

## **ATTACHMENT E ECONOMIC OPPORTUNITIES ANALYSIS UPDATES**

At the March TAC meeting, the TAC provided feedback on a number of elements critical to the completion of the EOA. This **update** will provide a summary of updates to the four central components of the EOA, based on TAC questions, concerns and input.

○ **Review of national, state, regional, county, and local trends.**

The TAC provided feedback on a number of national, state, county and local trends included in the EOA summary. Staff has followed up with economic experts and additional resources to update, remove or confirm those trends as they are reported. Outdated trends were removed. Staff responded to adjustments to the trends analysis in the following manner:

- Regarding Industry Clusters: Staffs follow up with local economists suggested the concept of a cluster and trying to identify and develop them still makes sense as an economic growth strategy. A traded-sector cluster strategy is critical for the state as a whole and for an economic region of the state, such as the Eugene/Springfield MSA (also known as Lane County). It may not be as critical for a subset of the larger region, as Coburg is to Lane County. Developing an existing cluster, such as the RV cluster, is beneficial.
- Regarding the shift from a natural-resource-based economy to a high-tech economy: This shift should not be ignored but neither should it be assumed that recent trends will go on forever or that new trends won't develop as well. Compared to historical levels, it seems almost as if the wood products industry in Lane County is dead. However there have recently been 4,000 to 5,000 wood products employees in the County, which is a very high figure. The wood products industry has obvious reasons to be here. Namely, being in a region that is great for growing trees with relatively good transportation amenities compared with most areas in the state. 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.

At the same time, improved automation and increased productivity in that industry, like all manufacturing industries, suggests that the need to keep attracting and creating new manufacturing companies to this region is important if we want to maintain a sufficient number of family-wage jobs. High-tech 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, i.e., good workforce, abundant, affordable and reliable supplies of water and electricity, good transportation connections, favorable tax incentives, etc.

- Regarding Possible impacts of current economic downturn: It's not yet clear that the current economic situation we are in will result in a real change in the long-term economic picture for nations, state or locally. If the economy stabilizes by the 3rd quarter of 2009 and actually starts to improve by the 4th quarter, then we may come to see this as just another downtown followed by a

period of healthy growth. If we do end up experiencing a longer period of stagnation or decline, on the other hand, then we will have to reexamine what assets and what tools we possess in our region that will help us build on our local resources without being fueled by a national economic recovery (which is normally the largest factor restoring local prosperity).

- Regarding 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 early March, the project team is will be releasing 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.

○ **Assessment of community economic development potential.**

During the March TAC meeting feedback was provided to staff regarding the EOA draft summary of Coburg's economic factors, including Location, Quality of Life, Transportation, Access to Utilities, Planning and Support, Public Safety, as well as other factors. The TAC provided valuable insights to the summary of many economic factors including Public Safety, Quality of Life, Utilities, Transportation and Planning Support. This feedback is represented in the attached, most recent draft of the EOA.

○ **Identification of required site types.**

The EOA must identify the number of sites, by type, reasonably expected to be needed for the planning period. Types of sites are based on the site characteristics typical of expected uses. Identifying the number of sites needed by type is one of the most important outcomes of the EOA.

***Economic Priorities***

At the March TAC meeting, the TAC reviewed staffs summary of target industry types for Coburg. These target industries were developed using a review of recent Coburg community visioning documents, interviews with stakeholders and economic professionals, as well as conversations with the Coburg Technical Advisory Committee.

First, it is a clear priority of the City to protect the small town atmosphere that exists in the majority of Coburg, particularly the area in and around the Central Business District. Economic priorities seem to focus on the possibility of industries that do not threaten that dynamic. The true potential of some economic priorities and strategies were called into question by economic professionals. These included the desire to attract more health related businesses. The City also confirmed that although its location is very attractive to warehousing and distribution type industries, they are not preferred.

The TAC did not confirm a strong economic priority direction but did respond favorably to the suggestion of economic professionals that flexibility be built into Coburg's employment lands availability. The City has indicated its continuing commitment to provide an adequate amount of level, buildable land which has good access to arterial streets and are within existing city limits to meet local and regional industrial needs. Local economists recommended that this flexibility could be accommodated by ensuring the following:

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

***Employment Density:***

At the March TAC meeting it was decided that employment density would be pursued using an FAR based analysis. Committee members reviewed visualizations of employment at different densities. After this exercise, and based on FARs in other Oregon communities as well as general trends and analysis on the potential FAR that a site can achieve without structured parking (because of its high cost, structured parking was not seen as a viable development technique to be used in

Coburg), it was concluded that FARs developed for zones within Coburg should represent less density than allowed for in the code. Rather than FARs of 0.7 or 0.6, the TAC recommended that FARs of 0.2-0.4 should be utilized. Table 18 shows the FAR's which were utilized to determine employment density.

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

*Source LCOG*

o **Inventory of industrial and other employment lands.**

**Lot size of Available Employment Land**

Creating building 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.

The TAC confirmed an employment lands strategy supporting the provision of a variety of lot sizes. The table below shows how the current inventories for the Coburg Urban Growth Boundary contain relatively few vacant medium and large size parcels designated for employment uses.

