The clean-tech industry is fairly new and is not easily defined. One summary of the clean tech industry is provided by cleantech.com which states that "clean-tech is new technology and related business models offering competitive returns for investors and customers while providing solutions to global challenges". The "Clean" industry embraces a diverse range of products, services, and processes across industries, but is generally defined by the following industrial segments:

- Energy Generation
- Energy Storage
- Energy Infrastructure
- Energy Efficiency
- Transportation
- Water & Wastewater
- Air & Environment Materials

There is a great demand for this type of facility throughout the State and nationally, and the consulting economists noted that Coburg may not have any particular advantages that would attract these businesses to the City over other communities nationally and state-wide. Because this is an emerging industry, the economists cautioned that the

future of this sector was uncertain at this time, and could be volatile as businesses adapt to changing market factors.

Warehousing/Distribution Centers

Distribution centers typically consist of a warehouse or other specialized building with refrigeration or air conditioning which is stocked with products to be re-distributed to retailers or wholesalers. These centers can employ up to 800 employees.

Coburg exhibits a lot of the competitive advantages conducive to warehousing and distribution centers. These include its proximity to I-5, regional markets, and labor. According to the Economic and Community Development Department's "must" criteria for Warehouse and Distribution industries, a minimum of 25 net contiguous developable acres is required. Additionally it is required that an interstate or highway be within five miles of the site. Access is key to the warehouse and distribution industry. Lands in Coburg along I-5 provide excellent opportunities for access to transportation. Local distributors place a higher premium on sites that are centrally located and as a result are willing to trade off congestion for a location that can reach a number of places in the region.

Another potential area of emerging growth includes medical equipment distribution centers, which rely on good transportation access. One consulting economist noted the significant size of available land that may be needed to accommodate these uses and the need to resolve the access issues at the I-5 interchange in Coburg, if these uses were to locate within Coburg. As an example, a nearby Lowe's distribution center is approximately one million square feet, similar to the size of the Target distribution center in Albany.

There are uncertainties about the barriers that may exist within Coburg's land use regulations pertaining to these uses. Currently Coburg's zoning does not allow for new warehousing facilities within its Highway Commercial zone and limits wholesaling, warehousing and storage to 250,000 square feet in the Light Industrial zone.

The Technical Advisory Committee along with the City Council and Planning Commission have expressed a disinterest in distribution and warehousing centers as a favorable form of economic development.

General Industrial

General industrial building types can accommodate light to heavy manufacturing activities and encompass a wide range of activities from research, development, manufacturing and fabrication. Buildings can be as large as 400,000 square feet in size. The buildings range from custom built projects for single user company operations to more general spaces that are built as speculative facilities. Heavy manufacturing activities that require bulk materials locate adjacent to rail and port facilities to take advantage of cost savings from these types of transportation facilities. General industrial sites generally require the following site characteristics:

- Freeway access within 3 miles of an interchange via an arterial
- Freeway access within 3 miles of an interchange via an arterial street;
- Net parcel sizes: varies between 1-5 acres and 10-20 acres, depending upon the shape of the lot and constraints;

- Location near other firms to provide access to an adequate labor pool
- Stable soils, flat sites to reduce required site work, allow truck access and interaction between businesses

There was general agreement among the consulting economists that Coburg is well-suited to support industrial development, provided that it has sufficient available land and is able to address the interchange issues.

Manufacturing, Transportation and Warehousing and Wholesale Trade were identified as competitive industries for Coburg, particularly small manufacturing. All economists cautioned that attracting large manufacturers, like another Monaco Coach, is very challenging and that time and energy should instead be focused on smaller regional manufacturers.

One consulting economist did, however, note that if Coburg were to provide a larger sites (50+ acres) it could have a marketable advantage over other communities in the region, such as Eugene and Springfield, which may have limited ability to accommodate large-size sites so near the freeway. There can be a lot of competition for mid- to smaller-sized sites, and businesses looking for this type of site may be drawn to the urban services in Eugene and Springfield, rather than Coburg.

Finally, another consulting economist stressed the need to provide a variety of sites so that the City could be flexible in responding to the needs of different firms. The following sample range of sites was recommended to more flexibly respond to market factors:

- One 50+ acres site
- One-to-two 20+ acre sites
- Smaller sites with intermix of commercial and industrial uses

Agriculture-related Industry

The 2004 Study identified Agriculture as an industry exhibiting a comparative advantage within Coburg. Businesses that capitalize on the City's location within the Willamette Valley, proximity to farmlands, and good transportation access, such as natural food manufacturers, were also mentioned. The region has established a good reputation for this type of industry, and Coburg could capitalize on this.

The City has identified a number of economic priorities and target industries. As the City looks to diversify the types of businesses its economy consists of, it is also important to evaluate its policies to ensure that they do not erode industrial lands. The City contains areas that have the potential to be prime industrial land, given their size, topography, provision of utilities, and access to transportation.

One of the concepts stressed was the need to have strong vision, but to remain open to options that may come forward. Professional economists and City officials commented on the need for available land and potential limitations for logical expansion areas for industrial development due to existing constraints, such as wetlands, agricultural land, and proximity to residential lands. The eastern side of I-5 was mentioned as a potential logical expansion area.

Members of the TAC recognize the factors identified by the local economists and the industries that the City may be best poised to attract. The TAC restated the City's aversion to large and potential unsightly industrial uses (specifically warehousing) that do not fit into the community character envisioned for the City. There was concern that warehousing in particular would not provide for significant employment opportunities, given their historically low employee per acre ratios. There was also concern that an unsightly industrial area will give passers by the wrong impression the character of Coburg. There was discussion about the role that new design standards could provide in mitigating these potential aesthetic and community character concerns. No specific industry direction was provided to staff by the TAC. Instead there was support expressed for an approach of flexibility as suggested by the consulting economists. The idea of securing the availability of one or two mid-sized lots (20+ acres) was supported as a concept.

Summary of Coburg's Economic Factors

This section has provided information on the range of firms that Coburg may wish to attract and that may be attracted to Coburg given its economic advantages. It also outlined some of Coburg's comparative advantages in the region and issues that the City may need to address to attract these types of firms and economic growth in general. Any efforts the City of Coburg makes to attract and retain economic activity will be subject to its competitive advantages and disadvantages against other locations in the region, state and nation. Coburg's economic factors are the foundation of its competitiveness. The economic factors which give Coburg its most competitive advantage include its proximity to the Eugene-Springfield metropolitan area, its access to I-5, and its high quality of life. Its greatest challenges include buildable land in the form of large sites and political support for the realities of economic growth. Coburg exhibits competitive potential to accommodate regional industrial growth. Local policy and priorities will dictate whether fulfillment of this potential can occur or not.

