



CITY OF OREGON CITY PLANNING COMMISSION AGENDA

Commission Chambers, Libke Public Safety Facility 1234 Linn Ave, Oregon City
Monday, February 28, 2022 at 7:00 PM

This meeting will be held online via Zoom; please contact ocplanning@orccity.org for the meeting link.

CALL TO ORDER

PUBLIC COMMENT

Citizens are allowed up to 3 minutes to present information relevant to the Planning Commission but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the Chair/City Staff. The Commission does not generally engage in dialog with those making comments but may refer the issue to the City Staff. Complaints shall first be addressed at the department level prior to addressing the Commission.

PUBLIC HEARING

COMMUNICATIONS

1. OC2040 Comprehensive Plan Update – Input on Draft Goals and Policies
2. Oregon City Economic Development Strategic Plan (Executive Summary)
3. Middle Housing Code Update- Next Steps

ADJOURNMENT

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments. Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: Planning Commission **Agenda Date:** 02/28/2022
From: Aquilla Hurd-Ravich, Community Development Director

SUBJECT:

OC2040 Comprehensive Plan Update – Input on Draft Goals and Policies

STAFF RECOMMENDATION:

The staff recommendation is to provide feedback on the draft language for goals and policies.

EXECUTIVE SUMMARY:

The Planning Commission held a joint meeting with City Commission January 4, 2022 to receive an update on OC2040 goals and policies. During that meeting staff recognized the need to come back to each group prior to the next joint meeting and ask for direct input on the language used in the goals and policies. The purpose of tonight's discussion is to give the Planning Commission an opportunity to comment directly on the wording of goals and policies.

The goals and policies are intended to support the Community Vision that was adopted by the City Commission on August 4, 2021, following an inclusive process led by the OC2040 Project Advisory Team (PAT).

BACKGROUND:

Comprehensive plans are intended to be high-level policy documents that guide city decisions and work plans. A key objective for the OC2040 update is to streamline the Comprehensive Plan and make it more intuitive and user-friendly than the current document. Part of City staff's approach for this update is to keep goals and policies at a higher level and removing short-term implementation measures that are not conducive to a 20-year planning horizon. This ensures the Comprehensive Plan can be implemented through development of more specific and targeted action plans, projects and programs directed by City Commission.

The OC2040 Plan will be organized around four key themes that emerged from community outreach and serve as the framework for the new Oregon City 2040 Vision Statement:

1. Healthy and Welcoming Communities
2. Diverse Economy
3. Connected Infrastructure
4. Protected Environment

Each theme represents a chapter in the new OC2040 Plan; each chapter will contain brief background information along with 3-4 broad goals and a set of 4-8 policy statements per goal. Goals and policies are intended to support the Community Vision, which was developed through significant outreach and engagement with Oregon City residents and businesses over the course of a year.

When developing goal and policy concepts, an iterative, open, and transparent process ensured community priorities were captured through four Comprehensive Plan Summits, online surveys, and meetings with the PAT to review, vet and refine the concepts. New and revised goals and policies were also supported through a review of the existing Comprehensive Plan goals and policies, review of best practices, and input from City staff. The PAT met a total of 11 times over a 16-month period and their feedback was critical to the development of the draft goals and policies.

Visit www.OC2040.com to review past PAT meetings, latest drafts and sign up to be on the project mailing list.

The purpose of the work session is to:

- Provide staff with feedback directed at the language of the goals and policies.



Goal 1

Implement and maintain a community engagement program that provides broad and inclusive opportunities for all Oregon City community members to learn about and understand *city government processes, including land use planning and participate meaningfully in land use decisions that impact their communities.*

Policies:

- a. Support the Citizen Involvement Committee (CIC) and Neighborhood Associations to engage and educate Oregon City community members in land use planning.
- b. Actively seek input from a diverse range of participants and enhance engagement opportunities for community members with barriers (language, disability, income, age, technology) through services and methods that bolster inclusive participation.
- c. Seek opportunities to develop and enhance relationships with community-based organizations (CBOs) who are working in Oregon City and the larger region.
- d. ~~Explore~~ **Create and utilize** innovative forms of communication technology to enhance the City's public engagement efforts.
- e. Provide on-going education to the community regarding land use projects and processes and ensure clear communication about when and how to be involved at key points in the process.
- f. Include ~~liaisons~~ **representatives** from nearby communities in public engagement efforts, where appropriate, to provide an outside

Goal 2

Acknowledge, protect, enhance, and commemorate Oregon City's historic and cultural resources.

Policies:

- a. Promote the Willamette and Clackamas ~~Rivers~~ as a community benefit for cultural connection and understanding.
- b. Acknowledge the history of tribal presence in Oregon City and seek opportunities to educate community members and elevate understanding.
- c. Facilitate historic preservation programs for retention of ~~quality~~ **federal, state and** locally designated historic districts and sites.
- d. Identify and protect important cultural resources and historic amenities through programs, interpretive signage, and other means to increase awareness and generate appreciation.
- e. Provide activities and programs for residents and visitors that weave together ~~education, recreation, and~~ **education, recreation, and** historic and cultural resources, **education, and recreation.**

Goal 3

Strengthen health and livability across all Oregon City neighborhoods by creating places that feel safe and comfortable with convenient access to community services.

Policies:

- a. Support the City's network of community-based organizations, programs, and centers that provide services for Oregon City residents.
- b. Improve equitable access to comprehensive health care for all residents through cross-sector partnerships and coordination with service providers.
- c. Provide opportunities for learning and civic engagement ~~at~~ **for** all ages through City services and partnerships with local schools.
- d. Support access to affordable healthy food for all Oregon City neighborhoods.
- e. Build and enhance partnerships between police, government agencies, ~~local councils, and~~ **neighborhoods, and civic/business organizations** to enhance community safety and positive health outcomes.
- f. Pursue services and programs that support Oregon City's houseless residents in meeting daily needs while offering stable and lasting solutions. **(Question: are we going to create these programs or just support them?)**

Goal 4

Integrate diversity, equity, and inclusion (DEI) best practices when evaluating *all city functions, including land use policies, programs, and regulations.*

Policies:

- a. Implement DEI practices in City business and operations, and when evaluating and selecting public improvement projects.
- b. Ensure housing policies and regulations increase home ownership and rental opportunities for all household sizes, types, and incomes.
- c. Establish land uses that promote a balance of jobs and housing across Oregon City to strengthen access to employment and reduce barriers. ~~for historically disinvested communities.~~



- ❓ Economic Development
- ❓ Housing
- ❓ Urbanization
- ❓ Design and Development

Goal 1

Provide ~~opportunity~~ *opportunities* for a ~~diversity~~ *variety* of goods, services, and employment options to work toward a dynamic, ecologically sound, and socially equitable economy.

Policies:

- a. Regularly update City-wide economic studies to guide development of strategies and policies that improve economic health and resiliency.
- b. Ensure a suitable amount of land is dedicated to employment uses.
- c. ~~Support small and local businesses as well as retention and recruitment of medium to large sized businesses.~~ **Support retention and expansion of local businesses as well as recruitment of new businesses.**
- d. ~~Provide~~ **Create** fair and equitable opportunities to compete for city contracts regardless of business owner ethnicity, gender, disability, or firm size.
- e. Create and maintain cooperative partnerships with other public agencies and private business groups interested in promoting economic development.
- f. Promote the city's destinations, natural resources, and **historic and** cultural amenities to grow the tourism industry.
- g. Support a healthy and balanced workforce ~~by providing~~ **that includes** affordable childcare opportunities.

Goal 2

Provide housing options, including both rental and ownership opportunities, that are attainable for the full ~~diversity~~ *range* of Oregon City households.

Policies:

- a. Plan for housing supply that supports and implements the recommendations of the current Housing Needs Analysis.
- b. Ensure that land use designations and zoning code provisions allow **and encourage** a wide range of housing types.
- c. Support retention of existing homes and opportunities for community members to "age in place".
- d. ~~Provide for~~ **Support** and encourage transit-oriented development opportunities.
- e. Prioritize and support development of subsidized affordable housing. **(Question: is the city doing this?)**

Goal 3

Guide growth and development in a manner that implements the City's 2040 Vision and maintains an urban growth boundary that supports and accommodates projected population and employment during the 20-year planning period.

Policies:

- a. Promote efficient use of land and public infrastructure and plan for appropriate infill development, redevelopment, and new development.
- b. Promote development of complete walkable neighborhoods to reduce transportation demand and enhance localized access to community services and amenities.
- c. Designate land uses in a manner that balances opportunities for housing and jobs and ensures development is consistent and compatible with the community's needs and resources.

Goal 4

Encourage *and support* new development that incorporates sustainability and livability principles in site design and building construction.

Policies:

- a. Promote best practices for integrating residential infill development into the fabric of existing neighborhoods.
- b. Incorporate resource efficiency and sustainability in the built environment by emphasizing energy-saving features and practices in construction and development regulations.
- c. Utilize urban design principles that create livable and attractive public spaces that are reflective of Oregon City's community vision.
- d. ~~Explore~~ **Support and promote** site and building design alternatives that balance high-quality and durable construction with affordability.



Goal 1

Provide a safe, comfortable, and accessible transportation network that equitably (Is equitably the right word?) serves all modes of travel, including non-motorized modes.

Policies:

- Plan for and develop high levels (define high levels?) of multi-modal connectivity throughout Oregon City, with an emphasis on access to community services, amenities, and key points of interest.
- Reduce Oregon City's carbon footprint by supporting and emphasizing active transportation modes.
- Promote safety by implementing street design that equally considers and serves non-motorized and motorized users.
- Prioritize transportation improvements in underserved, low-income neighborhoods.
- Support opportunities for safe, affordable, and accessible transit service, including regional efforts to expand public transportation networks.
- Explore Improve public parking programs and transportation demand management in downtown Oregon City while managing impacts to adjacent residential areas .

Goal 2

Ensure public utilities and infrastructure are maintained and improved to adequately serve all existing areas of Oregon City and can be extended to serve newly developing areas in a logical and fiscally responsible manner.

Policies:

- Regularly update all City infrastructure and utility master plans.
- Adjust system development charges to ensure the benefit of new development is captured while impacts to the system are proportionally shared.
- Prioritize public infrastructure investments in underserved areas. that are historically underserved.
- Increase resiliency to climate change and natural hazard events in public utility infrastructure.
- Coordinate City-wide communication and outreach efforts around utility rates and other operational changes.
- Support public-private partnerships to expand publicly available highspeed internet service City-wide.

Goal 3

Serve the health, safety, and welfare of all Oregon City residents through provision of comprehensive public facilities and services.

Policies:

- Seek and support opportunities to increase access to digital communications for all Oregon City residents and businesses.
- Maintain a high level of police and fire protection and enhance service in underserved areas. all areas of the city.
- Support and promote emergency preparedness and climate change resiliency efforts and programs.
- Coordinate with service providers to ensure high levels of public utility and infrastructure service.
- Ensure adequate funding to pay for public facilities and services.

Goal 4

Promote and support energy conservation, sustainability, and resiliency through best practices in infrastructure planning, operations, and management.

Policies:

- Identify and seek opportunities for sustainable practices in management and operation of public facilities and services.
- Continue to implement green, sustainable, and low impact approaches to stormwater management.
- Prioritize green street design in new development and redevelopment.
- Coordinate infrastructure to support the development of climate-friendly and equitable communities neighborhoods.
- Support opportunities to increase densities near activity and transit centers.



PROTECTED
ENVIRONMENT

- ? Parks and Recreation
- ? Natural Resources
- ? Climate Change
- ? Watersheds, Habitat

Goal 1

Provide and maintain a comprehensive system of parks, trails, and recreation amenities that is accessible to residents of all ages and abilities, enhances the environmental and visual quality of the community, and encourages healthy living.

Policies:

- a. Provide additional parklands to adequately serve the City's current and estimated future population based on adopted service levels and community needs.
- b. Provide equitable distribution of parks and trails across the City by prioritizing park and trail development in underserved neighborhoods and high-density developments.
- c. Provide a network of signage and trails to enhance connections within parks, and between parks, neighborhoods, and public amenities.
- d. Reduce barriers to park use and improve safety and accessibility of parks resources for all users, regardless of ability, comfort level, or **native** language.

Goal 2

Conserve, protect, and enhance the function, health, and diversity of the City's natural resources and ecosystems.

Policies:

- a. Implement site development and design practices that incorporate natural ecosystem enhancement, minimize impacts on natural resources, and avoid degradation or loss of wetlands, watershed, and habitat.
- b. Bolster efforts to reduce landfill demand through re-use, recycling, and composting methods.
- c. Protect and enhance the urban forest tree canopy.
- d. Support water conservation **and storm water management** efforts within the Willamette Basin.
- e. Promote outdoor lighting that is designed to reduce the negative impacts of light pollution.
- f. Support programs and methods that will improve air quality in Oregon City.
- g. Protect the Clackamas and Willamette Rivers and **their tributaries including** Newell Creek as the centerpieces of Oregon City's natural environment.

Goal 3

Ensure the safety of residents and property by supporting plans, programs, and investments that ~~aid in rapid response and recovery and~~ minimize the impacts of the future risk of natural hazard events and that aid in rapid response and recovery.

Policies:

- a. Utilize public-private partnerships to educate residents on the importance of community hazard planning and resilience.
- b. Restrict development in unsafe areas and where development would increase hazard impacts, such as steep slopes, landslides, wetlands, streams, and floodplains.
- c. Invest in retrofits and infrastructure redundancies to ~~reduce~~ **minimize** service losses during an extreme weather or natural hazard event.
- d. Prioritize restoration of critical services following a natural hazard event.
- e. Collaborate with adjacent jurisdictions to coordinate emergency communication systems and distribution of resources in the event of an emergency or natural disaster.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: Oregon City Planning Commission **Agenda Date:** February 28, 2022
From: James Graham, Economic Development Manager

SUBJECT:

Oregon City Economic Development Strategic Plan (Executive Summary)

STAFF RECOMMENDATION:

Review the Oregon City Economic Development Strategic Plan (Informational Purposes Only)

EXECUTIVE SUMMARY:

The Oregon City Economic Development Strategic Plan supports the goals of the City Commission and builds upon the OC2040 Comprehensive Plan.

BACKGROUND:

The City Commission of Oregon City stated that its goals relative to economic development and tourism were to:

- promote tourism and support economic development to foster community sustainability; and
- support improvements and partnerships that contribute to our hometown feel and showcase Oregon City's unique community identity.

The 2022-2027 Oregon City Economic Development Strategy also builds upon the insights of the OC2040 Comprehensive Plan Update. More specifically, the City's Economic Development Strategy offers goals and strategies aimed at fostering a **diverse**, **resilient**, and **vibrant** local economy.

The Oregon City Commissioners adopted the first Oregon City Economic Development Steering Committee (EDSC) on June 3, 2020. The EDSC was charged with creating and implementing a wholistic strategic plan designed to provide guidance and offer expertise in the crafting of Oregon City's economic recovery from the dramatic/negative impact of

the COVID-19 virus and to recommend a framework for a more resilient local economy moving forward.

The Committee began its work in the Summer of 2020 and ended in the fall of 2021. The Committee consisted of 14 members who reflected diverse views representing the for-profit sector, academia, government, and private nonprofits.

The major FOUNDATIONAL UNDERPINNINGS of the plan itself are:

A. Action vs Planning

While it is important to conduct research and develop plans to address preferred outcomes cited in the strategic plan, it is vital to create strategies that will actually be implemented.

B. Flexibility vs Rigidity

The Oregon City Economic Development Department reserves the right to adjust strategies based on either new information that requires adjustments in strategies or the recognition that proposed strategies are not resulting in expected outcomes.

C. Encouraging Private Investment vs Supporting Actions that Stifle Economic Growth

Oregon City's Economic Development Strategic Plan prescribes leveraging public/private partnerships in impactful ways to influence the behavior of fundamental market forces on the local level

D. Leveraging Viable Partnerships vs Venturing Out Alone

The Oregon City Economic Development Department will work to identify viable partners that are not only capable of being effective in fulfilling their own mission but share similar goals to make an impact on long-standing challenges or impediments to economic growth.