	<b>Sizes in Acres</b>				
	<b>&gt;20</b>	<b>10-20</b>	<b>5-10</b>	<b>1-5</b>	<b>&lt;1</b>
<b>Vacant Taxlots</b>					
Central Business District				1	11
Highway Commercial		2			9
Light Industrial			2	3	2
<i>Total</i>		2	2	4	22
<b>Underdeveloped Taxlots*</b>					
Central Business District					22
Highway Commercial		1	4	4	3
Light Industrial		1	2	6	2
<i>Total</i>		2	6	10	27
<b>TOTAL</b>		<b>4</b>	<b>8</b>	<b>14</b>	<b>49</b>

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

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

The table 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 less than one acre in size.

### Lot Aggregation Analysis

A spatial analysis of buildable employment designated lots within Coburg’s UGB 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, and could be collectively utilized. The table below 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.

**Table X.X Tract Size of Vacant and Underdeveloped Lots by Zone, Aggregate Adjacency and Shared Ownership**

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

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

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 industry firms targeted by Coburg to locate in the City.

Staff has also conducted an analysis of the characteristics of Vacant and Underdeveloped Tracts (two acres or larger) within the UGB. This summary is provided as on the next page.

**Table 5.X Development Profile of Vacant and Underdeveloped Taxlots within Coburg UGB**

Tract No.	Tract Taxlots	Plan Des.	Acreage*	Lots	Tract Configuration	Flood Haz.**	Access	Proximity to Art./Freeway	Water Service	Electric***	Gas	Broadband
<b>Vacant</b>												
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	1603334002200	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
<b>Underdeveloped</b>												
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 People's Utility District, PPAL: Pacific Power and Light

- **Short-Term Analysis:** Staff is completing a short-term economic supply and demand analysis. This analysis will look at Coburg’s economic needs and opportunities within the next 1-5 years. Critical to the analysis will be an understanding of short-term constraints. This should include a review of ownership dynamics, current market trends, local planning and support (including economic policies), and site availability (short-term land supply).

**I. LAND DEMAND AND SUPPLY**

**Available Employment Land**

The 2009 Buildable Lands Inventory for Coburg indicates that, of the total designated employment lands presented in Table 16, the amount of unconstrained available commercial and industrial land within Coburg’s UGB is as follows:

**Table 16: UGB Employment Land Deemed Available for Development**

Comp Plan Des.	TOTAL GROSS Unconstrained	Public Facilities Deduction (NET VACANT)	Buildable Redevelopable Acres	TOTAL BUILDABLE ACRES
<b>Central Business District</b>	4.3	4.00	1.00	5.00
<b>Highway Commercial</b>	27	22.30	15.90	38.20
<b>Light Industrial</b>	19.9	16.20	12.20	28.40
<b>Total</b>	<b>51.2</b>	<b>21.40</b>	<b>29.10</b>	<b>71.60</b>

*Source: Coburg 2009 Buildable Lands Inventory, LCOG*

A comparison of the total amount of commercial and industrial land within the UGB presented in Table 17 versus the amount of such land deemed to be unconstrained and buildable is presented in the table below:

**Table 17: Buildable Acres compared to Total Acres of Same Designation Within Coburg's UGB**

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, 41.5% 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 for the amount of growth that can be expected, as well as which types of growth, generally, can be expected. Table 6-1 shows what Coburg’s approximate

demand is for additional employees for each designation within its current UGB utilizing the employment densities discussed in Chapter X (EOA). These figures assume that 20% of Central Business District and 30% of Highway Commercial and Light Industrial lands classified as “Underdeveloped” will redevelop by 2031.

	<b>Additional Employees by 2031*</b>	<b>Emp/ Acre</b>	<b>New Needed Acres</b>	<b>Adjusted New Needed Acres**</b>
<b>Central Business District</b>	119 - 117	25	4.8 - 4.4	5.28 - 4.84
<b>Highway Commercial</b>	301 - 291	17.4	17.3 - 18.3	19.03 - 20.13
<b>Light Industrial</b>	283 - 179	13.1	21.6 - 12.1	23.76 - 13.31
<b>Campus Industrial</b>	0 - 116	23.5	0.0 - 5.0	0.0 - 5.5
<b>TOTAL</b>	<b>703</b>		<b>39.8 - 43.7</b>	<b>48.07 - 43.78</b>

*\* 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 22. The analysis indicates that after all new needed Central Business District employment acres could be accommodated by existing buildable C-1 acreage, there would remain either a deficit of 0.28 acres or a surplus of approximately 0.16 acres within Coburg’s UGB. Similarly, if after all new needed Highway Commercial acres are accommodated by existing buildable C-2 acreage, there would still remain a surplus of approximately 19.2 - 18.1 acres. This is also true for Light Industrial lands which show a surplus of 4.6 – 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).

	<b>Additional Employees by 2031*</b>	<b>Emp/ Acre</b>	<b>Adjusted New Needed Acres</b>	<b>Total Buildable Acres</b>	<b>2031 Surplus/ (Deficit)</b>
<b>Central Business District</b>	119 - 117	25	5.3 - 4.8	5	<b>(0.28) - 0.16</b>
<b>Highway Commercial</b>	301 - 291	17.4	19.0 - 20.1	38.2	<b>19.2 - 18.1</b>
<b>Light Industrial</b>	283 - 179	13.1	23.8 - 13.3	28.4	<b>4.6 - 15.1</b>
<b>Campus Industrial</b>	0 - 116	23.5	0.0 - 5.5	-	<b>0.0 - (5.5)</b>
<b>TOTAL</b>	<b>703</b>		<b>48.1 - 43.8</b>		<b>24.4 - 28.8</b>

*\* 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 would appear that Coburg would not need to add acres of employment land to accommodate future job growth. But as discussed in Chapter 5, other factors may dramatically impact these figures in either direction.