For this reason, the supply of buildable land is the primary constraint to significant employment growth in Coburg, and ultimately the employment capacity of existing buildable land (plus expansion and redevelopment) determines the maximum amount of employment growth Coburg can expect over the forecast period.

Land Demand Implications of Economic Growth

This section addresses Coburg's employment land needs by identifying its current resources (supply) and comparing them with current and projected demand. Economic growth requires land for employment as well as other purposes. Cities in Oregon are required by OAR 660-024-004 to provide justification for any expansion of an Urban Growth Boundary. This justification comes in the form of analysis indicating that needed land for future employment, employment opportunities and population growth cannot be accommodated by existing buildable or redevelopable land resources within the current UGB.

Employment Density

There are different methodologies for identifying future land need. A commonly used procedure based on employment density was chosen for this analysis. Employment density is the ratio of employees of a certain type (i.e. industrial, commercial or all) within a specific geographic area. This figure can be compared and measured against the amount of occupied land designated for that specific use (i.e. industrial or commercial) within that same geographic area (i.e. industrial employees in Coburg per industrial acres in Coburg). The Technical Advisory Committee decided to use a floor area ratio (FAR) methodology for calculating employment densities in

Coburg. FAR is a commonly used measure for determining employment density. The benefits of FAR analysis include the following:

- Employment density will be closely linked to the realities of what types of development the code will allow. The analysis process also reveals what Coburg’s employment density potential is.
- FAR is better when trying to establish changes to historic employment growth patterns. For example, the Highway Commercial zone currently has an employee per acre (EPA) that is extremely low. FAR analysis reveals the actual employment potential of the zone and allows for wiser consideration of the use of sites within each zone.

The FAR methodology utilizes employee per square foot assumptions to determine employment density. There is general consensus in empirical studies that a typical range for office use is between 300 and 500 square feet per employee; retail can be the same or slightly higher. Industrial and warehousing may reach as high as 600 to 1,000 per employee.

Estimates for FAR can be averaged for industry or land use type. Though the Coburg Zoning Ordinance does not establish a floor area maximum or minimum in any of its zoning districts, staff has used other development factors such as building height, lot coverage, and parking to calculate a potential FAR. Using this method, it was determined that the Highway Commercial district has the potential to yield an FAR of 0.7, while the industrial zone has the potential to yield an FAR of 0.6. The potential FAR for the Central Business District could be greater, given the higher allowable lot coverage.

Though there is potential to achieve these FARs, market conditions and community sentiment may not support this intensity of development within Coburg. To better understand how this FAR would correspond to a typical Employee per Acre (EPA) analysis, staff has prepared a table summarizing corresponding EPA figures. Table 5.13 shows Coburg’s estimated existing EPA profile. Table 5.14 provides a summary of the EPA associated with the FARs described above in comparison with the Coburg’s existing and common or “typical” EPA figures.

Table 5.13 Estimated Existing Employment Density

Comprehensive Plan Designation	Employees in 2009	Occupied Acres	Emp./Acre
Central Business District	175	11.50	15.2
Highway Commercial	177	57.70	3.1
Light Industrial	2,530	172.00	14.7

Source LCOG

Table 5.14 Coburg EPA and FAR Results Comparison

	FAR	Emp/sq ft.	Corresponding EPA	Existing EPA	"Typical" EPAs
Central Business District	1	1/400	108	15	15-25
Commercial Highway	0.7	1/500	60.9	3	10-15
Light Industrial	0.6	1/1000	26.1	15	8-12
Campus Industrial	0.5	1/500	43.5	N/A	15-20

These figures demonstrate that an FAR methodology using a greater development potential will yield significantly more employees per acre than would traditionally be found within Coburg or within 'typical' conditions. This can be adjusted by modifying the anticipated FAR. Several other economic opportunity analyses reviewed by staff have used an FAR of 0.3. The TAC reviewed visualizations of employment at different densities. Based on FARs in other Oregon communities and consideration of Coburg appropriate employment density, it was concluded that FARs planned for zones within Coburg should represent less density than allowed for in the code. Rather than planned FARs of 0.7 or 0.6, the TAC recommended that planned FARs of 0.2 to 0.4 be utilized. Table 5.15 shows the planned FARs which are utilized to determine employment density in this study.

Comprehensive Plan Designation	FAR	Corresp. EPA
Central Business District	0.25	25.00
Highway Commercial	0.20	17.40
Light Industrial	0.30	13.10
Campus Industrial	0.27	23.50

Source LCOG

Employment Density and Employment Projection:

In this analysis, future land need is determined using Coburg’s planned FAR figures as well as an Employment projection for Coburg’s UGB (See Table 5.9). Table 5.16 reflects the projected total employment growth by 2-Digit NAICS sector and plan designation over the 20 year planning period. Employment growth within Coburg’s UGB during this period yields an additional 615 new jobs, for an employment total of 4,035 in 2030.

The table reflects the distinction between land use designations. Anticipated growth for each sector is distributed amongst the plan designation types. This distribution was derived using an analysis of Coburg’s current land use code, as well as the current distribution of these employment uses. Because no actual acreage with Campus Industrial District designation currently exists, two employment distribution scenarios are presented. Scenario 1 reflects a future distribution without an active Campus Industrial District (CI), and Scenario 2 reflects a future distribution with such a District.

Table 5.16 Distribution of anticipated Employment within Coburg Zones

Scenario 1: Without an implimented Campus Industrial Zone (C-IND)					
	Change 2010-2030	C-1	C-2	LI	CI
Construction	82		31	51	
Wholesale trade	37	4		33	
Trans., Warehousing, and Utilities	10			10	
Industry Other*	149			149	
Retail trade	198	34	160	4	
Financial Activities	56	34	22		
Professional and Business Services	19	5	14		
Leisure and Hospitality	29	13	16		
Other Services	7	3	4		
Commercial Other**	28	8	20		
TOTAL	615	101	267	247	0
Scenario 2: With an implimented Campus Industrial Zone (C-IND)					
Construction	82		32	34	16
Wholesale trade	37	4		18	15
Trans., Warehousing, and Utilities	10			10	
Industry Other*	149			90	59
Retail trade	198	30	164	4	
Financial Activities	56	34	22		
Professional and Business Services	19	5	5		9
Leisure and Hospitality	29	13	16		
Other Services	7	2	3		2
Commercial Other**	28	8	20		
TOTAL	615	96	262	156	101
Department 2006-2016 Employment Forecast.					
* Industry sectors with >3 firms (Manufacturing and Natural Resources & Mining)					
** Commercial sectors with >3 firms (Information, Education and Health Services and Government)					

Coburg's UGB employment growth during the planning period yields an additional 96 to 101 employees within the C-1 (Central Business) District, depending on the scenario. Coburg's UGB employment growth during the planning period yields an additional 262 to 267 new employees in the C-2 (Highway Commercial) District. If Campus Industrial District acreage is established there will be fewer employees on Highway Commercial lands. The Light Industrial district would be most impacted by the designation of Campus Industrial acreage. Coburg's UGB employment growth during the planning period yields an additional 156 new employees (with CI District) and 247 new employees (without CI District) in the Light Industrial district. Given the existence of a CI District in Coburg, it is estimated that 101 of the anticipated employees would be expected to locate within the district over the planning period.