THE VISION

In 2027, Oregon City has a robust, resilient, and diversified economy. Residents live, work, and play while having access to multiple amenities within the region. Businesses flourish due to a business-friendly environment that supports for-profit enterprise and nurtures private nonprofit entities. For anyone who seeks employment, investments made by for-profit and nonprofit organizations provide opportunities for upward mobility through job creation and skill development.

The Oregon City 2040 Comprehensive Plan revision describes Oregon City's economy as "vibrant, diversified and resilient." The 2022-2027 Economic Development Strategic Plan shares these aspirations. The Economic Development Department will accomplish its vision by implementing various program initiatives within these five broad strategic areas:

- Business Retention and Expansion

- Business Attraction
- Entrepreneurism
- Urban Renewal
- Tourism Development

Attached to this staff report is the executive summary. A full presentation will be made during the meeting.

OPTIONS:

1. Review of Oregon City's Economic Development Strategic Plan

BUDGET IMPACT:

No impact to the Planning Commission budget.

Oregon City Economic Development Strategy

STRATEGIC INITIATIVES 2022-2027



Economic development is a strategic and collaborative process that creates an environment that systemically supports new investment, creates and/or retains jobs, and broadens the tax base, therefore, improving the quality of life of people.

James Graham, CEcD
Economic Development Manager

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EXECUTIVE SUMMARY

The 2022-2027 Oregon City Economic Development Strategy establishes a path to guide the Economic Development Department and the City in its work and partnership efforts. It is the culmination of more than a year of dedicated effort and input collected from community residents, business owners, City leaders, economic development and workforce policy leaders and other stakeholders.

Specific to economic and tourism development, the City Commission of Oregon City stated that its goals are to:

- promote tourism and support economic development to foster community sustainability
- support improvements and partnerships that contribute to our hometown feel and showcase Oregon City's unique community identity

The Oregon City Economic Development Strategy builds on these goals. It also integrates the insights of the OC2040 Comprehensive Plan Update. More specifically, the City's Economic Development Strategy offers goals and strategies aimed at fostering a **diverse, resilient and vibrant** local economy.

The City's Economic Development Strategy supports actions, policies and programs that foster an environment for growth by targeting on industry clusters including

- *Light manufacturing and assemblage**
- *Logistics and wholesale distribution**
- *Healthcare**
- *Professional, Scientific, and Technical Services (especially electronic connectivity)**
- *Tourism**

Cultivating growth of tourism-facing businesses and tourism-related nonprofits is important to Oregon City's economic landscape. The strategic plan calls for the building of a much-needed tourism infrastructure. An industry that provides more and different activities will attract more visitors to Oregon City.

Equally important, the Oregon City Economic Development Strategy encourages policies and initiatives that provide opportunities for everyone seeking entry and growth in the local community's labor force. With an emphasis on **workforce development** and the expansion of **local childcare services**, the economic development strategy supports programs and investment that mitigates barriers to entry and advancement in the workforce.

A. The Economic Development Strategic Plan Steering Committee

With the support of the City Commission, the Economic Development Department assembled the Economic Development Strategic Plan Steering Committee, a group of experienced professionals representing businesses, academia, government, and nonprofit organizations. The steering committee's

mission was to support the creation of a holistic strategic plan designed to create an environment that encourages new business investment/expansion and supports innovative approaches that will result in a more resilient economic landscape.

B. Foundational Underpinnings of the Economic Development Strategic Plan

1) Action vs Planning

While it is important to conduct research and develop plans to create preferred outcomes cited in a business plan or strategic plan, it is vital to create strategies to be implemented based on the research and plans. The economic development staff and its partners will implement the proposed strategies cited in this plan.

2) Flexibility vs Rigidity

The Oregon City Economic Development Department reserves the right to adjust strategies based on either new information that requires adjustments in strategies or the recognition that proposed strategies are not resulting in expected outcomes. To that end, the 2022-2027 Economic Development Strategic Plan is a living document that will be modified and updated as needed.

3) Encouraging Private Investment vs Taking Actions that Stifle Economic Growth

Oregon City's Economic Development Strategic Plan prescribes leveraging public/private partnerships in impactful ways to influence the behavior of fundamental market forces on the local level to encourage investment.

Although many market forces are beyond local control, such as the U.S Rate of Inflation, there are some local policy or administrative actions that can be implemented to influence the behavior of private and nonprofit investment such as the City establishing flexible System Development Charge payment arrangements ("SDCs") or reducing the SDCs for childcare facilities thereby encouraging the proliferation of childcare businesses. The City's support of childcare will assist individuals with young children to pursue work and job training opportunities previously outside of their reach.

4) Leveraging Viable Partnerships vs Venturing Out Alone

The Oregon City Economic Development Department will work to identify viable partners that are not only capable of being effective in fulfilling their own mission but share similar goals to make an impact on long-standing challenges or impediments to economic growth.

ECONOMIC DEVELOPMENT VISION

By 2027, Oregon City has a robust, resilient, and diversified economy. Residents live, work, and play while having access to multiple amenities within the region. Businesses flourish due to a business-friendly environment that supports for-profit enterprise and nurtures private nonprofit entities. For anyone who seeks employment, investments made by for-profit and nonprofit organizations provide opportunities for upward mobility through job creation and technical skill training.

The Oregon City 2040 Comprehensive Plan revision describes Oregon City's economy as "vibrant, diversified and resilient." The 2022-2027 Economic Development Strategic Plan shares these aspirations. The Economic Development Department will accomplish its vision by implementing various program initiatives within these five broad strategic areas:

- Business Retention and Expansion
- Business Attraction
- Entrepreneurism
- Urban Renewal
- Tourism Development

ASSESSMENT OF OREGON'S CITY ECONOMIC CLIMATE

Oregon City is experiencing an important time of change and opportunity. Over the past 20 years, Oregon City's population has grown by more than 10,000 people, an increase of close to 40%. Approximately, 38,000 people now call Oregon City home. Oregon City is the County Seat for Clackamas County and is an important economic driver for the County. Oregon City's businesses employed almost 10% (9.7%) of Clackamas County's workforce in 2019.

From 2000 to 2014-2018, Oregon City's median age increased by five years from 33 to 38. Oregon City's aging population is consistent with County and statewide trends. Over the next 20 years, Clackamas County's population of 60 years of age and older is expected to grow to 31%, increasing by 34,418 people.

Income and wages affect business decisions for locating in a city. Areas with higher wages may be less attractive for industries that rely on low-wage workers. In the 2014-2018 period, Oregon City's median household income (\$71,856) was below the county median (\$76,597). In 2018, average wages at private businesses in Oregon City (\$46,524) was also below the county average (\$52,589).

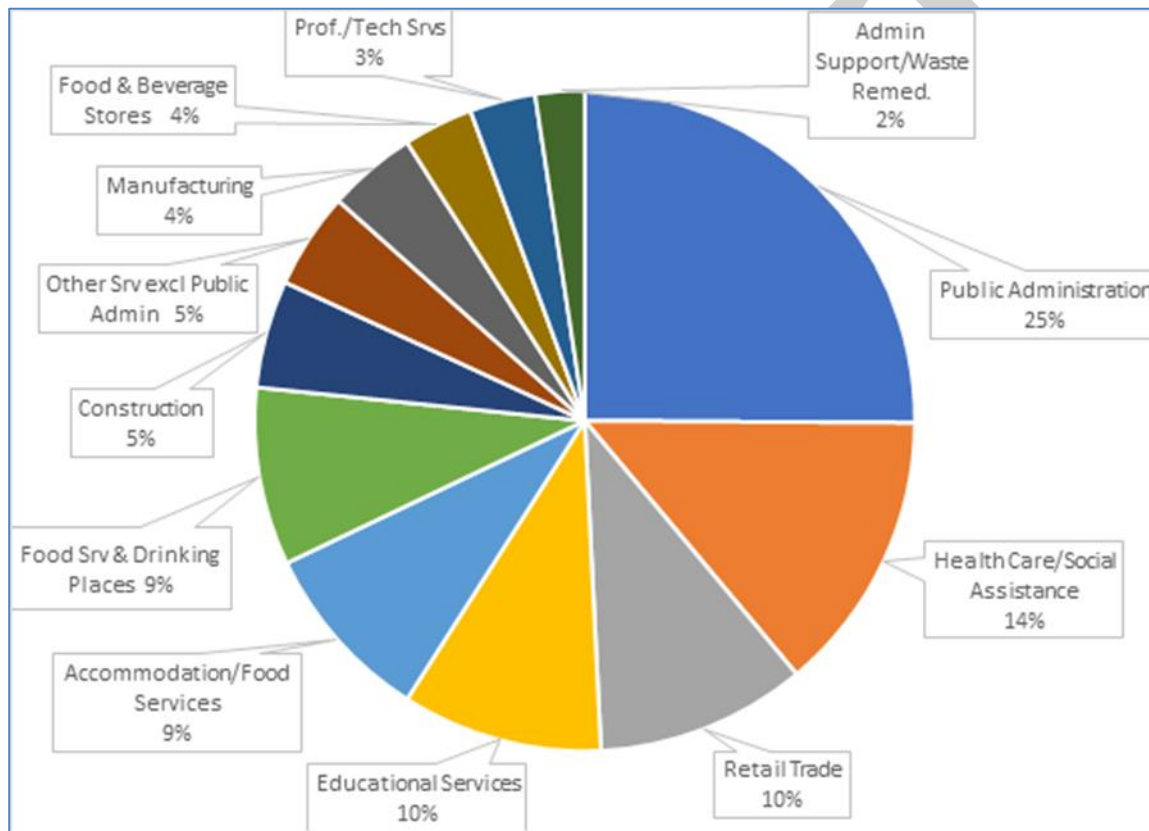
A. Educational Attainment

In 2019, Oregon City has a higher percentage of its population, 25 years and older, with a high school education (25.8%) and with some college or associate degree (40.5%) compared to Clackamas County and Oregon.

On the other hand, Oregon City has a much smaller portion of its population with a bachelor's degree or higher (26.3%) than either Clackamas County or Oregon. Residents of Oregon City show a greater percentage of its residents that did not fully complete their college or associate-level education.

B. *Occupations and Industries*

In 2021, the sectors with the greatest number of employees in Oregon City were Public Administration (25.4%), Health Care and Social Assistance (14%), Retail Trade (10.4%), Educational Services (10%) and Accommodation/Food Services (9%). Graph 1 below displays this information and includes additional sectors of employment.



Oregon City's Workforce by Sector

C. *Commercial and Industrial Real Estate Market*

- The average rent for commercial space increased from \$15.64 in 2015 to \$19.48 per square foot in 2019. Only to drop back to nearly its 2015 rent levels in 2020.
- Over the last several years, the average rent for industrial space has been about \$12 per square foot. Vacant industrial space was historically limited in Oregon City.
- As of 2020, the average rent per square foot for retail space was \$15.11, compared to \$19.48 for office space.

STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREAT ANALYSIS (“SWOT ANALYSIS”)

A. Oregon City has several **STRENGTHS** that should be noted:

- 1) **GOOD LOCATION:** The community is close to important markets within the region.
- 2) **TRANSPORTATION INFRASTRUCTURE ASSETS:** Businesses in Oregon City can easily access markets in the Portland Region as well as broader markets due to a good road system network.
- 3) **LABOR MARKET:** The commuting patterns show that businesses in Oregon City have the potential of attracting skilled and unskilled workers living around the region.
- 4) **COST OF DOING BUSINESS:** Compared to the Portland Region, commercial real estate is traditionally more affordable in Oregon City.
- 5) **TOURISM AND ACCESS TO OUTDOOR RECREATION:** The community’s history legitimately establishes it as the State’s original hometown.

B. Oregon City does face notable **WEAKNESSES**:

- 1) **LACK OF LARGER TRACKS OF LAND:** Manufacturers, as well as logistic companies, are looking for available land of ample size (at least 15 acres).
- 2) **NEED FOR FLEX SPACE OR “SPEC” BUILDINGS:** On a monthly basis, the Economic Development Department receives requests for flex space and/or spec between 50,000 sq ft up to 100,000 sq ft.

C. The City has great **OPPORTUNITIES** in its future:

- 1) **TOURISM AND OUTDOOR RECREATION:** Oregon City is located at the confluence of the Willamette and Clackamas Rivers. On the Willamette River, there are boat launches, nature trails and a City park. The city’s downtown is an important investment that helps the community to establish its niche in the tourism market.
- 2) **THE URBAN RENEWAL DISTRICT:** If applied to stimulate private investments with complementary public investments, a multiplier effect will occur that supports the growth of small businesses throughout the community.

D. Several **THREATS** endanger the community’s economic growth

- 1) **CLACKAMAS COUNTY COURTHOUSE – PENDING RELOCATION:** Although the Circuit Court will remain in Oregon City, its new location is far enough removed

from the downtown to threaten the livelihood of many small restaurants and other types of businesses there.

- 2) **RISING COST OF DEVELOPMENT** – Increasing development costs will either slow or stop business investment in Oregon City.
- 3) **SKILLED-LABOR FORCE CONSTRAINTS** - Younger workers are not replacing older skilled employees in sufficient numbers.
- 4) **CHILDCARE CONSTRAINTS:** The lack of childcare services forces parents to forgo work opportunities and the associated income.
- 5) **PERCEPTION OF NOT BEING BUSINESS FRIENDLY:** Creates a hesitancy to invest in the city at a time when the community may need it most.