Coburg Retail Space

Another method to evaluate potential demand for retail employment specifically is to consider the amount of retail sales leakage in the Coburg area. Sales leakage can be summarized as the loss of money or business from a community due to the lack of available services capable of receiving that money or business. Sales leakage information can be translated into estimates of building square footage demand. The estimates provided below represent maximum potentials

assuming 100 percent sales leakage recapture. Also quantified with this analysis are future retail potentials associated with population growth to 2030.

Local Resident Demand:

- Coburg’s market could support up to an added estimate of 36,600 square feet of retail space - to fully serve existing locally generated resident needs and population growth anticipated over a 20-year forecast period to 2030.
- On paper, the greatest future in-city residentially generated retail market need is general merchandise. However, not all of the demand indicated should be expected to be served by new retail stores in Coburg, as the amount of demand supported by the local population alone is often below the minimum size thresholds of retail establishments.
- Additional square footage could be needed as a result of demand generated from tourist trade, as well as trade occurring from residents in the rural areas outlying Coburg.
- A convenience center (10,000-30,000 square feet offering an array of goods and services, typically anchored by a small specialty food mart or pharmacy, together with 5-8 other smaller (1,500-3,000 square foot) businesses) would need about 2,000 residents to be supported and have a typical retail trade area of up to a 1-mile radius⁴⁵. Given the anticipated population increase within Coburg and current market leakages based on the marketing analysis, there may be potential for a convenience center type development to form within Coburg.

This information is summarized in Table 5.17:

Table 5.17. Coburg Commercial Retail Space Potential (2010-2030)

Retail Categories	Building Space Demand (sf)			
	Retail Sales/Sq. Ft.	Leakage Recapture	Future Growth	Total Potential
Furniture & Home Furnishings Stores	\$210	1,512	2,518	4,030
Electronics & Appliance Stores	\$310	975	1,624	2,599
Bldg Materials, Garden Equip. & Supply Stores	\$390		1,864	1,864
Food & Beverage Stores	\$410		8,128	8,128
Health & Personal Care Stores	\$370	693	1,154	1,847
Gasoline Stations	\$1,350	565	1,806	2,371
Clothing and Clothing Accessories Stores	\$250	1,618	2,694	4,312
Sporting Goods, Hobby, Book, and Music Stores	\$220	750	1,249	1,999
General Merchandise Stores	\$350	5,597	9,319	14,916
Miscellaneous Store Retailers	\$210		1,330	1,330
Nonstore Retailers	N/A	-	-	0
Food Services & Drinking Places	\$315		9,884	9,884
Total		9,223	27,436	36,659

Source: ESRI Business Info. Solutions, LCOG (based upon methodology used by E.D. Hovee & Company, LLC⁴⁶)

Resulting Acreage Demand

Table 5.18 shows how Coburg’s employment density figures and projected employment growth figures can be used to determine new needed acres for the planning period. The table shows how the number of additional employees and employees per acre anticipated based on the FAR analysis, results in the New Needed Acres figure for each plan designation. The employee

⁴⁵ Sustainable Urbanism: Urban Design with Nature. Farr, Douglas. 2008.

⁴⁶ E.D. Hovee & Company, LLC, Cascade Locks Economic Op opportunities Analysis, June 2009

forecast indicates that 39.7 acres will be needed for Scenario 1 and 36.3 acres needed for Scenario 2, by 2030.

Table 5.18 Acres Required for Employment Growth (Scenarios 1 and 2)

Zone	Scenario 1 New Emp.	Scenario 2 New Emp.	FAR	EMP/ ACRE	Scen. 1 Needed Acres	Scen. 2 Needed Acres
C-1	101	96	0.25	25	4.0	3.8
C-2	267	262	0.2	17.4	15.3	15.1
LI	247	156	0.3	13.1	18.9	11.9
CI	0	101	0.27	23.5	0.0	4.3
TOTAL	615	615			38.2	35.1

This does not necessarily mean that Coburg will need to expand to include an additional 36.3 to 39.7 acres. First, Coburg currently has some buildable employment lands that could potentially accommodate some of this need. Second, these figures can become larger or smaller based on several additional factors discussed below.

Additional Land Consumption Considerations

An initial comparison of Coburg’s employment growth and available buildable land, suggest that Coburg’s current buildable employment lands are sufficient to meet the City’s employment forecast. This does not necessarily mean that the City’s buildable employment lands are sufficient to meet the City’s economic priorities. Per OAR 660-009, Coburg must utilize national, state regional and local trends in identifying economic development opportunities that are likely to expand or locate in the study area within the planning period. Opportunities that are identified may be limited by the availability of land with required special characteristics (size, location etc.). Additional factors must be considered in the assessment of Coburg’s long and short term employment land needs. These factors include an accounting for employment on residential or mixed use lands, availability of lots of sufficient size, and in maintaining flexibility in responding to economic opportunity, and market factors accounting for competitiveness in the short term and long term land supply. These factors are discussed below.

Optimal Market Factors

Vacancy rates for built space are an important market factor and should reflect a long term average and provide a range of choices. The Industrial and Other Employment Lands Analysis Guidebook produced by DLCD suggests that for efficient market operation, a minimum vacancy rate for built space is between 5 percent and 15 percent. The estimate of total acres of employment land demand in Coburg is increased by 10 percent to account for the fact that the market requires more options than the employment estimate may seem to require.⁴⁷

⁴⁷ Methods for Evaluating Commercial and Industrial Land Sufficiency: A Recommendation for Oregon Communities, OTAK and ECONorthwest, 2002, pgs. 50-52

Table 5.24 Competitive Factor-Short Term Employment Acreage Needs (1/4 of Long Term)

	Short Term Emp Change*	FAR	Emp/ Acre	Short Term Acreage Demand	50% Competitive Factor
<i>Central Business District</i>	25.3 - 24	0.25	25	1.01 - 0.96	1.52 - 1.44
<i>Highway Commercial</i>	66.8 - 65.5	0.2	17.4	3.84 - 3.76	5.76 - 5.65
<i>Light Industrial</i>	61.8 - 39.0	0.3	13.1	4.72 - 2.98	7.08 - 4.47
<i>Campus Industrial</i>	0-25.3	0.27	23.5	0.00 - 1.08	0.00 - 1.61
Total	154			9.57 - 8.78	14.35 - 13.17

*Range reflects two scenarios: without and with a Campus Industrial Zone

Studies also indicate that optimal market purchasing conditions are approached when there is somewhere between two to five times the amount of needed commercial or industrial land available. If the available supply is very limited or under the ownership of relatively few persons, the market can become monopolized and prices can become inflated. Businesses prefer to have a greater variety of choices and more competitive sale prices. The provision of a 20-year supply of land in an urban growth boundary should result in a sufficient choice of lands in the market over the short-term. This assumption is not obviously wrong, but could be wrong in some instances. The short term analysis at the end of this section will discuss the market factor further.