OREGON CITY'S ECONOMIC DEVELOPMENT STRATEGIC PLAN: GOALS, STRATEGIES, MILESTONES

A. TARGET ACTIVITY AREA: BUSINESS RETENTION AND EXPANSION (“BRE” Program)

GOALS	STRATEGIES	MILESTONES
Retain and support local business growth of target industry clusters	<ul style="list-style-type: none"> *Meet with 5 businesses every quarter *Focus on select industries *Distribute Business Resource Kits *Catalog business' needs and develop responses 	<ul style="list-style-type: none"> *Starts March 2022 *End of 2022, Meet with 20 businesses
Support the development of a systemic skills training and job placement network	<ul style="list-style-type: none"> *Focus on individuals between the ages of 18 – 35. *Work to Launch “Talent Ready Initiative,” A Pilot Program 	<ul style="list-style-type: none"> *Develop Draft of Partnership Agreements with Agencies – June 2022 *Identify/Recruit Employers – Sept. 2022 *Market/Promote Talent Ready – January 2023
Increase the Number of Childcare Opportunities for Children ages 0 to 5 yrs.	<ul style="list-style-type: none"> *Childcare Center Feasibility Study *Childcare Forgivable Loan Program *Recruit New Childcare Providers 	<ul style="list-style-type: none"> *Identify 3 to 5 employers to support funding a childcare center – Feasibility Study June 2022 – Dec. 2022 *Attract 1 to 3 new childcare businesses to Oregon City –

		Dec 2023 *Establish a Forgivable Loan Fund – April 2022
Establish and Promote an Ombudsman Business Advocacy Program	*Provide customer service training to City Staff *Maintain a data base to track customer/client engagement	*Customer Service Training – March 2022 *Establish standard operating procedures/guidelines – Nov 2022 *Establish a CRM data base program – Dec 2022

B. TARGET ACTIVITY AREA: BUSINESS ATTRACTION

GOALS	STRATEGIES	MILESTONES
Attract new businesses to OC	*Establish an inventory of available property for purchase/development *Identify properties for Purchase by the City *Develop marketing strategy to attract companies within the target industry cluster *Establish a new economic development website *Develop/Implement Urban Renewal District's Plan	*Property Inventory – February 2022 *Identify properties for purchase by the City – Ongoing *Establish a Business Attraction Team -March 2022 *Economic Dev Website going live – February 2022 *Complete Urban Renewal District Plan – April 2022
Examine the potential of establishing fiber optic network to OC businesses and homes	*Develop an RFP to identify broadband consultants to conduct a feasibility study *Identify a broadband consultant to begin the work *Completed Feasibility Study	*RFP – Done *Identification of broadband consultant – Jan. 2022 *Completed Feasibility Study -August 2022

C. TARGET ACTIVITY AREA: ENTREPRENEURSHIP

GOALS	STRATEGIES	MILESTONES
Provide greater access to technical assistance for small business (startups).	*Actively partner with the Micro Enterprise Services of Oregon (“MESO”) to provide technical assistance *Oregon City Chamber of Commerce to provide technical assistance	*Draft and establish partnership agreements with various small business technical assistance organizations to service small businesses in OC – February 2022
Support the development of new market opportunities for small business	*Develop a City Procurement Program for Small Business	*Develop program guidelines – Nov. 2022 *Market Program – Jan 2023
Support Entrepreneurism	*Develop loan program for startups	*Guidelines Nov 2022

D. TARGET ACTIVITY AREA: URBAN RENEWAL DISTRICT

GOALS	STRATEGIES	MILESTONES
Develop a vision statement and framework for decision-making on new projects	*Work with the Urban Renewal Commission by conducting several retreats.	*New vision statement and framework for decision-making complete – Dec. 2021
Revise the existing plan	*Hire a consultant to update the financial components of the document.	*Revision of the plan – April 2022
Encourage downtown residency on upper floors	*Contribute to establishing a quiet zone	Quiet Zone – estimated 2027

E. TARGET ACTIVITY AREA: TOURISM DEVELOPMENT

GOALS	STRATEGIES	MILESTONES
Develop, strengthen and grow the tourism industry in OC	<ul style="list-style-type: none"> *Further solidify the OC Tourism Stakeholder Table *Establish The Concierge Institute (Training) 	<ul style="list-style-type: none"> *The Network – Ongoing * Training – Started Nov. 2021
Establish a tourism industry brand	<ul style="list-style-type: none"> *Established a full-fledged marketing campaign *Develop and implement City-sponsored Event Program *Increase community engagement with the tourism industry 	<ul style="list-style-type: none"> *Destination Ready started in Nov. 2021 *New tourism website up and running *Develop guidelines for City-sponsored events in Jan 2021 *Second round of the Community Showcase in February 2022
Increase visitor experiences in OC	<ul style="list-style-type: none"> *Develop a tourism business attraction initiative (Destination Development) *Identify new businesses and organizations that can provide additional visitor experiences 	<ul style="list-style-type: none"> *Tourism business attraction package created – Feb. 2022 *Attract 1 to 3 new visitor attractions – June 2023
Support the Arts in OC	<ul style="list-style-type: none"> *Re-establish the OC Arts Commission *Establish a new mural art code *Develop new initiatives to support the arts 	<ul style="list-style-type: none"> *Arts Commission held its first mtg. on Oct 26, 2021 *Mural Arts Code approved by City Commission *New initiatives - Ongoing

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DRAFT

OREGON CITY ECONOMIC DEVELOPMENT STRATEGIC PLAN 2022 - 2027

I. Introduction

Specific to economic and tourism development, the City Commission of Oregon City stated that its goals were to:

- promote tourism and support economic development to foster community sustainability; and
- support improvements and partnerships that contribute to our hometown feel and showcase Oregon City's unique community identity

Oregon City is experiencing an important time of change and opportunity. Over the past 20 years, Oregon City's population has grown by more than 10,000 people, an increase of close to 40%.¹ Some 38,000 people now call Oregon City home. Oregon City has also emerged as an important regional employment hub, hosting 9.7% of Clackamas County's total workforce.² At the same time, the local economy continues to respond to the impacts of the Covid-19 pandemic.

The 2022-2027 Oregon City Economic Development Strategy builds upon the community engagement work of the OC2040 Comprehensive Plan Update. More specifically, this Economic Development Strategy offers goals and strategies aimed at fostering a **diverse, resilient, and vibrant local economy**. The Oregon City Economic Development Department and its partners will pursue actions and develop initiatives to establish an environment that creates jobs via new business investment. In addition, the Oregon City Economic Development Department will support local entrepreneurship.

The City's Economic Development Strategy supports actions, policies and programs that foster an environment for growth in select industries including **light manufacturing and assemblage, logistics and wholesale distribution, healthcare, and professional, scientific, and technical services (especially electronic connectivity)**. Cultivating growth of **tourism-facing businesses and tourism-related nonprofits** is also important to Oregon City's economic landscape. The strategic plan calls for the building of much needed infrastructure and nurturing of tourism-related industry relationships. Such actions will attract more visitors to Oregon City.

Equally important, the Oregon City Economic Development Strategy encourages policies and initiatives that provide opportunity for everyone seeking entry and growth in the local community's labor force. With an emphasis on **workforce development** and the expansion of **local childcare services**, the economic development strategy supports programs and investment that mitigates barriers to entry and advancement in the workforce.

¹ Oregon City Economic Analysis, Beth Goodman and Sadi DiNatale, ECONorthwest. February 24, 2021.

² Oregon Employment Department. Fast Facts, 6/23/21.

A. Mission of the Economic Development Strategic Plan Steering Committee

With the support of the City Commission, the Economic Development Department assembled the Economic Development Strategic Plan Steering Committee, a group of experienced professionals representing businesses, academia, government and nonprofit organizations. The steering committee's mission was to support the creation of a holistic strategic plan designed to create an environment that encourages new business investment/expansion and supports innovative approaches that will result in a more resilient economic landscape.

The Steering Committee recognized that the creation of impactful partnerships among public and private organizations of various geographic outreach capacity represents the best approach to leveraging resources across various organizations to assist Oregon City with developing a more economically resilient community.

B. Philosophy Behind the Economic Development Strategic Plan

Action vs Planning

While it is important to conduct research and develop plans to address preferred outcomes cited in the business plan or strategic plan, it is vital to create strategies to be implemented based on the research and plans. The economic development staff will implement the proposed strategies cited in this plan.

Flexibility vs Rigidity

The Oregon City Economic Development Department reserves the right to adjust strategies based on either new information that requires adjustments in strategies or the recognition that proposed strategies are not resulting in expected outcomes. To that end, the 2022-2027 Economic Development Strategic Plan is a living document that will be modified and updated as needed.

Encouraging Private Investment vs Taking Actions that Stifles Economic Growth

Oregon City's Economic Development Strategic Plan prescribes leveraging public/private partnerships in impactful ways to influence the behavior of fundamental market forces on the local level to encourage for-profit or nonprofit investment.

Although many market forces are beyond local control such as the U.S Rate of Inflation, there are some local actions that can be taken to influence the behavior of private and nonprofit investment such as the City establishing flexible System Development Charge payment arrangements ("SDCs") or reducing the SDCs for childcare facilities, thereby supporting this critical industry at a time when childcare businesses have faced considerable challenges and families struggle to find the childcare services that they need. As a result of the City's support of childcare, individuals with young children would be in a better position to afford needed care, allowing them to pursue job training and employment opportunities.

A community with more available skilled labor can attract more private for-profit investment. Oregon City's Economic Development Department will work with policymakers and regulatory agencies on

local, regional, and state level to help mitigate negative impacts of arbitrary and/or outdated regulation on economic development.

Leveraging Viable Partnerships vs Sole Responsibility

No one government, private company, organization or individual can conduct impactful economic development alone, nor can economic development occur in a vacuum. The creation of viable public/private partnerships require that each participant has at least the capability to fulfill its own mission effectively. Organizations that do not have the capacity or capability to carry out their own purpose are not going to be viable participants in a collaborative effort with others. Hence, the Oregon City Economic Development Department will be careful in choosing its partners for important endeavors and, if necessary, will go beyond the City and County boundaries to establish viable partnerships.

The Oregon City Economic Development Department will work to identify viable partners that are not only capable of being effective in fulfilling their own mission but share similar goals to make an impact on long-standing challenges or impediments to economic growth.

II. Vision: An Environment for Growth & Development

Oregon City is a historically, culturally, and geographically unique place in the Portland Metro Region. Oregon City encompasses the ancestral homelands of many Native American Tribes. Settlers of European descent created their first permanent home in 1829. In 1844, Oregon City became the first incorporated city west of the Missouri River. The community's history establishes it as the State's original hometown.

In Oregon City there are historic houses, the End of the Oregon Trail, museums, and Willamette Falls, the second most powerful waterfall in North America. These sites stand as a testament to the City's historical significance to both the State of Oregon and to the United States. Oregon City is one of the hubs of the Portland Metro Area. It seeks to attract visitors and new residents who appreciate the community's commitment to quality of life.

In 2027, Oregon City has a robust, resilient, and diversified economy. New public investments in a variety of infrastructure projects are designed to help mitigate the challenges of growth. Residents live, work, and play while having access to multiple amenities within the region. Businesses flourish due to a business-friendly environment that supports for-profit enterprise and nurtures private nonprofit entities. For anyone who seeks employment, investments made by for-profit and nonprofit organizations provide opportunities for upward mobility through job creation and technical skills development.

In 2027, Oregon City actively partners with private industry, higher education, human services, and workforce development agencies to foster employment opportunities and encourage business investment. Small business owners have access to community human resource services to support their workers and grow their companies.

The Oregon City 2040 Comprehensive Plan revision describes Oregon City’s economy as “vibrant, diversified and resilient.” The 2022-2027 Economic Development Strategic Plan shares these aspirations. The Economic Development Department will accomplish its vision by implementing various program initiatives within these five broad strategic areas:

- Business retention and expansion
- Business attraction
- Entrepreneurism
- Urban renewal
- Tourism

III. Assessment of Oregon’s City Economic Climate

The City of Oregon City has a robust economy featuring an array of locally owned small businesses, a core of manufacturing, distribution and logistics companies, regional healthcare facilities and a community college. The City’s walkable downtown serves residents and a growing number of visitors.

Oregon City is the County Seat for Clackamas County and is an important economic driver for the County. Oregon City’s businesses employed almost 10% (9.7%) of Clackamas County’s workforce in 2019.³ Oregon City was home to 37,638 people at the start of 2021. The local population grew by a significant 144% since 1990, adding 21,187 residents.⁴ The median household income in 2021 is \$75,856 while per capita income is \$35,016.⁵

Occupations and Industries

The analysis in this section provides an overview of industry and employment trends in Oregon City over the past 13 years. Oregon City’s workforce commands a wide range of skills, spanning from advanced manufacturing, logistics, construction and health care, to food and hospitality industries. In 2021, approximately 17,800 people aged 16 or older worked either full or part-time in Oregon City proper.⁶

Oregon City’s largest private sector employers include Providence Willamette Falls Hospital (500-600 employees), Fred Meyer (300-400 employees), Home Depot (200-250 employees), Benchmade Knife Company (200-250 employees) and Orchid Orthopedic Solutions (100-150 employees).⁷ The largest public sector employers include Clackamas County, Clackamas Community College and the City of Oregon City.

In 2021, the sectors with the greatest number of employees in Oregon City were Public Administration (25.4%), Health Care and Social Assistance (14%), Retail Trade (10.4%), Educational Services (10%) and Accommodation/Food Services (9%). Graph 1 below displays this information and includes additional sectors of employment such as Construction.

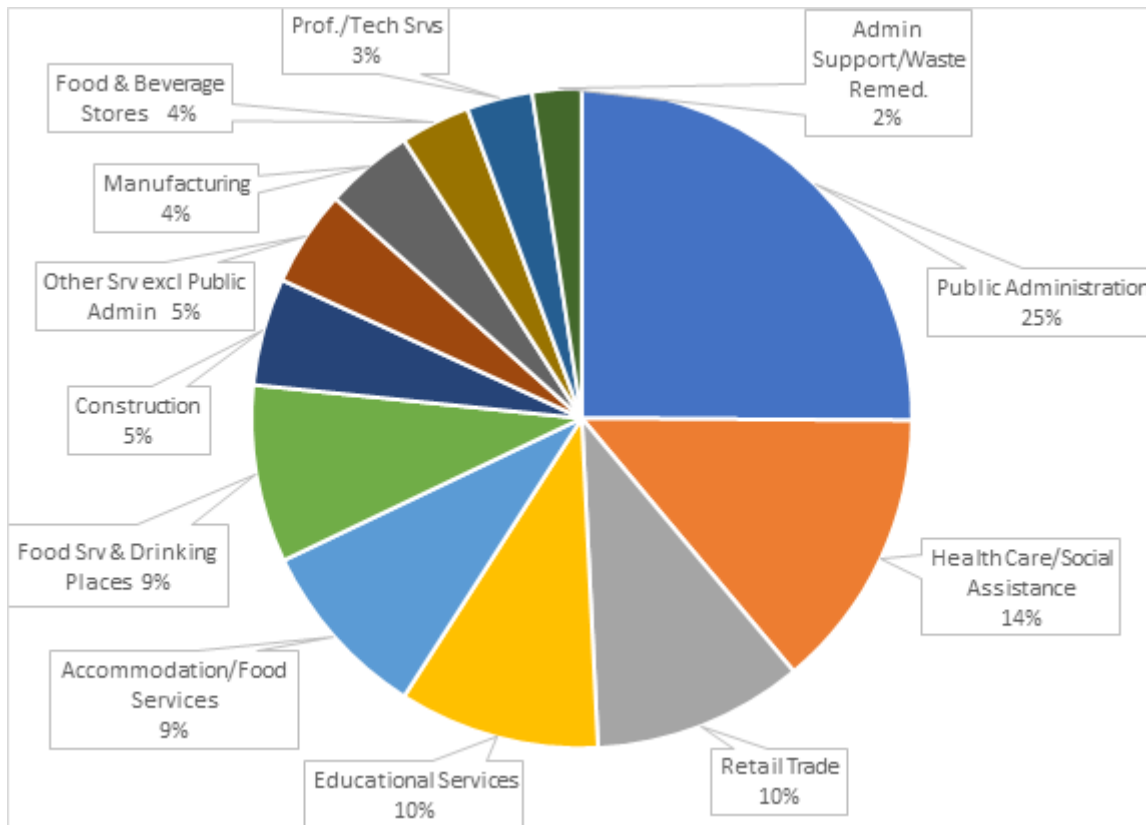
³ Oregon Employment Department. Fast Facts, 6/23/21.

⁴ Ibid.

⁵ ESRI Report. Block Apportionment US Block Groups.

⁶ EMSI. Community Indicators Map. 2021.

⁷ Clackamas County Economic Landscape, 2014. As cited in Oregon City Multitenant Industrial Park Location Overview.



Graph 1. Workforce Profile in Oregon City 2021. Source: Oregon City GIS ESRI Data.
Generated 9/28/21.

Table One continues an evaluation of the occupational distributional of Oregon City residents. In addition to the number of employees, Table One also examines the number of businesses in each sector and the Average Annual Growth Rate over a 10- year period. To capture this additional detail, Table One reviews information from 2008-2018.

Sector	Establishments		Employees		Change in Employment		
					2008 to 2018		
	2008	2018	2008	2018	Number	Percent	AAGR
Government	41	43	5,057	4,943	-114	-2%	-0.20%
Health Care and Social Assistance	124	173	2,147	2,599	452	21%	1.90%
Retail Trade	115	128	1,835	2,049	214	12%	1.10%

Accommodation and Food Services	89	109	1,409	1,764	355	25%	2.30%
Construction	194	173	1,086	1,119	33	3%	0.30%
Manufacturing	49	57	928	929	1	0%	0.00%
Other Services (Except Public Administration)	122	231	469	568	99	21%	1.90%
Professional, Scientific and Technical Services	107	137	369	460	91	25%	2.20%
Admin., Support, Waste Mgmt., Remediation Services	53	71	301	330	29	10%	0.90%
Finance and Insurance	61	62	232	260	28	12%	1.10%
Utilities, Transportation and Warehousing	19	24	207	211	4	2%	0.20%
Wholesale Trade	59	49	409	177	-232	-57%	-8.00%
Arts, Entertainment and Recreation	13	22	157	167	10	6%	0.60%
Private Education	16	16	162	164	2	1%	0.10%
Real Estate and Rental/Leasing	43	47	140	109	-31	-22%	-2.50%
Information	14	17	104	82	-22	-21%	-2.30%
Management of Companies and Enterprises	7	5	44	56	12	27%	2.40%
Agriculture, Forestry, Fishing & Hunting	5	5	52	18	-34	-65%	10.10%
Totals	1,131	1,369	15,108	16,005	897	6%	0.6%

Table 1. Covered Employment and Establishments, Change in Employment (2008 to 2018). AAGR = Average Annual Growth Rate. Reported by ECONorthwest February 2021 from Oregon Employment Department, Quarterly Census of Employment and Wages, 2008 and 2018.