Employment Growth Accommodated by Existing Development

The redevelopment analysis accounted for employment growth accommodated by existing development. It can reasonably be expected that a certain proportion of the expected additional workforce will be located at existing employment sites. Some businesses probably own enough land that their facilities could expand to some degree at their current location. Some existing buildings and sites may also already have the capacity to accommodate additional employees. A different sort of business that is more or less labor-intensive may occupy a site that is currently in use by another firm. In reality, it is difficult to speculate about what sort of changes will occur to local businesses in these respects, but some assumptions can be made to account for some portion of the expected employment growth occurring in existing vacant and underutilized sites. Based on a redevelopment trend analysis performed by Coburg City staff, a factor of 20 percent actual redevelopment was employed for lands within the Central Business District and 30 percent actual redevelopment was employed for the Highway Commercial and Light Industrial Zones, for the Buildable Lands Analysis, and is reflected in the 40.9 Net Total Buildable Acres figure. It should be noted, however, that the existing supply can have a significant effect on such factors as vacancy rates and intensity of use for existing sites.

Additionally, a certain percentage of workers will not require new building sites because they will be self-employed and working from their homes. A review of existing employment on residential lands in Coburg suggests that this number is minimal, with a significant amount of these employees being located at the elementary school which is zoned “residential.” This analysis therefore, does not distribute any anticipated employment growth to residential lands. It is also noted that employment on residential lands not covered by unemployment insurance, or not licensed within Coburg, is not included in Coburg’s employment forecast. Such employment growth is therefore implicitly not anticipated to require new employment land.

Lot size of Available Land

Creating buildable sites to accommodate additional employment growth requires more than just having sufficient acreage within the UGB. The sites must be of the size and type required for the type of firms desired by Coburg, with urban services and transportation access. A summary of required site types will be based on the types and sizes of firms Coburg expects in the short and long term future. Coburg's economic priorities and comparative advantages will also inform the identification of required site types. This is particularly true of industrial sites. Table 5.20 presents the results of GIS analysis of vacant and underdeveloped lots in Coburg.

	Sizes in Acres					Total
	>20	10-20	5-10	1-5	<1	
Vacant Taxlots						
Central Business District				1	11	12
Highway Commercial		2			9	11
Light Industrial			2	3	2	7
<i>Total</i>		2	2	4	22	30
Underdeveloped Taxlots*						
Central Business District					22	22
Highway Commercial		1	4	4	3	12
Light Industrial		1	2	6	2	11
<i>Total</i>		2	6	10	27	45
TOTAL		4	8	14	49	75

**The BLI methodology assumes that only 30% of C-2 and LI and 20% of C-1 taxlots will redevelop*

Because of the variety of business types and their needs, inventories of available commercial and industrial properties should include a variety of lot sizes. Table 5.20 shows how the current inventory for the Coburg Urban Growth Boundary contain relatively few vacant medium and large size parcels designated for employment uses.

This is of particular importance for industrial activity, but is also important in considering some commercial needs. The available inventory should therefore include an appropriate mix of lot sizes available for development of both industrial and commercial uses.

Table 5.20 identifies that there are seven industrially designated vacant tax lots within Coburg's UGB. All of the available tax lots within Coburg's Light Industrial designation are ten acres or less. The Highway Commercial designation has two larger lots (10.5 and 13 acres), but most are under one acre. Vacant and underdeveloped lots within the Central Business District are all but entirely under one acre in size.

Lot Aggregation Analysis

A spatial analysis of Coburg's buildable lots with employment designation is necessary to understanding the real capacity of the City's current buildable employments lands inventory, particularly in the short term.

Buildable employment lots that are adjacent to one another and have the same owner can reliably be aggregated into larger "tracts" or groupings of adjacent tax lots, which can be collectively utilized. Table 5.21 shows the difference in the size for available sites when shared ownership and adjacency are accounted for. It is noted that in a few instances there is shared ownership of adjacent vacant and underdeveloped sites. This was, however, uncommon and only tracts made up of identically classified lots are represented here.

The analysis indicates that the aggregating of vacant and underdeveloped lots with shared ownership results in several larger sites or “tracts,” including one underdeveloped site over 20 acres in size. It should also be noted that this analysis attempts to maximize tract size and that the larger tracts could be divided into smaller tracts.

This land availability, and previous land use patterns in Coburg indicate that the remaining buildable industrial land in Coburg’s UGB will most likely be developed for small businesses, because there is not a large selection of sites large enough for a large manufacturing operation. These data clearly show that there are an extremely limited number of large tracts designated for industrial use available in the urban growth boundary. This will make it challenging for larger industrial firms targeted by Coburg to locate in the City.

Table 5.21 Tract Size of Vacant and Underdeveloped Lots by Zone, Aggregated by Adjacency and Shared Ownership

	Sizes in Acres					Total
	>20	10-20	5-10	1-5	<1	
Vacant Tracts						
Central Business District				1	11	12
Highway Commercial		2		2	3	7
Light Industrial			2	2	2	6
<i>Total</i>	0	2	2	5	16	25
Underdeveloped Tracts*						
Central Business District				1	21	22
Highway Commercial		3	2	2	1	12
Light Industrial	1			5	1	11
<i>Total</i>	1	3	2	8	23	45
TOTAL	1	5	4	13	39	75

**The BLI methodology assumes that only 30% of C-2 and LI and 20% of C-1 taxlots will redevelop*

Team staff performed a basic analysis of the dynamics of industrial lots within Coburg, the Eugene-Springfield Metropolitan Area and Lane County as a whole. A summary of the results of this analysis are presented in Table 5.22.

Table 5.22 Lot Size of Existing (2008) Industrial Uses in County, Metro Area and Coburg

Sector (NAICS)	Sizes in Acres (as % of total)						20+ Acres
	<1	1-5	5-20	20-50	50-100	100+	
Coburg							
Manufacturing (31-33)	0%	0%	50%	0%	50%	0%	50%
Wholesale Trade (42)	22%	56%	22%	0%	0%	0%	0%
Transportation & Warehousing (48-49)	17%	50%	33%	0%	0%	0%	0%
Eugene-Springfield Metro Area							
Manufacturing (31-33)	47%	32%	17%	2%	1%	1%	4%
Wholesale Trade (42)	62%	28%	8%	2%	1%	0%	3%
Transportation & Warehousing (48-49)	50%	30%	19%	1%	0%	0%	1%
Lane County							
Manufacturing (31-33)	27%	37%	23%	9%	1%	3%	13%
Wholesale Trade (42)	36%	29%	24%	7%	3%	3%	13%
Transportation & Warehousing (48-49)	24%	23%	31%	9%	5%	5%	19%

**The methodology used by LCOG aggregated properties by adjacent shared "owner address." Care was taken to remove outliers but errors may remain.
 ** Source: LCOG Revised State QCEW employment data, 2008. Lane County Taxlot data.*

As one might expect, the results show higher industrial acreages in Lane County than in both Coburg and the Metropolitan Area. This is largely because of the lower densities that occur outside of urban areas, and the commensurate types of industries that exist on these lands (e.g.

wood products) which may require larger areas for operation. While Coburg has a limited number of firms to draw conclusions broad from, the firms present do contains large acreages.

As shown in Table 5.22, there is a precedent both locally and regionally for larger acreage sites in the industries that Coburg has a competitive advantage in and anticipates growth to occur, provided sufficient land can be made available. In order to respond to the potential opportunities to attract manufacturing and industrial firms, Coburg has identified the need to expand its current inventory of industrial land to include sites with greater than 20 acres. Since these sites currently do not exist within Coburg's existing UGB boundaries, an expansion of the UGB boundaries is needed to meet this demand and opportunity.

Available Lot/Tract Characteristics Analysis

Tract No.	Tract Taxlots	Plan Des.	Acreage*	Lots	Tract Configuration	Flood Haz.**	Access	Proximity to Art./Freeway	Water Service	Electric***	Gas	Broadband
Vacant												
1	1603330001600	C	12.80	1	Excellent		Excellent	Excellent	x	EPUD	x	DSL
2	1603330001700	C	10.68	1	Excellent		Excellent	Excellent	x	EPUD	x	DSL
3	1603330000300	I	6.39	1	Fair -- Narrow	100 yr	Excellent	Excellent	x	PPAL	x	DSL
4	1603280000606	I	5.92	1	Excellent		Excellent	Excellent	x	EPUD	x	DSL
5	16033340002200	I	3.36	1	Good -- Slightly Narrow	100 yr	Good	Excellent	x	PPAL	x	DSL
6	1603334001300, 1603334000900	I	2.19	2	Good	100 yr	Excellent	Excellent	x	PPAL	x	DSL
Underdeveloped												
7	1603334000800, 1603334000700, 1603334000600, 1603334001100, 1603334001000	I	25.27	5	Excellent		Excellent	Excellent	x	PPAL	x	DSL
8	1603330000206, 1603334000100, 1603334000200, 1603330000208	C	17.09	3	Fair -- Flag lot Arrangement		Good	Excellent	x	EPUD	x	DSL
9	1603330000501, 1603332403000, 1603332402800	C	14.82	3	Fair -- U-shaped Tract	100 yr	Good	Excellent	x	PPAL	x	DSL
10	1603330000603	C	10.07	1	Fair -- Triangular	100 yr	Fair	Excellent	x	PPAL	x	DSL
11	1603330000203	C	6.46	1	Good -- Off of right of way		Excellent	Excellent	x	EPUD	x	DSL
12	1603334000300	I	4.91	1	Excellent		Excellent	Excellent	x	PPAL	x	DSL
13	1603332402700	C	3.67	1	Good		Excellent	Excellent	x	PPAL	x	DSL
14	1603334001600	I	3.47	1	Good		Excellent	Excellent	x	PPAL	x	DSL
15	1603280000608	I	3.24	1	Excellent		Excellent	Excellent	x	EPUD	x	DSL
16	1603330000322	I	1.98	1	Good -- Slightly narrow		Excellent	Excellent	x	PPAL	x	DSL

*C: Highway Commercial, I: Light Industrial

All lots were reviewed on the Region Land Information Database, those identified with "100 yr" contained some land within 100 yr floodplain.

***EPUD: Emerald

The most realistically developable tracts are those that have the highest acreage, least constraints, and are situated most conveniently for urban services. In Coburg these would likely include the tracts that are five acres in size or greater and located within the Highway Commercial or Light Industrial Zone. Table 5.23 provides a profile of each of these tracts:

Conclusion

This chapter has presented an analysis of the Coburg's economic patterns, potentialities, strengths, and deficiencies as they relate to state, national and local trends. Oregon Statewide Planning Goal 9 declares that a "principal determinant in planning for major industrial and commercial developments should be the comparative advantage of the region within which the developments would be located." The Chapter provided an assessment of community economic development potential and an estimate of the types and amounts of industrial and commercial development likely to occur in the planning area and during the planning period.

Chapter 6 Comparison of Land Demand and Supply, presents the results of the comparison of Coburg's Economic Opportunities and Needs with its capacity to accommodate such needs and opportunities. It includes the final conclusions about overall land needs to meet Coburg's economic opportunities.

Short Term Need Analysis

Typically, cities within a Metropolitan Planning Organization (MPO) are required by (OAR 660-009-0015) to approximate acreage and percentage of sites within each plan designation that comprise the "short-term" supply of land as part of any inventory of employment lands. Additionally communities are required by OAR 660-009-0020, to adopt the provision of a competitive short-term supply of employment lands as a local policy. However, changes made in 2005 exempted cities with a current population of under 2,500 from this requirement. Since Coburg currently has a population of less than 2,500, it is exempt from this statutory requirement.

Coburg has, however, opted to voluntarily perform elements of a short-term economic analysis. By doing so the City hopes to have a greater sense for its capacity for achieving local economic development objectives. A five year outlook is used as the bounds for a short-term analysis. The short-term future for this analysis is therefore considered the period of time between 2010 and 2015 (approximately five years).

OAR 660-009-0025(3) now gives three options when planning for the short-term analysis. The previous rules provided only one. Under the rule amendments, cities may choose to maintain 25 percent of the total land supply in short-term status, set their own short-term target based on their Economic Opportunities Analysis, or choose to participate in Oregon's industrial site certification program.