Oregon City's Target Industries

Oregon City's target industries include manufacturing, particularly custom metals manufacturing, healthcare, logistics or and/or wholesale distribution, professional scientific/technical services and tourism. The relative importance of healthcare is measured by the average wages of employees and annual sales as cited in table 2. Not included in this chart but identified as up and coming industries are wholesale distribution, tourism and Professional, Scientific, Technical Services.

Wholesale distribution is included due to the geographic location of the city, noting the ease of moving product/merchandise to many important markets throughout the Pacific Northwest Region and beyond because of the network of road infrastructure. Tourism is identified as a target industry

because of its strong development potential due to Oregon's City unique history and assets that have already aided the community in attracting visitors. Professional, Scientific and Technical Services is a target industry because of the growth in employment and establishments between 2008 and 2018, as cited in table 1.

Table 2 shows five industries that have a prominent presence in the 97045-zip code area including all of Oregon City and portions of neighboring Clackamas County. These industries have a relatively high location quotient ("LQ"). A LQ measures the relative specialization in a particular industry compared to another region. A LQ of 1 for example, indicates that an area has a higher concentration of a given sector than other locations. Table 2 also shows the Gross Regional Products (GRP) of four of these industries.

Industry	2020 LQ	2020 Earnings Per Worker	2020 GRP
Primary Metals Manufacturing	2.32	not available	not available
Construction	2.29	\$72,050	\$272.30M
Government	1.24	\$76,807	\$336.66M
Health Care and Social Assistance	1.23	\$66,354	\$270.31M
Retail Trade	1.21	\$40,968	\$177.5M

Table 2. Location Quotient of Oregon City's Top Industries Leading Oregon City Industries. Source: EMSI data for 97045

While manufacturing has seen a reduction in jobs over the last 5 years, it remains one of the more robust providers of high-quality jobs in the local economy, at 752 jobs. As shown in Table 2, retail trade continued to be a favored sector in 2020, despite the restrictions on in-person shopping, with an LQ of 1.21. Construction rebounded after the closures of the early days of the pandemic, following continued housing construction throughout the Portland Metro Region.

This analysis continues with highlighting annual sales and the number of employees by industry sector. Table 3 shows the high performing industries based on dollar value of 2021 sales within Oregon City proper. In 2021, the five industries in Oregon City with the highest annual sales are Retail Trade, Wholesale Trade, Health Care/Social Assistance, Construction, and Manufacturing.

Industry	2021 Sales (\$000)	2021 # of companies
Retail Trade	529,595	185
Wholesale Trade	248,070	30
Health Care/Social Assistance	181,944	181
Construction	170,373	134
Manufacturing	168,095	58

Table 3. Oregon City Industry Sectors by Annual Sales. Oregon City GIS Department ESRI Data. Generated 8/5/21.

Public Administration, Health Care/Social Assistance, Retail Trade, Educational Services and Accommodation/Food Services employed the most people in Oregon City. Public Administration accounted for 4,341 employees at the start of 2021, or 25.4% of the local workforce. Graph 1 shows the top 11 industries by number of employees.

Oregon City is the County seat and the strong presence of various levels of government and educational institutions in the local community helps provide a slim buffer to the economy during economic challenges. However, it is generally not a good sign of a resilient economy if most of its employees are represented by the public-sector. A private-sector job must pay for itself and creates other jobs while a public-sector job is paid for by taxpayers. If taxpayers are not doing well and cannot pay taxes, the size of the government must decrease, and public services must be diminished. If the private sector does not do well, then government has to shrink as well. However, a growing local economy is not dependent on the local public-sector to do well.

This is not to say that government and educational institutions are not important to the local economy, far from it. Many times, public-sector expenditures can help to stimulate private-sector investment. However, a local economy will be less resilient if too many of its workers are public-sector employees. It is better to have a larger portion of the population employed by the private-sector because funds expended by the private-sector must be efficient and productive, otherwise, the private-sector and public-sector employment will cease to exist.

Trends in Business Size

In 2018, the average number of employees at an Oregon City business was 8.7 employees.⁸ The average number of employees per business was somewhat higher across the State of Oregon at 11 employees. Table 4 below reports on the changes in business size between 2008 and 2018.

It is no surprise that larger companies grow their employees base slower than small companies, hence, the companies with the smallest amount of growth in terms of number of employees is the group with 50 or more workers. Oregon City companies are generally becoming smaller in size, which may translate into a greater need for supporting firms with 20 or fewer employees.

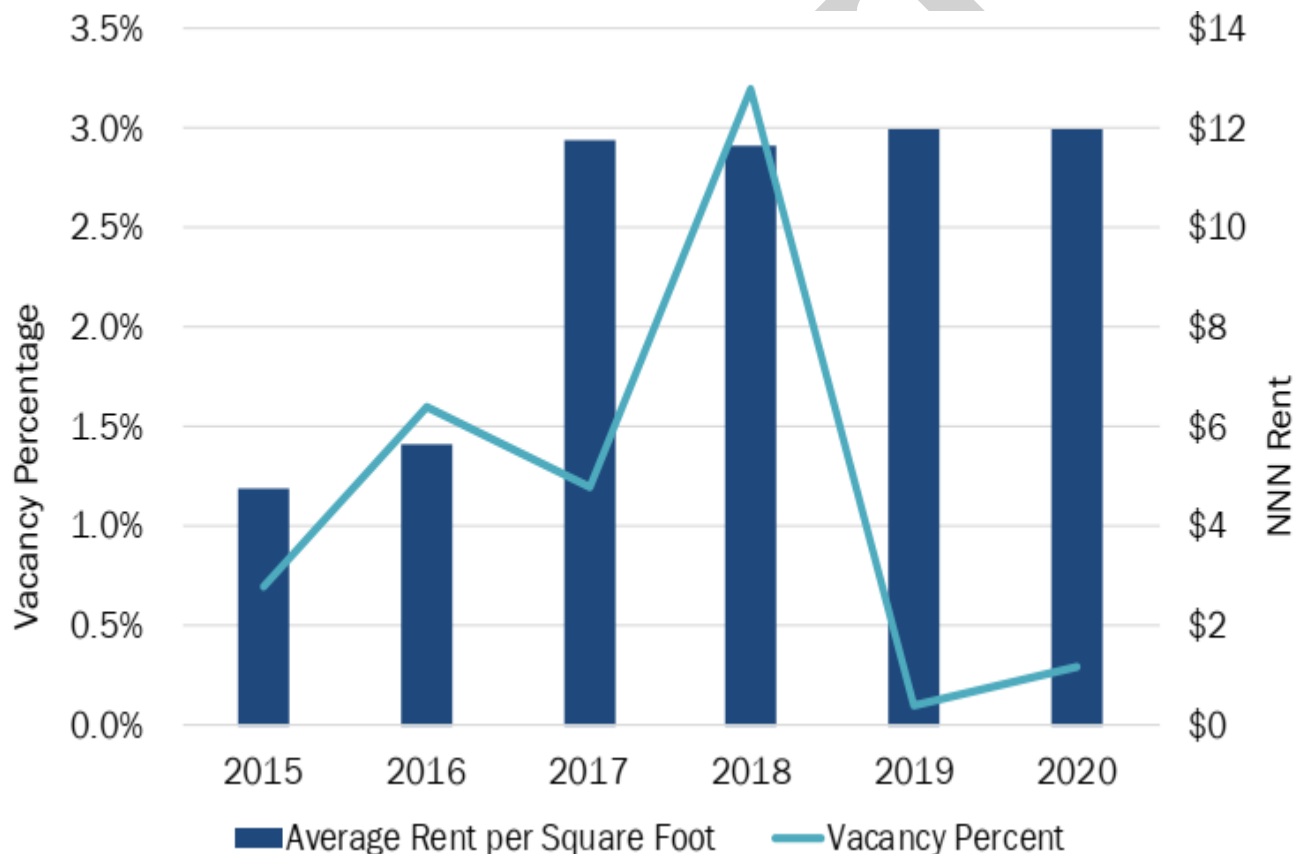
Business Size	Total Employees		Total Firms		Change in Employees	
Avg. # Employees	2008	2018	2008	2018	Number	Percent
1	362	510	362	510	148	41%
2 to 5	1,022	1,203	328	378	181	18%
6 to 20	2,817	3,024	268	286	207	7%
21 to 50	2,263	2,692	74	88	429	19%
50 or more	3,779	3,853	33	30	74	2%
Totals	10,243	11,282	1,065	1,292	1,039	10%

⁸ Goodman, Beth and Sadie DiNatale, EcoNorthwest. Oregon City Economic Analysis. February 24, 2021.

Table 4. Changes in Business Size, 2008-2018. Goodman, Beth and Sadie DiNatale, ECONorthwest “Oregon City Economic Analysis.” February 24, 2021.

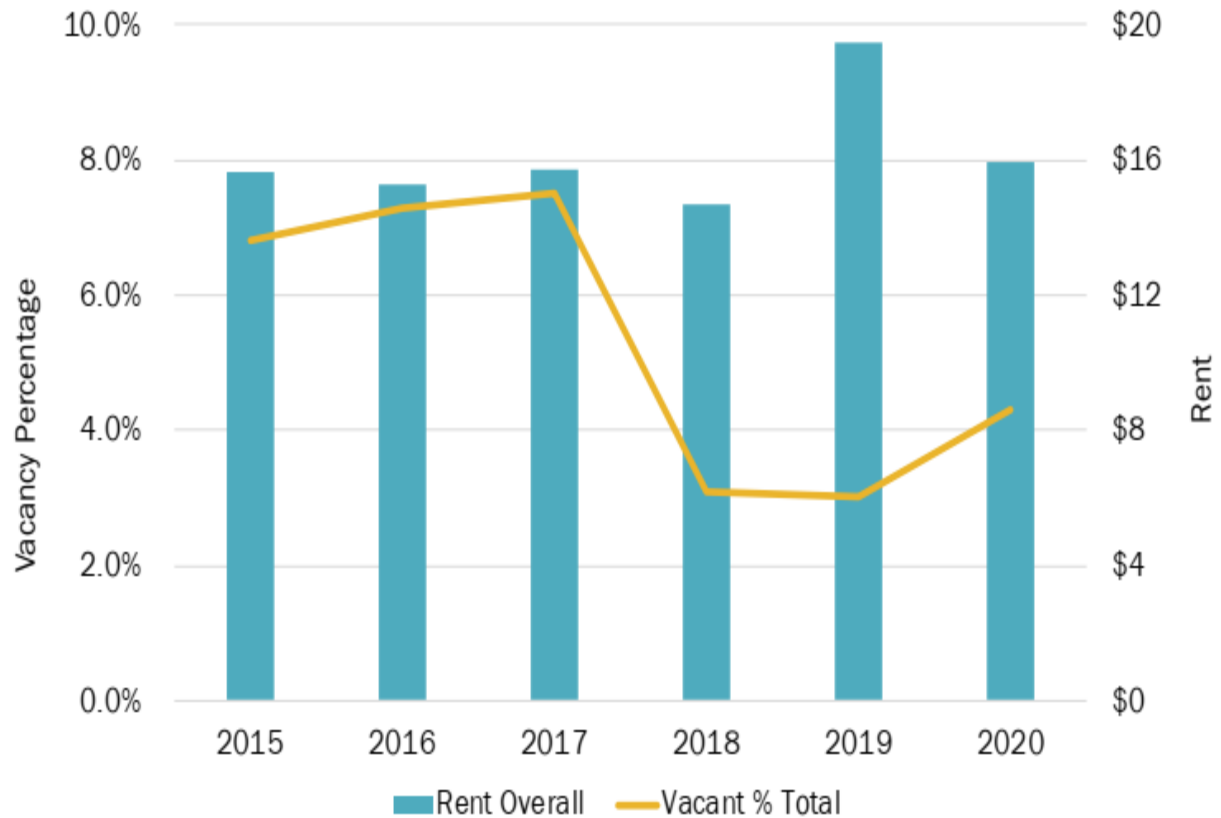
Commercial and Industrial Real Estate Market

Over the last several years, the average rent for industrial space has been about \$12 per square foot. Vacant industrial space was historically limited in Oregon City. In 2018, the overall economy experienced strong growth due to a \$1.5 trillion tax break by the federal government, leading to a steep decline in vacancy rates. Industrial companies usually need larger tracts of land for their operations, generally between 15 to 25 acres. Unfortunately, Oregon City does not have the size requirements in land sought by industrial concerns.



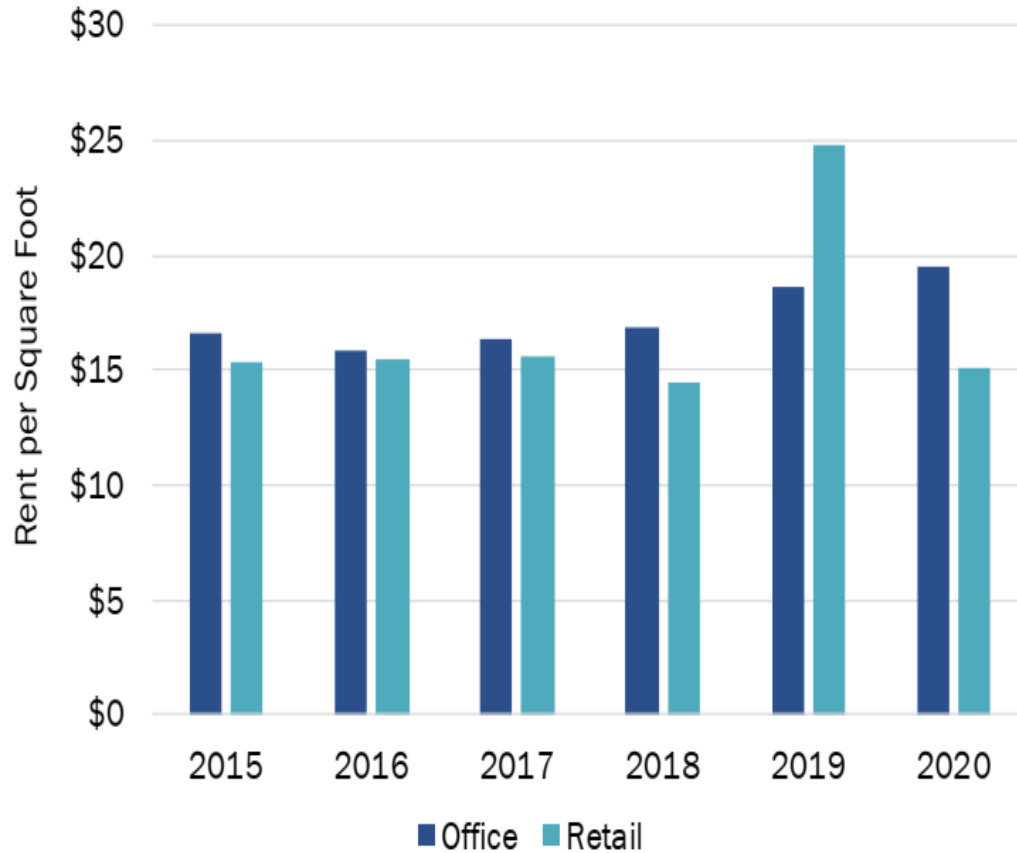
Graph 2. Average Rent per Sq. Ft. and Vacancy Rates, Industrial Properties, Oregon City, 2015 to 2020
Source: Costar

The average rent for commercial space increased from \$15.64 in 2015 to \$19.48 per square foot in 2019. Only to drop back to nearly its 2015 rent levels in 2020. The vacancy rate for commercial property dropped dramatically from its peak in 2017 only to rise slightly in 2020. The increases in rent and the decline in vacancy rates corresponded with the strong growth in the economy in 2018 and 2019.



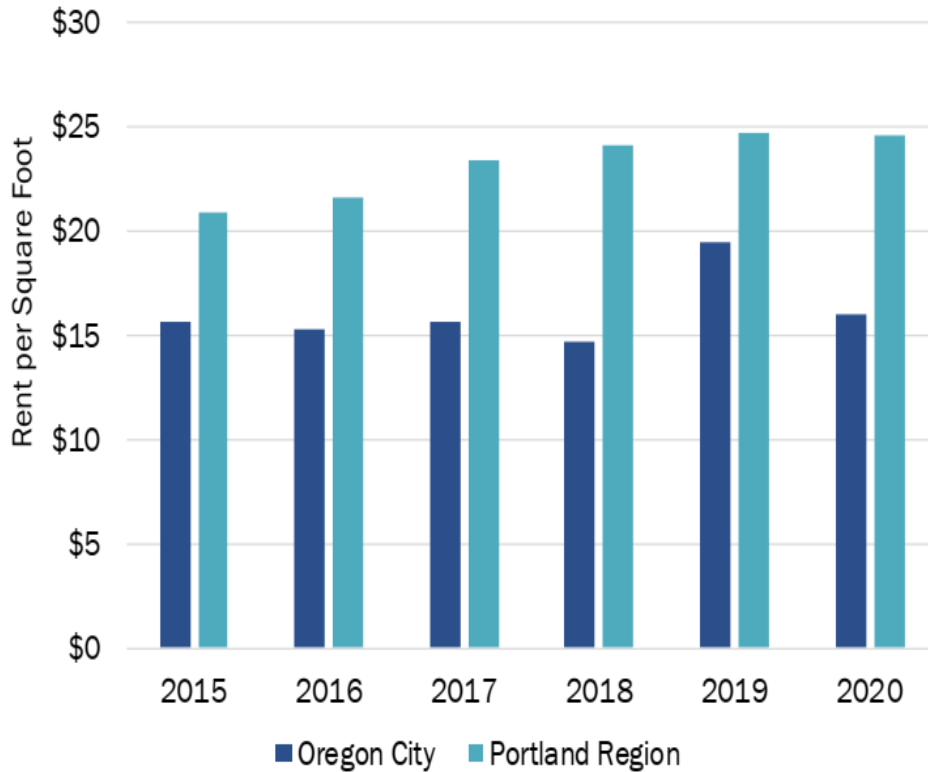
Graph 3. Average Rent per Sq. Ft. and Vacancy Rate, Commercial Properties, Oregon City, 2015 to 2020
Source: Costar

Regarding commercial property types, as of 2020, the average rent per square foot for retail space was \$15.11, compared to \$19.48 for office space. The average rent per square foot for retail space peaked at \$24.88 in 2019. The strong growth in retail during 2019 was a consequence of strong growth due to large tax breaks instituted by the federal government thereby sparking growth in consumer spending which encouraged strong expansions of retail operations. It is interesting to note the ongoing growth trend in rents for office space from 2016 to 2020.



Graph 4. Rent per Sq. Ft, Commercial Properties (Office vs Retail), Oregon City, 2015 to 2020
Source: Costar

The average rent per square foot in the tri-county Portland Region was higher than the average rent in Oregon City alone. Oregon City continues to be a good buy with relatively affordable average rent per square foot.



Graph 5. Average Rent per Sq. Ft, Commercial Properties, Oregon City and Tri-County Portland Region, 2015 to 2020. Source: Costar.

Socioeconomic Climate

Population Characteristics

The population has grown significantly over the past 20 years. At the start of 2021 Oregon City had a population of 37,638 people. More than 10,000 people moved to Oregon City between 2000 and 2020. The City grew faster than the remainder of Clackamas County (Oregon City grew at a rate of 34.15% compared to the County) However, the City grew slower than Multnomah and Washington Counties. Over the same period, the State of Oregon also grew at a slower rate (1.4%).

	Population	Median Family Income	Per Capita Income
Oregon City, 2000	28,056	\$40,916	\$20,940
Oregon City, 2021	37,638	\$75,856	\$35,016
Clackamas County, 2001	344,842	\$52,640	\$35,848
Clackamas County, 2021	429,929	\$80,484	\$41,492
Washington County, 2001	314,928	\$35,728	\$33,078
Washington County, 2021	610,968	\$82,215	\$39,679
Multnomah County, 2001	583,887	\$42,422	\$32,956
Multnomah County, 2021	822,817	\$69,176	\$39,245

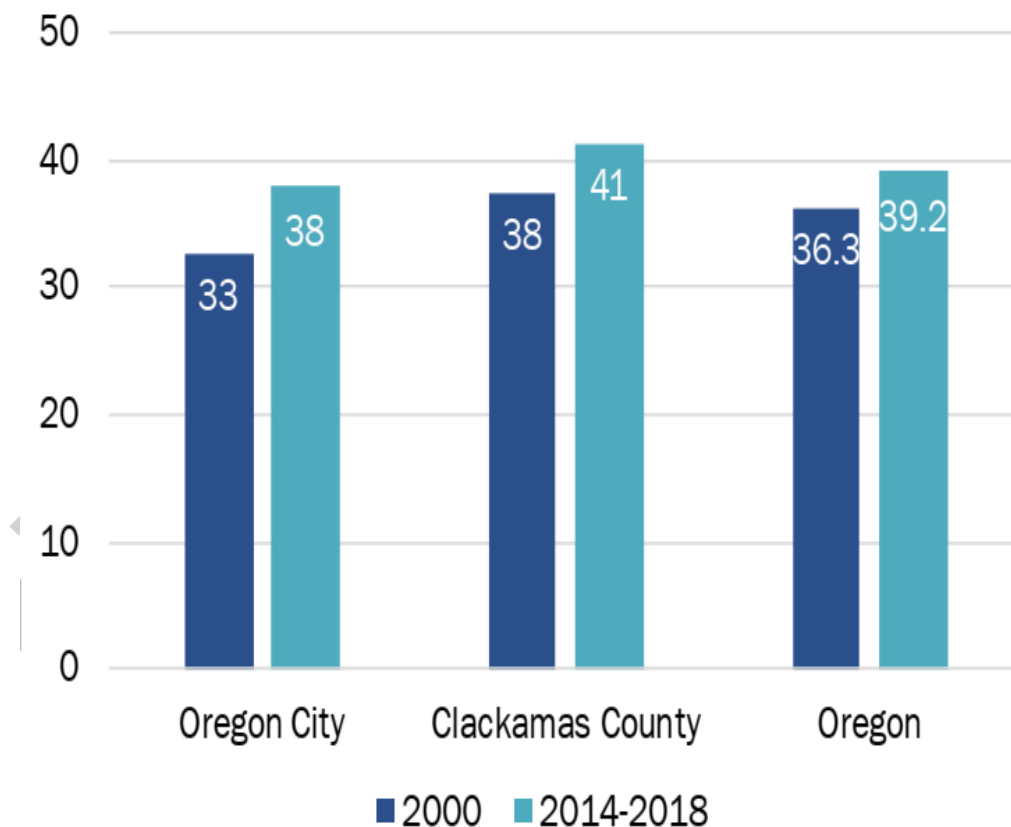
Table 5. Demographic Trends, Clackamas, Multnomah and Washington Counties.

Sources: Oregon City 2000 Per Capita and Median Income from Infoplease website extracted from US Census Bureau. <https://www.infoplease.com/us/census/oregon/oregon-city> 2021 generated by Oregon City GIS Dept., ESRI data. City generated report. County 2021 information generated by EMSI, 8/2/21. Clackamas County 2000: World Population Review, worldpopulationreview.com/us-counties/or/clackamas-county-population. Accessed 3 Aug. 2021.

Multnomah County 2000. *Fed Economic Data*, Federal Reserve Bank of St. Louis, 17 Nov. 2020, fred.stlouisfed.org/series/PCPI41051. Accessed 13 Aug. 2021.

Washington County 2000: <https://www.census.gov/quickfacts/washingtoncountyoregon2020>

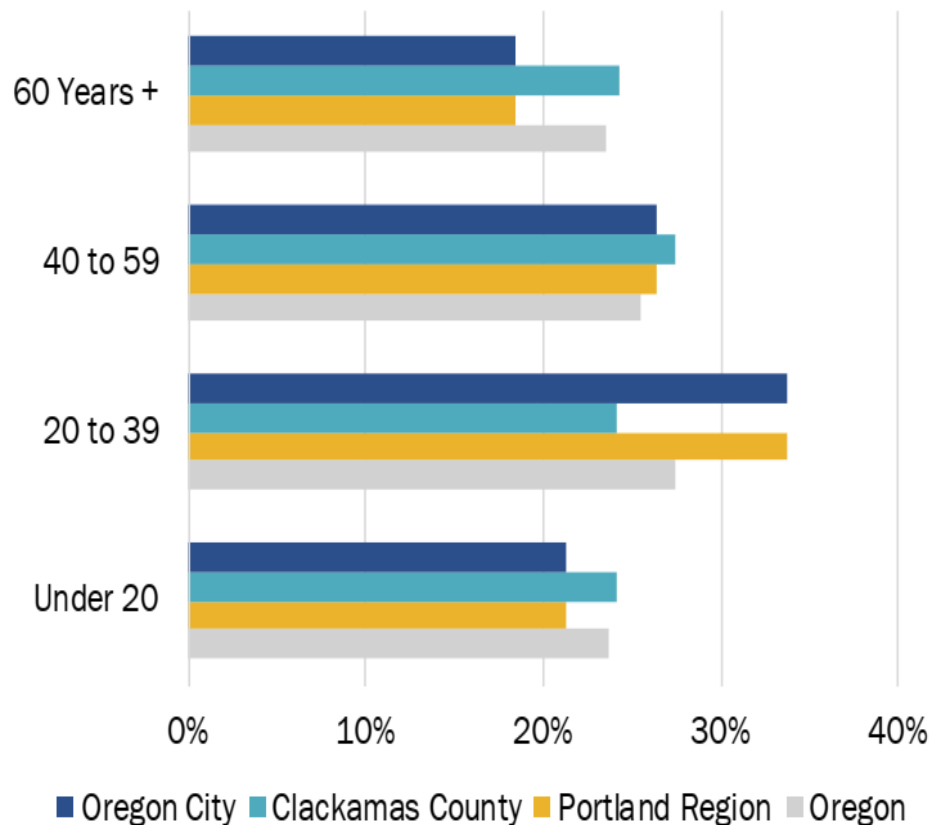
From 2000 to 2014-2018, Oregon City's median age increased by five years from 33 to 38. Oregon City's aging population is consistent with County and statewide trends. Over the next 20 years, Clackamas County's population of 60 years of age and older is expected to grow to 31%, increasing by 34,418 people. The aging of the population in Oregon City and across the Portland Region will result in an increasing need for replacement workers, as baby boomers retire. This trend may create challenges in finding workers across the Region.



Graph 6. Median Age, Years, Oregon City, Clackamas County, Oregon, 2000 to 2014-2018
Source: U.S. Census Bureau, 2000 Decennial Census Table B01002, 2014-2018 ACS, Table B01002.

Most residents in Oregon City were between 20 to 59 years old. Oregon City had a lower share (19%) of residents over 60 years of age than Clackamas County and Oregon, but a similar share of residents

over 60 years of age as the Portland Region. Therefore, recognizing that Oregon City has a relatively younger population, it is imperative that agencies responsible for providing training and educating of the workforce do a better job in reaching the community's young people and provide the type of training that can garner a livable wage. Otherwise, young people will leave in search of a better life for themselves.



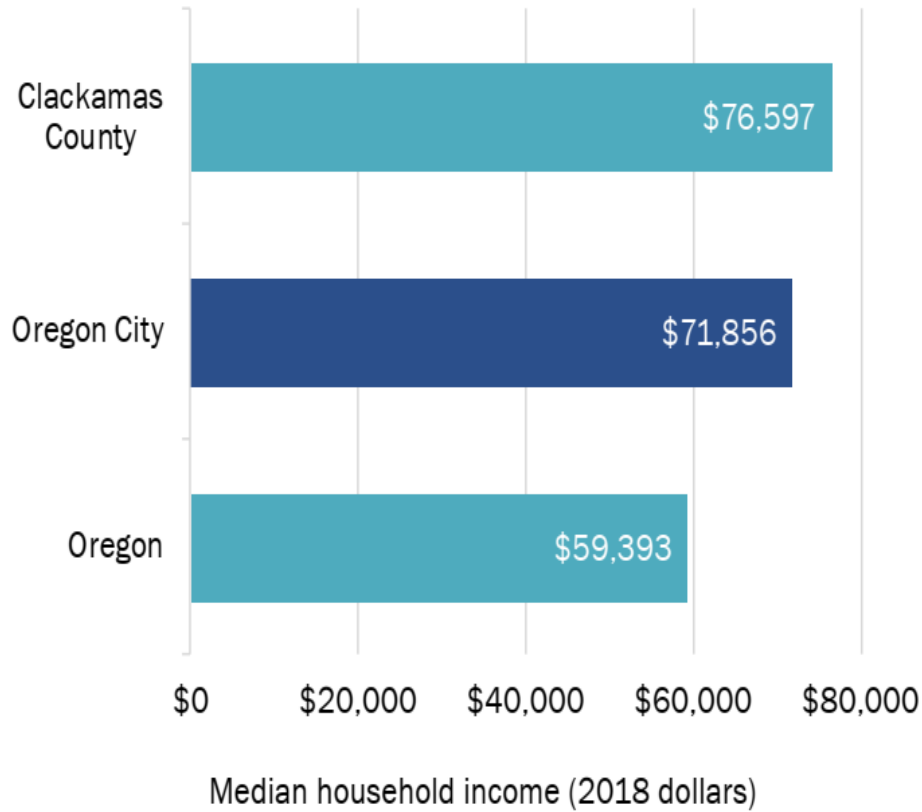
Graph 7. Population Distribution by Age, Oregon City, Clackamas County, Portland Region, Oregon, 2014-2018. Source: U.S. Census Bureau, 2014-2018 ACS, Table B01001.