According to the DLCDC Industrial and Other Employment Lands Analysis Guidebook, land qualifies as "competitive" short-term if it is ready for development within one year of a permit application or request for service extension. A 20-year land supply where 25 percent of the land is available short-term is considered a competitive supply.⁴⁸ This analysis has determined that Coburg has a 20-year employment land demand of approximately 38-42 acres. According to the DLCDC workbook and OAR 660-009-0025(3) this means that Coburg should ensure that it currently has approximately 10-11 acres (25 percent of 38-42)) of employment land that is ready for development within one year of a permit application or request for service extension.

Although Coburg's long-term future extends well beyond the next twenty years, for the purposes of this analysis the long-term future is the period of time spanning the planning period (2010-2030).

⁴⁸ Industrial and Other Employment lands Analysis Guidebook, DLCDC, 2005, pg. V

Short Term Constraints:

There are three primary types of development constraints: lack of urban area infrastructure; environmental issues and land use regulations; and property ownership.⁴⁹ Current constraints to short-term development within Coburg’s UGB include urban area infrastructure, specifically the lack of sewer service. This study makes future conclusions based upon the completion of a sewer system in Coburg beginning as early as 2011 or 2012. This results in increased sewer capacity within Coburg’s short term outlook of 2010-2015. Other existing constraints include limited capacity at the I-5 interchange in Coburg. This is another constraint for which there are adopted plans to make improvements within the short term.

Another major constraint is the current economic downturn. It is uncertain when economic activity will escalate in the region. According to the economists consulted for this study, Eugene and Springfield will be the first to benefit from increased economic activity. This is partly because firms will be more likely to locate as close to Eugene-Springfield as possible and their will be a surplus in available commercial and industrial lands in the area as a result of the recent downturn. All three economists consulted were skeptical of Coburg’s ability to attract significant economic activity before 2013 or 2014.

Additional potential constraints include property ownership dynamics that may prevent land which is technically available or “buildable” from being utilized in the short term.

Coburg’s current economic constraints make significant economic growth within the short term (the next five years) unlikely.

Short Term Demand

Table 5.24 shows Coburg’s short term acreage demand as a simple percentage of the total employment growth forecasted to occur between 2010 and 2030 within each zoning designation. Both the short-term acreage demand and the short-term change in employment for both commercial and industrial needs are essentially one fourth (1/4) of the long-term. Additionally, the DLCDC Industrial and Other Employment Lands Analysis Guidebook suggests that short-term demand should be adjusted upward to reflect a “competitive market factor”. According to the guidebook these adjustments can range between 50 and 200 percent. Given Coburg’s short-term market an adjustment of 50 percent is used. Table 30 reflects this adjustment which would raise the short term acreage demand total from 8 or 9 acres to 13 or 14 acres. The analysis shows the most short term need in the Light Industrial and Highway Commercial designations.

Table 5.24 Competitive Factor-Short Term Employment Acreage Needs (1/4 of Long Term)

	Short Term Emp Change*	FAR	Emp/ Acre	Short Term Acreage Demand	50% Competitive Factor
<i>Central Business District</i>	25.3 - 24	0.25	25	1.01 - 0.96	1.52 - 1.44
<i>Highway Commercial</i>	66.8 - 65.5	0.2	17.4	3.84 - 3.76	5.76 - 5.65
<i>Light Industrial</i>	61.8 - 39.0	0.3	13.1	4.72 - 2.98	7.08 - 4.47
<i>Campus Industrial</i>	0-25.3	0.27	23.5	0.00 - 1.08	0.00 - 1.61
Total	154			9.57 - 8.78	14.35 - 13.17

**Range reflects two scenarios: without and with a Campus Industrial Zone*

Industrial and Commercial Land Available in the Short Term

The recently conducted Buildable Lands Analysis, included as Chapter 3 of this report, provides a broad summary of available commercial and industrial lands. Chapter 6, the Comparison of

⁴⁹ Industrial and Other Employment lands Analysis Guidebook, DLCDC, 2005, pg. 2-15

Land Needs and Demand will discuss in greater detail the specific 20-year acreage demands that result from the Economic Opportunities Analysis and the Buildable Lands Analysis. The question of short-term land availability is a question of Coburg's capacity to provide shovel-ready sites between 2010 and 2015, specifically 13-15 acres. Table 5.21 shows a summary of vacant and underdeveloped sites within Coburg. This summary suggests that there are a number of sites of sufficient size, and characteristics to meet this short term demand as defined by the DLCD workbook. This short term acreage need of 13-15 acres does not take into account the possibility of one large employer seeking a site of significant acreage (25+ acres) in Coburg. Although it is not anticipated in the short term, Chapter 6 will provide a discussion of Coburg's need and desire to secure additional industrial land of sufficient size to accommodate industries with larger land needs that are likely to be attracted to Coburg within the long term economic planning period.

CHAPTER 6. COMPARISON OF LAND SUPPLY AND DEMAND

This chapter summarizes data and analysis presented in Chapters 2 through 5 to compare “demonstrated need” for vacant buildable land with the supply of such land currently within the Coburg UGB and City Limits. Chapter 2 described population and employment forecasts, Chapter 3 described land supply, Chapter 4 described residential land needs, and Chapter 5 described land needed for employment.

Population and economic growth require land for new residents and employment as well as other purposes. Cities in Oregon are required by (OAR 660-024-004) to provide justification for any expansion of an Urban Growth Boundary. This justification comes in the form of analysis indicating that needed land for future employment and population growth cannot be accommodated by existing buildable or redevelopable land resources within the current UGB. This section addresses Coburg’s housing and employment land needs by identifying its current resources (supply) and comparing them with current and projected needs (demand). The chapter concludes, specifically, with a comparison of land supply and land demand for the 2010-2030 time period.

Land Supply and Demand Comparison within the Overall UGB Expansion Process

This portion of Coburg’s Study (2010) provides a summary of whether there is a deficit or surplus of buildable land for residential, commercial, and Industrial needs in Coburg’s UGB. The steps in the full process of the UGB Expansion study are:

Chapter 3. Buildable Land Inventory: Inventory all types of vacant, potential infill, potential redevelopment and environmentally constrained land within the existing UGB for residential, commercial, and industrial land.

Chapter 4. Housing Needs Analysis: Determine types and densities of residential development within the UGB using the Housing/Land Needs. Determine the amount of land needed to meet future demand at appropriate types and densities based on historical and potential future development trends, population changes and growth projections, and economic factors. Address all Goal 10 Housing, and Goal 14 requirements. Housing needs are estimated using the Housing/Land Needs Model.