Income

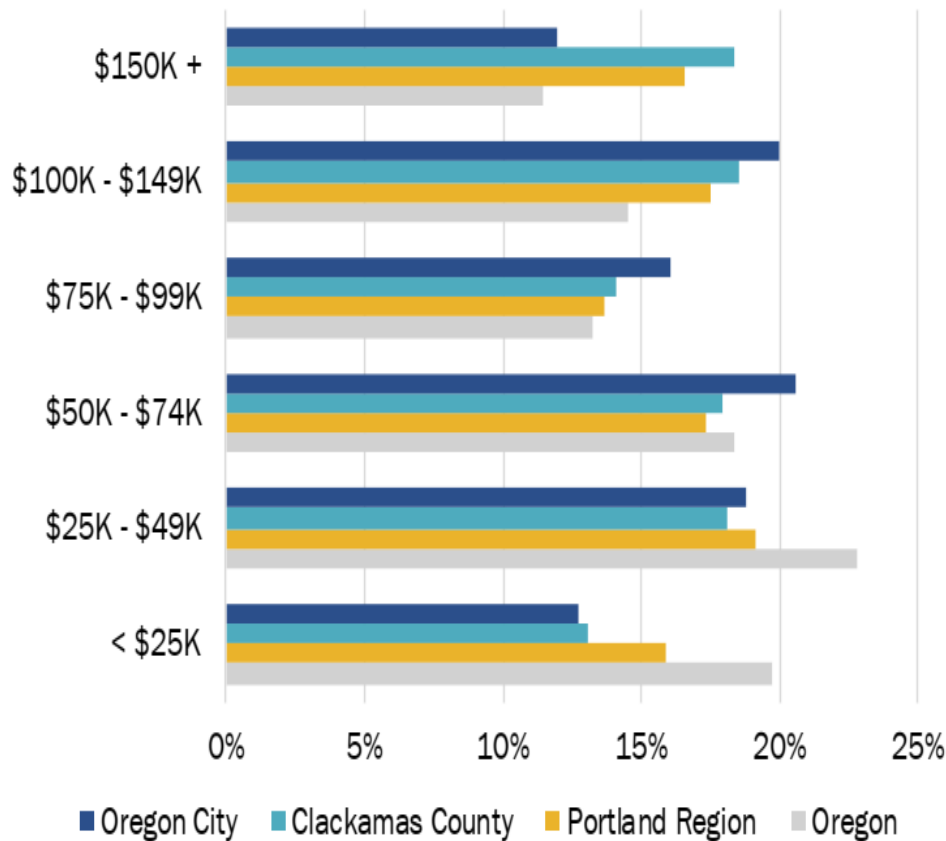
Income and wages affect business decisions for locating in a city. Areas with higher wages may be less attractive for industries that rely on low-wage workers. In the 2014-2018 period, Oregon City's median household income (\$71,856) was below the county median (\$76,597). In 2018, average wages at private businesses in Oregon City (\$46,524) was also below the county average (\$52,589).

Between 2000 and 2018, Clackamas County's and Oregon City's average wages increased, as did average wages across the state and the nation. When adjusted for inflation, average annual wages grew by 24% in Oregon City, declined by 2% in Clackamas County, and grew by 11% in both Oregon and across the nation.

Workers that are paid higher wages usually have the skills that justify their pay, hence, attracting the type of companies that the City's Economic Development Department is targeting. Such employees have more disposable income to attract higher-end retail and increase the local tax base to pay for schools, fire, and police.



Graph 8. Median Household Income, Oregon City, Clackamas County, Oregon, 2014-2018
Source: U.S. Census Bureau, 2014-2018 ACS 5-year estimate, Table B25119.



Graph 9. Household Income, Oregon City, Clackamas County, Portland Region, Oregon, 2014-2018 Source: U.S. Census Bureau, 2014-2018 ACS 5-year estimate, Table B19001.

Educational Attainment

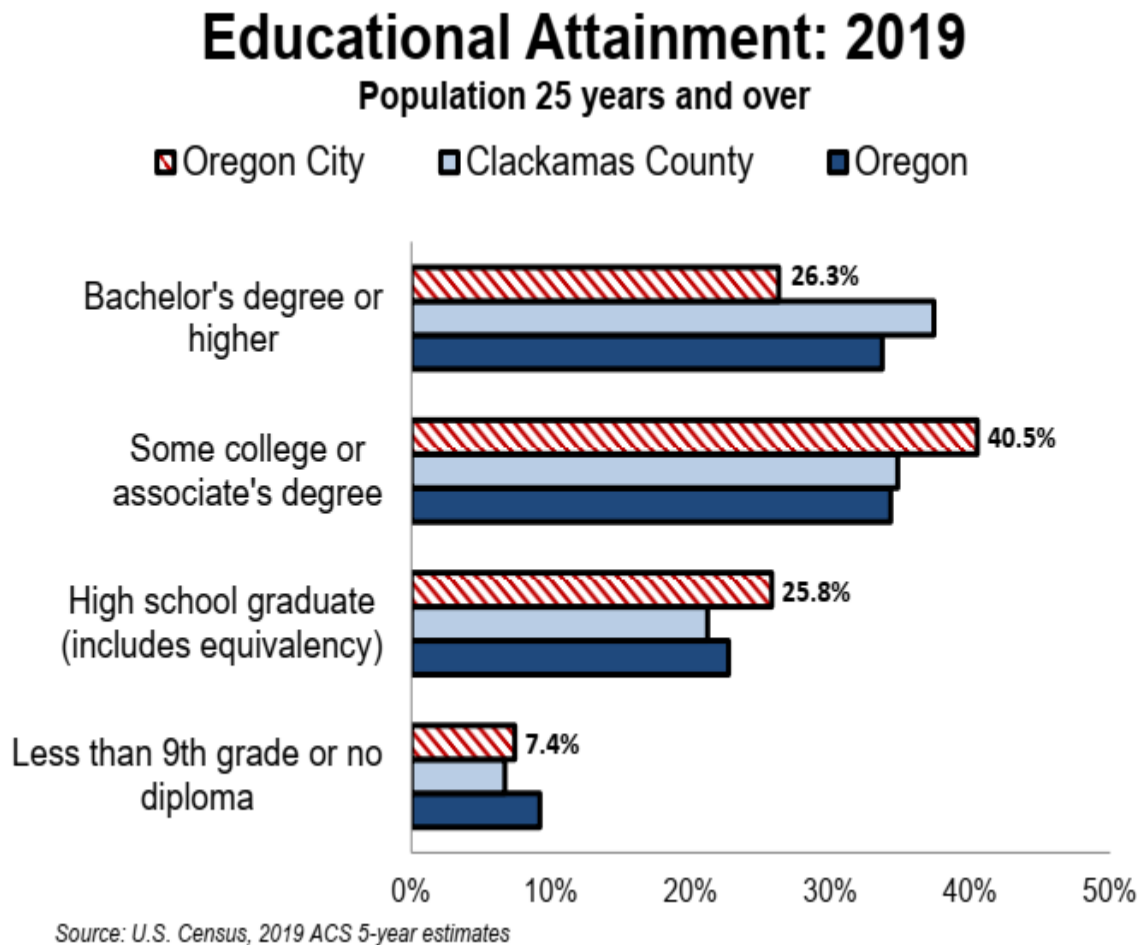
The availability of trained, educated workers affects the quality of labor in a community. Educational attainment is an important labor force factor because firms need to be able to find educated/trained workers.

In 2019, Oregon City has a higher percentage of its population, 25 years and older, with a high school education (25.8%) and with some college or associate degree (40.5%) compared to Clackamas County and Oregon.

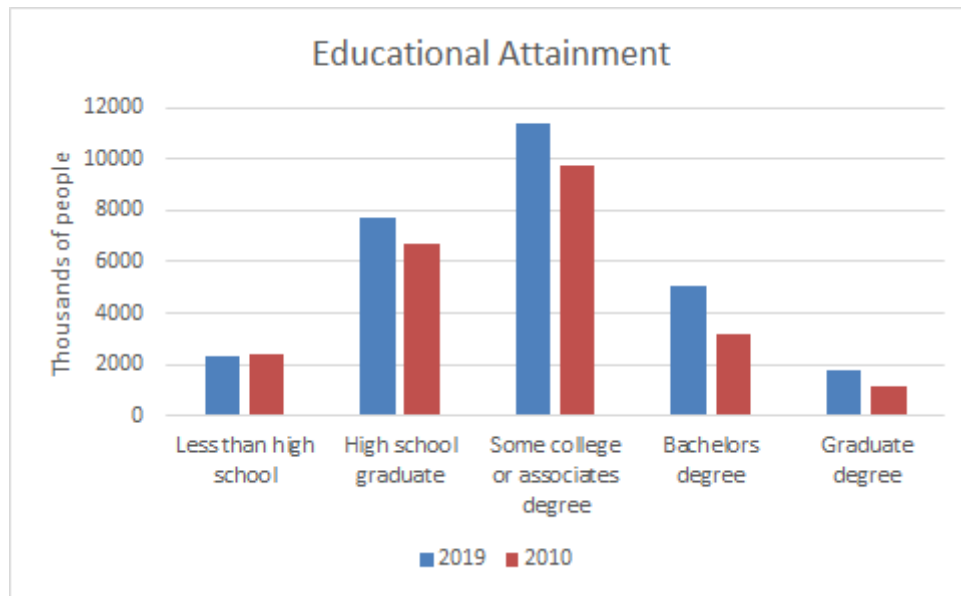
On the other hand, Oregon City has a much smaller portion of its population with a bachelor's degree or higher (26.3%) than either Clackamas County or Oregon.

When compared to the Clackamas County and the State of Oregon, residents of Oregon City show a greater percentage of its residents that did not fully complete their college or associate-level education, although more of the City's residents did complete high school or its equivalent than the County or State.

The need for programs and initiatives that help individuals complete what they have started with regard to their educational or training goals will go a long way in attracting the type of companies that can help sustain workers' quality of life.



Graph 10. Educational Attainment by Area. Source US Census 2019 ACS.



Graph 11. Educational Attainment in Oregon City. Oregon City GIS Department. ESRI Data. Generated 8/26/21.

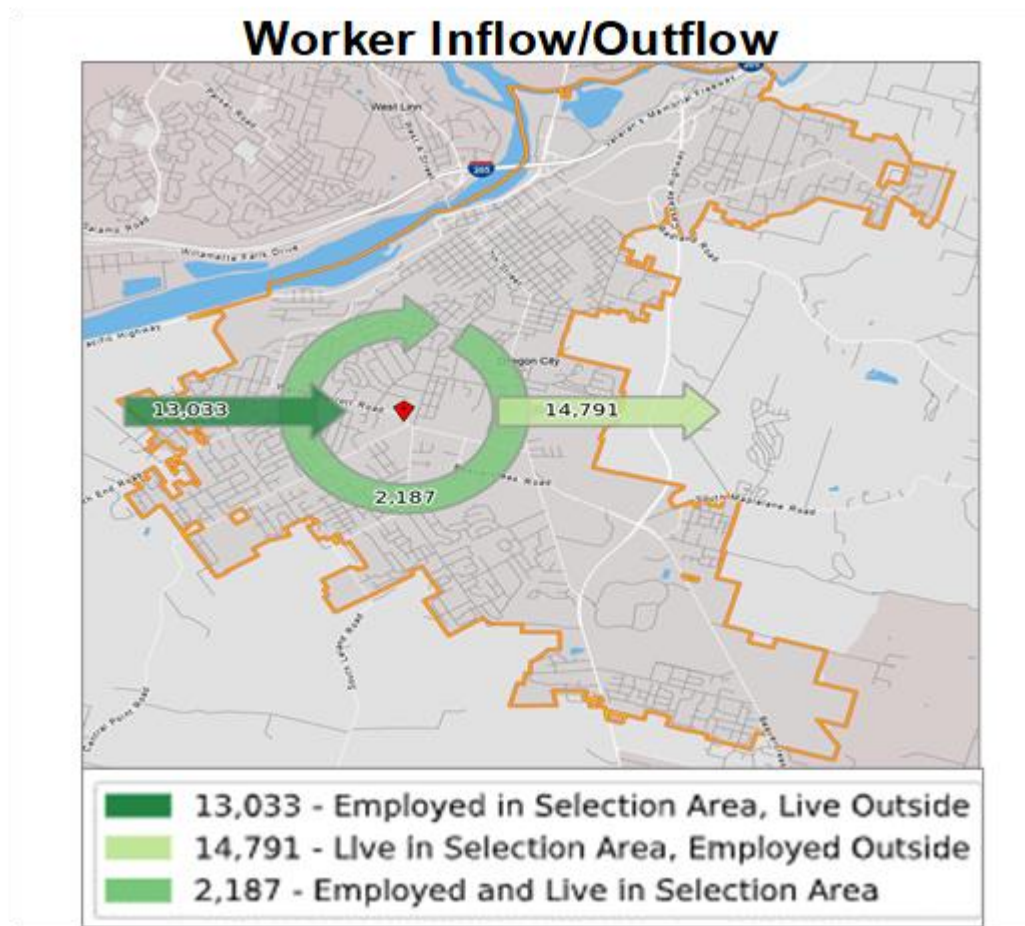
As with any socio-economic data, it's important to recognize the overall trends. Between 2010 and 2020, Oregon City added 10,131 new residents.⁹ The people moving to Oregon City come from across the educational spectrum. However, the rate of change within educational attainment levels was greatest among those with an associate degree or some college, and those with a bachelor's degree.

Commuter Travel Patterns

Most people who work in Oregon City travel from outside of Oregon City to get to their place of employment. In 2018 for example, more than 13,000 employees came to Oregon City during the work week, or approximately 85.6% of the local workforce.¹⁰ On the other hand, there were 14,791 Oregon City residents who traveled outside of the community to get to their place of work. Meanwhile, fourteen percent of the local workforce or 2,187 workers, lived and worked in Oregon City in 2018.

⁹ Goodman, Beth and Sadie DiNatale. Page 8.

¹⁰ Wallis, Lynn. Business and Demographic Fast Facts, Oregon City. June 23, 2021. Oregon Employment Dept.



Oregon Employment Dept. Used with Permission.

With existing commuter travel patterns as mentioned, the desire to work closer to home, the volatile changes in gas prices, increases in greenhouse gases, and the potential for new toll roads, conditions are ripe for new initiatives to enable more people to work where they live. More Oregon City residents working where they live would translate into more revenue being generated and spent locally and possibly circulating longer before finally leaving the city. This helps with supporting existing local small businesses and attracting new entrepreneurs.

Oregon City's Workforce

The availability of trained workers in Oregon City will impact the development of its economy. A skilled and educated populace can attract well-paying businesses and employers and spur the benefits that follow from a growing economy. Key trends that will affect the workforce in Oregon City over the next decade include its growth in its overall population, changes in the age of the population, incomes, educational attainment, access to housing, and commuting trends.

A resilient economy depends upon the availability and depth of experience of the local workforce. Oregon City relies upon trained individuals and access to a pipeline of talent. Like firms throughout

the region, companies large and small in Oregon City are currently reporting a shortage of workers as pandemic restrictions have been lifted. In March 2021, Oregon Governor Kate Brown announced two workforce related priorities in her economic recovery plan, including the generation of workforce development opportunities and “Supporting Oregon’s workforce that is currently employed but struggling.”¹¹

Likewise, Oregon City will support and expand its local workforce by identifying resources and fostering connections to enable employers to provide quality jobs and secure the employees that they need to be successful. An effective workforce development approach relies upon partnerships with workforce development, employment department, education and training organizations and employers.

The Economic Development Strategic Plan Steering Committee created a subcommittee on workforce development in late 2020 to inform, research, and guide policy development with the objective of examining the existing workforce in Oregon City. The workgroup met through late spring 2021.

To gain greater insight of the community’s workforce, the subcommittee established several focus groups of people who lived in Oregon City and were between the ages of 18 to 35. Portland General Electric donated the time of its top market research executive to Oregon City to design the protocols of the various focus Groups. The PGE marketing executive designed the focus group survey instrument and trained several City staff on how to facilitate the proceedings of the focus groups.

Oregon City Focus Groups and Interviews

The opportunity to participate in the Focus Groups was promoted on social media, Oregon City’s website and through flyers posted at Oregon City supermarkets, at a few apartment buildings and in downtown businesses. In addition, social media posts and neighborhood flyers were translated into Spanish. To ensure the best possible participation, a \$30 incentive was provided to each of the participants that took the survey. Sixty-two people initially registered to participate, a total of 50 people actually participated in the survey.

Covid restrictions and the need to host focus groups on the Zoom platform necessarily impacted community participation. Residents with easy internet access were more likely to participate. Economic development staff attempted to address this inherent limitation by hosting information tables at the Farmers Market and partnering with HACC and Worksource Clackamas.

Oregon City partnered with the Housing Authority of Clackamas County to offer an in-person Focus Group at one of HACC’s residential properties. In addition, Oregon City also partnered with Worksource Clackamas, promoting the opportunity to participate through the Worksource office on High Street.

¹¹ Sarah Cline. “Oregon Governor Announces 10 Point Economic Recovery Plan.” Oregon Public Broadcasting. March 23, 2021. <https://www.opb.org/article/2021/03/23/oregon-governor-announces-10-point-economic-recovery-plan/> (Accessed May 18, 2021).

Between mid-May and mid-September, nine (9) focus groups were held, 28 phone interviews with individuals were conducted, and 11 one-on-one person interviews took place. Covid safety restrictions mandated that the focus groups be held via Zoom. Most individual interviews were conducted on the phone. The one-on-one in-person interviews took place at the Farmers Market on June 26th and July 10th of 2021.

Themes Heard in Focus Groups/Interviews

Focus Group participants consistently pointed to the City's distinct identity and convenient location as two of its strongest attributes. "Convenient" defined as close to both Portland, with its employment and cultural opportunities, as well as rural locations and their beauty/recreational assets. Oregon City's walkable downtown was positively described. When asked about the attractions or activities that they wished Oregon City could offer, participants referred to the need for more activities for young adults. They liked the trend of interesting restaurants offering a range of different foods, including Corner 14, and requested more of the same.

Barriers to Entry Level Employment

Most survey participants were in an established career or had recently graduated from community college with an identified career interest. Two in-person interview respondents in the first year of college described the benefits of AP instruction and career related support that they had received at Oregon City High School.

Other survey participants described themselves as "uncertain" of their general career goals. They pointed to difficulties in finding "entry level" jobs. While people were generally aware of Clackamas Community College, respondents who were not current or recent students were unaware of the kinds of training that they could potentially receive there. Respondents uniformly had a hard time identifying professional networking and career resources that are available in Oregon City.

The Impact of Coronavirus in Oregon City

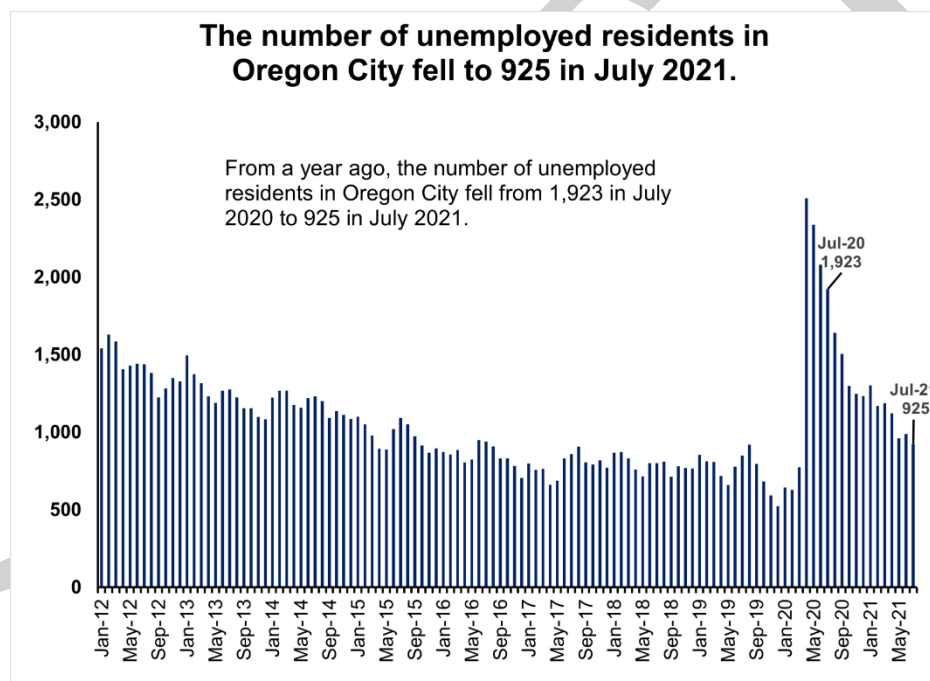
The Coronavirus pandemic has clearly had an impact on Oregon's City economy, and its effects continue to be felt in 2021. In April of 2020, the unemployment rate in Oregon City was a stark 13.4%. A year later in July of 2021, that rate had fallen to 4.7% with 925 people remaining unemployed.

Jobs and Businesses

Statewide, the industries most impacted by Covid were accommodation and food services, followed by construction, manufacturing, and healthcare and social services. Oregon City experienced a similar pattern. In 2021, retail and service employers in Oregon City have faced multiple obstacles in trying to fill available jobs, as uncertainty in the labor market and public health concerns have continued from 2020.

In September 2021, most unemployment benefits came to an end in Oregon, including the extra weekly federal stipend of \$300.00 per week. Many employers and policy makers thought that employees would be returning to work in droves. However, that has not proven to be the case.

As of October 2021, many industries in Oregon and Oregon City have experienced challenges with attracting workers. Surveys conducted by the U.S Department of Labor as well as other agencies have concluded that many workers are not interested in returning to the same low-paying jobs that they once had. Other respondents to surveys indicated that finding affordable childcare still remains a challenge for many households. Due to the virus, other workers have stated that they have experienced an epiphany and are seeking other career options and are not interested in being on the front lines of confronting the Coronavirus.



Graph 12. Number of Unemployed People in Oregon City, 2012-2021

Inflation

As of August 2021, the U.S. Inflation rate was 5.3% higher than in August 2020. Over the summer of 2021, consumer demand has been high but the availability of supplies for goods and services has been low. Although the Federal Reserve has indicated the current inflation rate is temporary, it depends on long is temporary, especially as the Federal Reserve considers pulling back on incentivizing the economy next year.

The Supply Chain (Late Summer/Early Fall 2021)

Supply chain challenges have existed in the United States for many years; however, due to COVID-19, the existing challenges have mushroomed into large-scale disruption. While the virus rages on, labor shortages persist in spite of wage increases and the decrease of unemployment benefits. The demand for goods has increased faster than the distribution system can catch up and adjust itself. Goods that go through the Port of Los Angeles and Long Beach, or roughly 40% of all goods entering the U.S., have to wait on barges and ships for several weeks.

It has been a challenging time for many Oregon City-based businesses. Whether they are restaurants or manufacturing, many businesses in the community have been experiencing both shortages in labor and supplies.

Investment In Oregon City

Despite the disruptions and hardships that the virus has caused, inquiries to buy and develop property in Oregon City has not waned. In fact, inquiries about vacant land owned by the Urban Renewal Commission have been steadily strong. While this is not expected to last forever, Oregon City has an important opportunity to grow in a direction that will have a positive impact on its capacity to establish a more resilient economy for many decades to come.

Strengths, Weaknesses, Opportunities, and Threat Analysis (“SWOT”)

Oregon City has several **STRENGTHENS** that should be noted:

- **Good Location**

The community situated within the highly populated Portland Metro Market. There are several major highways, including Highway 99, Highway 213, and I-205 that provide easy access to I-5. By car, Oregon City is less than 30 minutes south of downtown Portland. Businesses in Oregon City have access to the labor force in the Portland Region as well as to graduates from Clackamas Community College.

- **Transportation (blend good location and transportation)**

Oregon City is located on Highway 99, Highway 213, and I-205. Highway 99 is a primary north-south transportation corridor linking travelers to Salem and other communities east of I-5. I-205 is a major north-south interstate that connects travelers to I-5 and runs into east Portland and Washington. Oregon City's access to markets is, in part, related to its location and its access to transportation. Businesses in Oregon City can access markets in the Portland Region as well as the broader markets via Highway 99, Highway 213, I-205, and I-5. Businesses also have access to markets available via the Port of Portland and Portland International Airport, both of which are 20 miles from Oregon City.

- **Labor market**

The availability of labor is critical for economic development. Availability of labor depends

not only on the number of workers available, but the quality, skills, wages, and experience of available workers as well. Commuting is common in Oregon City, with 86% of Oregon City workers living outside of the city and 87% of Oregon City residents working outside of the city. The commuting patterns show that businesses in Oregon City are able to attract skilled and unskilled workers living around the region.

Government and education are the top employment sectors in Oregon City. As the County seat, Oregon City is home to several County and regional organizations such as the Clackamas County Community College's main campus. The College founded in 1966 and is now one of the largest community colleges in the state of Oregon, serving an average of 26,000 students annually.

Providence Health & Services operates the Willamette Falls Medical Center, a not-for-profit acute care hospital in Oregon City employing 670 people. And the Oregon City community is home to Benchmade Knife Company, Inc., premier manufacturer of world-class sports cutlery and edged tools.

The Oregon City's workforce is relatively educated and young. Businesses in Oregon City have access to highly educated skilled workers, nearby college students, and unskilled workers. Residents and businesses in Oregon City have access to students and training programs at Clackamas Community College.

- **Cost of doing business.** Compared to the Portland Region, commercial real estate is traditionally more affordable in Oregon City. However, vacancies for both commercial and industrial property are low, suggesting increasing competition to do business in Oregon City.
- **Tourism and access to outdoor recreation.** Oregon City was established in 1829 and in 1844 was the first incorporated city west of the Missouri River. There are several historic houses and museums situated within the community that stand as a testament to the City's historical significance to the State of Oregon and to the United States. The community's history establishes it as the State's original hometown.

Oregon City does face notable **WEAKNESSES**.

- **Lack of Larger Tracks of Land Flex Space or "Spec" Buildings**

The community lacks available vacant land of 15 acres or more. When seeking to relocate, manufactures and warehousing facilities have very tight schedules to comeback online. These companies are not willing to wait until the community establishes the necessary infrastructure. Manufacturers, as well as logistic companies, are looking for either available land of ample size and/or existing spec buildings with a minimum of 50,000 square feet.

- **Need for Flex Space or "Spec" Buildings**

The need for flexible space or the lack of "spec" structures hamper efforts to attract

manufacturing and technological production-type businesses. On a monthly basis, the Economic Development Department receives requests for flex space and/or spec between 50,000 sq ft up to 100,000 sq ft. Currently, the community does not have buildings of this type and size. The geographic location of the community alone makes having spec buildings or an industrial park an important draw for industrial/technical industry. The more land and/or buildings that the City owns the more it can direct its future.

The community has great **OPPORTUNITIES** in its future:

Oregon City is located on the Willamette River; near several boat launches, Willamette Falls, nature and City parks, the Clackamas River Trail, and golf courses; and less than one hour away from the Gorge Scenic Area. Recently, the City began implementing its Tourism Strategic Plan which will continue to shape and enhance the city's niche in the tourism market.

Oregon City's downtown area is an important investment that helps to identify community's place in the tourism market. A strong, vibrant downtown area enables the entire community to solidify its identity within the region and attracts investment dollars to support important projects. However, without the strong financial support of the downtown businesses in their Downtown Oregon City Association ("DOCA") the investments made thus far will become stale and dated and the downtown will revisit its unfortunate past. City government will not be able to indefinitely provide financial support to DOCA, a private nonprofit, organized on behalf of the downtown area and its businesses.

Oregon City enjoys easy access to outdoor recreation as well as close proximity to the region's largest city, Portland. Participants in a focus group hosted by the City's Economic Development Department cited these attributes as reasons they moved to and/or are likely to remain in Oregon City. As the City and its partners build Oregon City's Tourism infrastructure, more visitors will come to enjoy Oregon City's restaurants and explore the community's attractions. This trend will continue over the next 5 to 10 years, as the City invests resources in its tourism campaigns and the number of attractions, restaurants, and activities continue to increase.

The Urban Renewal District presents some very exciting development and growth opportunities for the community. If applied to stimulate economic growth and to create public investments that complement private investment, the creation of jobs, the broadening of the tax base, and the emergence of a multiplier effect that supports the growth of small businesses will be the resulting impact.

Several **THREATS** endanger the community's economic growth:

Clackamas County Courthouse – Pending Relocation

An underlying concern is the impending move of the Clackamas County Court from its current location in downtown Oregon City (807 Main Street). Although the County Court will remain in Oregon City, its new location is far enough removed from the downtown threatening the livelihood of many small restaurant businesses. The County Court site downtown is heavily utilized by attorneys, judges, plaintiffs, and many others for a variety legal-related business. As such, restaurants and retail establishments are the benefactors of the heavy use of the County Circuit Court Building.

The relocation of the Clackamas County Court from the downtown area will be felt by the businesses that have come to depend on the people traffic generated by the courthouse. The Economic Development Department will work in partnership with Clackamas County and the Downtown Oregon City Association to implement a full transition strategy to replace the loss of people traffic with that of another opportunity.

Rising Cost of Development

Another area of concern that threatens the overall growth of the community is the rising cost of development in Oregon City. Unfortunately, revenue sources for Oregon City are limited to property taxes, state shared revenues, and charges for services. As a result, Oregon City relies heavily on property taxes and other self-generated revenues including franchise fees, building permits, business licenses, and system development charges. It is important that City government find ways to contain the rising cost of development. The danger of increasing business investment costs will either slow or stop business investment altogether within Oregon City.

Skilled-Labor Force Constraints

More technical skilled workers are needed, particularly as an aging workforce reaches retirement age or decide to leave the workforce earlier than planned. Meanwhile, younger workers are not replacing older skilled employees in significant numbers because they do not view those jobs as “attractive employment opportunities.” In addition, many parents favor their children attending college as opposed to becoming skilled-trade workers.

The City’s economic development staff interviewed many officials and employees of exiting workforce development organizations on the county and state levels to gain insight as to the challenges that these organizations face in providing workforce development services. The following observations were revealed:

- Lack of marketing/promotion dollars
- Data input and information management is cumbersome and problematic
- The forms are all different but trying to get the same information
- Too many procedures and procedural confusion
- Services provided and collaboration are based on personal relationships
- Agencies protecting their own self-interests
- Lack of efficient/effective coordination
- Too many choices of assistance that few people know about
- Bureaucratic concern as to who gets credit
- Poor follow through and follow up
- Lack of understanding of the customers’ needs/not listening
- Bureaucracies believing in their own hype
- Paralysis through analysis
- Lack of written agreements between agencies and employers

Childcare Constraints

Childcare and labor force participation are necessarily intertwined. If a parent is unable to access affordable childcare from a relative or professional childcare provider, then he or she may need to forgo work opportunities and the associated income. Like much of the state, families in Oregon City have faced a critical shortage of affordable childcare options, according to the Oregon Department of Education Early Learning Division.¹²

The COVID-19 Pandemic exasperated the childcare challenges that already existed for many families in Oregon City. Childcare needs to be available and affordable so that many individuals will have the opportunity to be gainfully employed again.

As employers compete for workers and try to build strong relationships with their staff, providing quality care can become an important incentive. Oregon City currently has 26 childcare businesses, serving children from 6 weeks to 12 years old. Importantly, most Oregon City's providers (73%) are home-based business.¹³ The cost for childcare ranges from \$165 to \$190 per week per child for home-based care.¹⁴ Families face a two-sided challenge when it comes to childcare – the number of available provider options is limited, and the cost is high.

As with Workforce, the Economic Development Strategic Steering Committee established a Childcare Subcommittee. In May 2021, the Childcare Subcommittee conducted a survey of Oregon City's childcare businesses. Twelve of Oregon City's businesses responded. When asked what the biggest barriers to growing their businesses, respondents shared the following answers:

Size limitations of our facility	6
Staffing shortages	5
Regulatory requirements for home-based providers	4
Other issue	4
Cost of physical improvements	3
Other regulatory issue	1
Terms of our current lease	0

Childcare providers in Oregon City reported strong demand for their services. Many shared that they had long wait lists. They also identified the following concerns:

- Having to open and close in each classroom (hard to schedule staff without them burning out),

¹² The State of Early Care & Education and Child Care Assistance in Oregon. Oregon Dept. Of Education and Early Learning Division. Page 1. December 2019.

¹³ Oregon City Economic Development Department Survey, May 2021.

¹⁴ Cited from website www.care.come/day-care/oregon-city-or.

- Lack of teacher qualified candidates, long process for Aide I's to increase status and be allowed in a classroom.
- Stable group environments.

Support of policies that enhance the childcare industry helps all industries.

Perception of Not Being Business Friendly

Creating a business-friendly environment should be the collective responsibility of government, private nonprofits, residents, and existing businesses. They all have a part to play in creating a business-friendly eco-chamber.