Chapter 5. Economic Opportunities Analysis: Estimate need for commercial and industrial land based on historic and current trends related to employment projections and local economic potential. Identify size and characteristics of employment land needs. Address requirements of Goal 9.

This Section Chapter 6. Supply and Demand Comparison.

Chapter 7. UGB Expansion Areas Study: Identifies and assesses areas where urban expansion should take place based on expansion criteria per Goal 14, ORS 197.298 , and OAR 660-0024-0060, including (but not limited to) the efficiency of service provision; economic, social, environmental, and energy impacts; compatibility with surrounding uses, as well as other information provided in the previous steps.

Forecasting and Implications for Land Demand

The evaluation of population and employment forecasts presented in Chapter 2 provides the foundation for estimating land need. In that analysis a forecast for an additional 2,260 residents in Coburg between 2010 and 2030 is presented. Additionally, an employment forecast of 4,035 employees by 2030, constituting an additional 615 new employees, is concluded.

The key issue at the time of the 2004 Study was one of timing: when will the City have the service capacity to accommodate new population and employment? While the answer to this question remains somewhat speculative, the City is far along enough in its planning efforts that it is reasonable to assume it is willing and will be able to provide services to accommodate population and employment growth that will occur within the existing UGB. Given these constraints, the next step is to estimate capacity for employment growth within the existing UGB.

Available Residential Land (Supply)

Chapter 3 summarizes the amount of Buildable Lands in Coburg. Table 6.1 is a summary of the final conclusions of the Buildable Lands Analysis. The table reveals that there are currently 170.6 total acres of residential lands within Coburg’s UGB, of which 168 acres are designated Traditional Residential (TR) and 2.6 acres are designated as Traditional Medium Density Residential. The total number of buildable acres in Coburg’s UGB is 41.9. That includes 38.3 acres of buildable TR zoned land, 2.6 acres of buildable TMR zoned land and one acre of land in the Central Business District.

Plan Designation	Total Acres	Total Buildable Acres
Traditional Residential	170.6	40.9
<i>Zoned TR</i>	168	38.3
<i>Zoned TMR</i>	2.6	2.6
Central Business District	15	1

Residential Demand

The Housing Needs Analysis provided a summary of the types and densities of residential development within the UGB. This information is used to determine the amount of land needed to meet future demand at appropriate types and densities based on historical and potential future development trends, population changes and growth projections, and economic factors. Table 6.2 presents the key findings of the Coburg Housing Needs Analysis.

Table 6.2: Coburg Housing Land Needs by 2030

	LDR	MDR	HDR	MU	CBD	Total
Acres Needed	112.0	15.4	4.5	7.4	0.0	139.2

Residential Demand and Supply

In order to determine New Residential Demand, the current supply of land and current and future demand for land must be reconciled. A summary of the supply and demand comparison for residential lands is presented in Table 6.3.

Plan Designation	Total Acres	Total Res. Buildable Acres	Total Needed Acres	New Needed Acres
<i>Zoned TR (LDR)</i>	136.7	22.5	112	89.5
<i>Zoned TMR (HDR)</i>	2.6	2.6	4.5	1.9
<i>Zoned CBD</i>	15	1	0	-1
<i>New Zone (MDR)</i>	16.3	0.8	15.4	14.6
<i>New Zone (MU)</i>	15	15	7.4	(7.6)**
TOTAL	185.6	41.9	139.3	105

** Table 6.1 shows TR as 38.3 build. acres. Here the 38.3 is distributed among TR, and the "New Zones"*
***Negative Mixed Use figure reflects the range of other uses on Mixed Use land and is not included in the total residential need calculation*

Available Employment Land (Supply)

Chapter 5 summarizes what opportunities for development of employment lands currently exist in Coburg's UGB. It also summarizes how much of the total designated employment land is actually available and buildable. The most recent Buildable Lands Inventory (Chapter 3) for Coburg indicates that the amount of unconstrained available commercial and industrial land within the Coburg UGB is as follows:

Plan Designation	Total Acres	Total Buildable Acres
Central Business District	15	5
Highway Commercial	93.3	38.2
Light Industrial	193.1	28.4
Total	301.4	71.6

The analysis summarized in Table 6.4 shows that Coburg has 193.1 Light Industrial acres, 93.3 Highway Commercial acres, and 15 Central Business District acres within its UGB. The table also suggests that there are currently a total of 28.4 buildable industrial, and 43.2 buildable commercial unconstrained buildable acres in Coburg's UGB. A comparison of the total amount of commercial and industrial land within the UGB presented in Table 6.4 versus the amount of such land deemed to be unconstrained and buildable is presented in the Table 6.5.

Comprehensive Plan Designation	Total UGB Acres	Buildable Acres	Percent Available
Central Business District	15	5	33.3%
Highway Commercial	93.40	38.2	40.9%
Light Industrial	193.10	28.4	14.7%

This table indicates that 33.3% of Central Business District lands are available for potential growth, 40.9% of Highway Commercial and 14.7% of Light Industrial lands are available for potential growth. It is, however, particularly important in the analysis of land need to consider the specific needs of each employment type (i.e. suitability and parcel sizes of available land).

As discussed in the EOA, sufficient acreage is not the only requirement for meeting the future economic needs of the community. That acreage must exhibit the specific characteristics needed by the industries that are anticipated to occupy them.

Employment Growth (Demand)

The employment projections for Coburg provide valuable insights for realistic expectations of the amount of economic growth that can be expected, as well as which types of growth can be expected. Table 6.6 shows what Coburg’s approximate demand is for additional employees for each employment designation within its current UGB. These figures are determined utilizing employment densities discussed in Chapter 5 (EOA). These figures also assume that 20% of Central Business District and 30% of Highway Commercial and Light Industrial lands classified as “Underdeveloped” will redevelop by 2030. The “Adjusted New Needed Acres” column accounts for an optimal vacancy rate of 10%. The two numbers presented in the columns are not intended to represent a range, but rather a scenario with a Campus Industrial Zone, and a scenario without a Campus Industrial Zone.

	Additional Employees by 2030*	Emp/ Acre	New Needed Acres	Adjusted New Needed Acres**
Central Business District	101 - 96	25	4.0 - 3.8	4.4 - 4.18
Highway Commercial	267 - 262	17.4	15.3 - 15.0	16.83 - 16.5
Light Industrial	247 - 156	13.1	18.9 - 11.9	20.79 - 13.09
Campus Industrial	0 - 101	23.5	0.0 - 4.3	0.0 - 4.73
Total	615		38.2 - 35.1	42.02 - 38.5

* Range reflects results for two scenarios, with or without Campus Industrial Zone
 ** Adjusted New needed Acres reflects 10% optimal vacancy factor

Employment Demand and Supply

To determine an initial figure of how much industrial and commercial land is needed for future growth in Coburg, the Net New Needed Acres are compared with the amount of Total Buildable Acres. The results of this comparison are presented in Table 6.7. The analysis indicates that after all new needed Central Business District (CBD) employment acres could be accommodated by existing buildable CBD zoned acreage, there would still remain a surplus of 0.6 or 0.82 acres within Coburg’s UGB. Similarly, if after all new needed Highway Commercial (C-2) acres are accommodated by existing buildable C-2 acreage, there would still remain a surplus of 21.37 or 21.7 acres. This is also true for Light Industrial lands which show a surplus of 7.61 or 15.1 acres (a relatively wider range due to the fact the existence of a Campus Industrial District could accommodate much of potential Light Industrial uses).

	Additional Employees by 2030*	Emp/ Acre	Adjusted New Needed Acres**	Total Buildable Acres	2030 Surplus/ (Deficit)
Central Business District	101 - 96	25	4.4 - 4.18	5	0.6 - 0.82
Highway Commercial	267 - 262	17.4	16.83 - 16.5	38.2	21.37 - 21.7
Light Industrial	247 - 156	13.1	20.79 - 13.09	28.4	7.61 - 15.1
Campus Industrial	0 - 101	23.5	0.0 - 4.73	-	0.0 - (4.73)
TOTAL	615		42.02 - 38.5		29.58 - 33.1

** Range reflects results for two scenarios, with or without Campus Industrial Zone*

Assuming the employment densities for each plan designation discussed in Chapter 5, it appears that Coburg has within its current UGB, sufficient acreage to meet the demand commensurate with its 20-year employment forecast. But as discussed in Chapter 5, the employment forecast is only one part of Coburg’s Economic Opportunities Analysis. In order to complete a thorough Economic Opportunities Analysis, the City of Coburg must consider the opportunities that may exist independent of the employment forecast. Opportunities that are identified may be limited by the availability of land with required special characteristics (size, location etc.). Per OAR 660-009, Coburg must utilize national, state regional and local trends in identifying economic development opportunities that are likely to expand or locate in the study area within the planning period. An analysis of buildable sites in Coburg (Table 5.23) reveals that the City lacks buildable sites large enough to meet the demand of a large firm.

The City’s economic priorities seem to focus on the possibility of promoting a diverse economy and strong tax base, while preserving (and capitalizing) on the existing small town dynamic, or at least not directly threatening it. Additional priorities include a desire to attract more professional office activity, as well as health related businesses. Also, the City has indicated its continuing commitment to provide an adequate amount of level, buildable land which has good access to arterial streets within existing city limits to meet local and regional industrial needs. Recent visioning and policy efforts all document a priority for taking advantage of these economic opportunities.

One insight provided by the economists consulted during the analysis was that Coburg may be in a position to accommodate a projected employment need for a mix of smaller and mid-sized buildable lots with its current buildable lands inventory, but it is not able to provide sufficient buildable acreage to accommodate a large employer that may find Coburg an attractive location in every other way. In this regard it could be argued that Coburg is not taking advantage of an economic opportunity. There was general agreement among these local decision bodies that Coburg is well-suited to support regional industrial development, and that such opportunities should be pursued or at least not inhibited.

The preliminary conclusion was made by City Council and confirmed by both the Planning Commission and Study Technical Advisory Committee to include in this report, and its recommendations, the need for one to two larger tracts (20-plus acres) of buildable industrial land in order to address the City’s economic opportunities.

Summary of Land Need and Demand

Table 6.8 shows a comparison of estimated land need and land demand for the Coburg UGB between 2010 and 2030.

Table 6.8: Comparison of Land Demand and Supply, Coburg UGB, 2010-2030

Land Type	Land Supply (2010)	Land Demand (2010-2030)	(Deficit)/Surplus (2010-2030).
Commercial/Industrial*			
Central Business District	5	4.4 - 4.2	0.6 - 0.8
Highway Commercial	38.2	16.8 - 16.5	21.4 - 21.7
Light Industrial	28.4	20.8 - 13.1	7.6 - 15.3
Campus Industrial	-	0.0 - 4.7	0.0 - (4.7)
Subtotal	71.6	42 - 38.5	29.6 - 33.1*
Adjusted Subtotal			1-2 Sites/ (20-60) Acres
Residential			
Zoned TR (LDR)	22.5	112	(89.5)
Zoned TMR (HDR)	2.6	4.5	(1.9)
Zoned CBD	1	0	1.0
Zoned TR (MDR--Corner Lots)	0.8	15.4	(14.6)
New Zone (MU)	15	7.4	7.6**
Subtotal	41.9	139.3	(97.3)
Public and Semi Public Facilities Existing Acres			
Schools	9.3	9.3	0.0
Streets	N/A	14.2	(14.2)
Parks	28	63	(35.0)
Subtotal			(49.2)
Total Non-Employment			(146.5)

* Range reflects results for two scenarios, with or without Campus Industrial Zone **
 Negative Mixed Use figure reflects the range of other uses on Mixed Use land and is not included in the total residential need calculation

The results lead to the following findings:

- The City of Coburg has a surplus of land within all employment categories, however the surplus for Industrial Uses is not seen as sufficient in size or characteristic to accommodate the City’s economic opportunities.
- The City should add approximately one lot or tract of land consisting of 20-70 acres of land to accommodate flexibility in responding to industry employment opportunities during the planning period (2010-2030).
- The City will need approximately 147 acres of land to accommodate residential and other development for the 2010-2030 period, with smaller amounts needed for parks and public/semipublic uses.

Long Term Supply/Demand Summary

The City of Coburg is currently faced with a supply of buildable land designated for commercial and office purposes that is insufficient to meet future long-term demand. The City is also faced with a limited supply of available and appropriate buildable land designated for industrial purposes.

State statute requires cities to provide for “sufficient” residential, commercial and industrial land within their Urban Growth Boundaries. Regardless of the policy choices, the methods used to calculate land need for these uses clearly indicate that there is justification for increasing the residential and employment land supply in Coburg’s UGB in order to meet projected future demands. The quantitative analysis as well as subjective consideration of constraints and growth opportunities indicates a need for approximately one to two 20-plus acres sites for employment needs and approximately 147 acres of additional residential (and associated public) land for the next twenty years.

The projection methods used in this study are based upon current residential and employment land use and statistics. Policy choices addressed further in Chapter 8 (Policy Evaluation), will have considerable bearing on how the facts presented in these analyses are utilized to directly influence the future for the City of Coburg’s.