- **Government**
Clear communication, intentional education, good customer service and thoughtful regulatory stipulations and processes are key elements of a business-friendly environment. Ensuring that the development process and other policies are streamlined, transparent, predictable, and cost contained are key to projecting a business-friendly environment.

It is important that elected officials demonstrate the same commitment and enthusiasm to existing business as they do to new business prospects. Public officials can use speeches, interviews, and other communications to rally the community around a message to support and welcome business investment.

- **Private Non-Profit Entities**
Sponsoring forums on how to support local businesses and how to overcome the challenges of business ownership can go a long way in conveying a supportive business environment. Publicly celebrating business successes (expansions, new product lines, new business) is an important message not only for the business impacted but for other businesses as well.
- **Residents**
Neighborhood Associations that develop or support “buy local” initiatives is an important way to establish a community wide enthusiasm for businesses.
- **Existing Businesses**
It takes a long time to make a substantial impact in the community for most small businesses. Where it makes sense, more small businesses should collaborate or form specialized partnerships with one another to address issues that few small businesses can manage alone such as childcare or workforce development.

IV. Oregon City Goals, Strategies and Milestones

The Oregon City 2022-2027 Economic Development Strategy builds upon five central target areas of development:

- A. Business Retention and Expansion
- B. Business Attraction
- C. Entrepreneurship
- D. Urban Renewal
- E. Tourism Development

Each of the five development areas have goals, strategies and milestones. The goals section reveals the direction that each development area should be focused on, while the strategies and milestones sections provide specific direction to guide the Economic Development Department's work over the next five years.

A. Business Retention and Expansion ("BRE")

1. Goal: Retain and Foster Local Business Through Proactive Outreach and Communication

Economic Development staff will meet regularly with target industry businesses to understand and respond to their concerns. Economic Development staff will also meet, from time to time, with other businesses. The purpose of these visits is to better understand and respond to pertinent business concerns. Although BRE visits will focus on Oregon City's target industries, staff will be responsive to all business concerns.

a. BRE Outreach and Support Strategy

The City's economic development department will meet with 5 local businesses every quarter and respond to their needs, relative to growth and/or retention. During a BRE visit, staff will connect local businesses with available development and investment sources. Depending on the company, these resources range from business planning, financing, re-location assistance, and hiring resources, to industry specific development assistance.

- i. Milestone One – Develop a BRE Business Resource kit.

Timeline – March 2022.

- ii. Milestone Two – Complete 20 Target Industry BRE Visits.

Timeline – November 2022. COMMENT

2. Goal: Workforce Development – Support the Development of a Systemic Skills-Based Training and Job Placement Network

Oregon City's Economic Development Strategy includes specific workforce development strategies that seek to increase and improve the level of collaboration among workforce

development partners and private industry. The ultimate outcome is to improve workforce participation and engagement especially for people in the 18- to 35-year-old age range.

The “Talent Ready” Initiative, A Pilot Project

Like companies throughout the Portland metro region, and throughout the country, employers in Oregon City are currently struggling to find workers as the economy emerges from a year plus of pandemic related disruptions. At the same time, workers from a variety of backgrounds want “quality jobs” but find it difficult to find this type of employment because many workers do not have the perquisite skills for such work.

The City of Oregon City will respond to the needs of both employers and individuals, that want and need technical skill-training by launching its “Talent Ready” Initiative. This program is designed to be a systemic and comprehensive strategy designed to help employers secure talent and prepare individuals for technical skill-related jobs including trade jobs.

Talent Ready creates a close-knit systemic network of workforce development professionals, job training providers, primary and secondary education partners, social service organizations, and mental health professionals who work in a manner that appears, from the outside looking in, as an almost seamless organization. This concept is based on the fact that clients, whether individuals or employers, do not want to see how bureaucracies create sausage and nor should they. Talent Ready is designed to address the needs of the client not only that of the bureaucracies involved in workforce development work. It provides more than technical skill-training but also provides access to “wrap-around” services that exist throughout the network so that people can work.

a. Strategy – Work with Partners to Launch the Talent Ready Initiative

There are several local partners whose involvement will be critical to the successful launch and execution of Talent Ready. These partners include the Clackamas Workforce Partnership, Clackamas Community College, Oregon Employment Department, the Oregon County Department of Human Services, the Oregon City School District, public/private mental health professionals, and business/corporate leaders, just to name a few.

For its part, Oregon City’s Economic Development Department will work with each of these entities to help mitigate entities operating in silos, aid in the development of a united user-friendly network of services, and market the network to the business community and general public.

i. Milestone One: Draft Talent Ready Partnership Agreements

Oregon City will work with each partner to craft Talent Ready Partnership Agreements. The Partnership Agreement will specify roles for each participant and expected outcomes.

Timeline: May 2022 – Initial draft agreements developed.

b. Strategy - Identify and Recruit Participating Employers

Employers clearly play a central role in the effective execution of Talent Ready. They will also be involved in hosting on-the-job training opportunities. Economic Development staff will work with its partners to identify and recruit employers to be involved in Talent Ready.

i Milestone Two: Recruit Employers

Timeline: September 2022 – Initial draft agreements developed

c. Strategy - Market and Promote Talent Ready

Oregon City's Economic Development Department will utilize its resources to aggressively promote and market the entire workforce development system throughout Clackamas County and beyond. TV commercial ads, billboards, social media outlets, and carefully placed printed media will constitute the arsenal of media advertising.

i Milestone Three: Market and Promote Talent Ready

Timeline: January 2023 – Implement Promotion Activity

3. Goal: Childcare - Increase the Number of Childcare Opportunities in Oregon City for Children Ages 0 to 5 (Pre-Kindergarten).

Oregon City has the goal of increasing the number childcare opportunities for children between the ages of 0 and 5. There are multiple tangible benefits of obtaining this goal, including improved preparation for kindergarten and future academic success for the children, and increased time to pursue income opportunities for child guardians. Increased workforce participation among parents and guardians directly leads to improved family income.

The lack of available childcare has a direct negative impact on the local economy. "Oregon businesses are (also) reporting the impact of quality childcare on their bottom line, as they struggle to find employees or as the effect of unstable, low quality childcare arrangements causes workers to miss days and lose productivity."¹⁵

Childcare businesses in Oregon City almost uniformly reported waiting lists and a shortage of available childcare "spots" in the community. Only one of the childcare companies who responded to the City's survey indicated that they had available openings. Throughout Clackamas County, and the entire State of Oregon, childcare shortages are common.

a. Strategy - Employer-Based Childcare Center Feasibility Study

During the height of the Covid-19 pandemic, working parents lost the childcare structure provided by school. This loss and the accompanying reduction in working hours emphasizes the connection

¹⁵ The State of Early Care & Education and Child Care Assistance in Oregon. Oregon Dept. Of Education and Early Learning Division. Page 1. December 2019.

between access to childcare and the ability to work. And as companies struggle to find the workers they need, benefits such as schedule flexibility to support working parents and support for daycare participation, can be an important incentive when recruiting employees.

In initial conversations with a small sample of Oregon City employers, they expressed interest in establishing a new childcare facility in Oregon City that would serve the childcare needs of one or more local employers. The service would either be contained in the same building as one of the employers, or in a location that is close to multiple employers.

Economic development staff will host more conversations with employers to further gauge employer interest and obtain a very preliminary number for the range of potential children who could potentially participate. If the feasibility study shows a strong desire to proceed with the development of a childcare center, a public/private partnership should be pursued with the City providing reduction in permitting costs as well as some form of financial support.

i Milestone One: Complete Childcare Feasibility Study

Timeline: June 2022 – Dec. 2022

ii Milestone Two: Identify 3 to 5 employers to support funding a childcare center

Timeline: Dec. 2022

b. Strategy - Recruit New Childcare Providers to the Community

Across the state of Oregon, families are struggling to find quality, affordable childcare.¹⁶ Oregon City is no exception. One local provider reported that she receives inquiries for childcare spaces on a weekly basis. The Covid-19 pandemic forced childcare centers to close or reduce capacity, making it more difficult for families to access care. While many of the 2020 restrictions have been minimized, childcare centers reported in June 2021 that they remain operating at two-thirds of their desired capacity.¹⁷

Economic Development staff will identify and attract 1-3 new childcare businesses to Oregon City during the 2022-2027 period. The Childcare Subcommittee of the Oregon City Economic Development Strategy Steering Committee supported the goal of creating additional childcare capacity in our community, at either through more home-based establishments or via the creation of a center-based facility.

To the extent possible, City staff will support existing providers. For example, it is important that staff monitor the availability of funds that will come to Oregon and Clackamas County through the

¹⁶ Early Learning Division, Oregon Dept. of Education. The State of Early Care and Education and Child Care Assistance in Oregon. December 2019. Page 1.

¹⁷ Early Learning Division, Oregon Dept. of Education. Press Release July 21, 2021. “New Report Shows How Covid-19 Heightened Challenges for Child Care Providers.”

American Rescue Plan Act. If a competitive application becomes available for individual providers to apply, the Oregon City Economic Development Department will inform community childcare providers.

- i Milestone Three: Attract 1 to 3 new childcare businesses to Oregon City

Timeline: Dec 2023

c. Strategy - Improve Affordability of Childcare by Helping to Reduce its Cost

In addition to increasing the number of childcare opportunities, the cost of care is also a significant issue. For 20% of the Oregon workforce that left their job in 2020, the primary reason cited was the cost of childcare. Childcare costs vary depending upon the age of the child and the childcare setting. Home-based childcare is typically smaller than center-based care and is generally, less expensive. The location of childcare is also a factor; Oregon City is part of the Metropolitan Statistical Area for Portland. Oregon City's prices therefore tend higher than more rural areas of the state.

- i Milestone Four: Establish a Forgivable Loan Fund

Timeline: April 2022

4. Goal: Business Advocacy – Establish a Business-Friendly Posture

An “ombudsman” is an advocate, a proactive partner who works to resolve conflict between business and government with respect to regulatory-related issues. Oregon City's Economic Development staff along with other City staff will serve the community's businesses by providing timely information and supporting business efforts to gain access to development resources and information.

Staff will meet directly with businesses, sometimes proactively and at other times responding to direct requests for assistance. Economic development staff will also attend pertinent meetings of interest to local business leaders. By advancing an “ombudsman” system, economic development staff are publicly committing to advancing a responsive and positive partnership approach between City government and the community's business investors.

- a. Strategy - Provide Customer Service Training to City Staff

The Oregon City Economic Development Department will engage a consultant to help construct a customer service program. The program will have the following features:

- development of user-friendly documentation for the public
- proactive outreach and education for the public
- active listening skills for the front line, public facing city staff
- principles of problem-solving
- customer service feedback

- i Milestone One: Develop Customer Service Training Program for City Staff

Timeline: March 2022

- ii Milestone Two: Establish Standard Operation Procedures for Ombudsman Engagement

Timeline: November 2022

- b. Strategy – Maintain a data base to track business customer/client engagement

Keeping a record of customer engagement services as a documented record of quality of service and outcomes. When reviewed periodically, the record serves as a method to help improve service as well as establish a statistical analysis of customer engagement.

- i Milestone Three: Establish a customer record management data base

Timeline: December 2022

B. BUSINESS ATTRACTION

1. GOAL: Attract New Businesses to Oregon City

The City's Economic Development Strategy offers goals aimed at fostering a **diverse, resilient and vibrant** local economy. Local utility companies can play a major role in helping to attract major investment to a community. Local utility companies will be invited to participate in Oregon City's business attraction strategy.

The strategy supports actions, policies and programs that foster an environment for growth by targeting certain industry clusters including

***Light manufacturing and assemblage**

***Logistics and wholesale distribution**

***Healthcare**

***Professional, Scientific, and Technical Services (especially electronic connectivity)**

***Tourism**

a. Strategy – Establish an Inventory of Available Property for Purchase/Development

Provide a platform for commercial realtors and property owners to share information about available commercial buildings and developable land. The platform would be free to use. Economic development staff would encourage realtors to maintain up to date information on the website and would monitor the site's accuracy.

- i Milestone One: Create an Inventory of Available Property with the Community

Timeline: February 2022

b. Strategy – Identify Properties That Could be Purchased by the City

Oregon City is surrounded by areas of unincorporated Clackamas County along its eastern, southeastern and southwestern boundaries. Regular population growth and infrastructure changes may require the city to acquire new land. Other factors may also be at play, including the potential growth of a local company that could lead to a significant increase in the number of local family wage jobs.

Oregon City staff will maintain current information on available properties and developable land. Staff will actively monitor opportunities to identify potential parcels of land within the urban growth boundaries that would benefit the growth of local employment and/or target industries. Oregon City staff will argue the need to begin annexation proceedings for sites that are important for future business investment.

i Milestone Two: Identify Properties for City to Purchase

Timeline: On-going

c. Strategy – Develop Marketing/Promotion Strategy to Attract Companies within the Industry Cluster Group

Through the use of industry market and financial data from a variety of sources, companies within the industry cluster group will be identified and marketed to relocate to Oregon City. This will be done by establishing a business attraction team comprised of the region's utility companies and other important players.

Oregon City's industry clusters are among the primary economic drivers in the community's Economy because:

- they provide competitive wages for their employees; and
- there already exists a strong concentration of firms that play a supportive role to Oregon City's industry clusters.

i Milestone Three: Establish a Business Attraction Team

Timeline: March 2022

d. Strategy – Launch a New Oregon City Economic Development Website

The Oregon City Economic Development Department will establish a separate website from that of the City's regulatory and community-related information website. Although the economic development website will feature the City's logo and provide links to the City's regulatory-related information, the information contained in it will be tailored to aid with business

investment and growth.

- i Milestone Four: Establish a New Economic Development Website

Timeline: February 2022

e. Strategy – Develop/Implement the Urban Renewal District’s Plan

To date, much has been done to develop the Urban Renewal District’s plan, including its vision and methodology for making decisions on investments. This work will continue in earnest up to the requirement of seeking voters’ approval to use tax increment to create jobs and improve infrastructure.

- i Milestone Five: Complete Urban Renewal District Plan

Timeline: April 2022

2. GOAL: Examine The Potential Of Establishing Fiber Optic Network in Oregon City to Serve The Business Community And Households

Advanced broadband capabilities are becoming more widely acknowledged as a basic necessity to support competitive businesses and to meet the growing digital needs of consumers. In its November 2020 report, The Oregon Broadband Advisory Council stated that “Once viewed as a luxury, broadband increasingly is seen as a necessity, as essential infrastructure and service.”¹⁸ Fiber Optic Technology is a specific form of broad band communications and arguably is among the best high speed communication technologies currently in existence. Fiber Optic technology ensures that companies of all sizes can securely conduct their online business.

Making Fiber Optic Technology readily available to local companies will enhance Oregon City’s regional competitiveness. A city-wide fiber optic network would serve both businesses and residents. A study of a potential city-wide network will examine the cost and technology barriers faced by many residents and business owners and, hence, the demand for this type of service.

a. Strategy - Develop an RFP to identify broadband consultants to conduct a feasibility study

The Oregon City Economic Development Department will issue a Request for Proposals (“RFP”) to identify a suitable provider to conduct a detailed Feasibility Assessment of a City-

¹⁸ Oregon Broadband Advisory Council Report. November 1, 2020. p. 5 Accessed 7/15/21.

https://www.oregonlegislature.gov/citizen_engagement/Reports/OBAC%202020%20Report%2011-1-2020.pdf

Wide Fiber Optics Network. Whether owned by the City or operated through a public/partnership with a fiber optic vendor, the study will determine the feasibility and estimated costs of providing fiber optic technologies to both businesses and homes throughout Oregon City..

- i Fiber Milestone One: Issue RFP to broadband consultants

Timeline: Done

- b. Strategy – Identify a broadband consultant to begin the work of conducting a feasibility study**

- i Fiber Optic Milestone Two: Identify a broadband consultant

Timeline: Done

- c. Strategy – Conduct the feasibility study**

- i Fiber Optic Milestone Three: Complete the Feasibility Study

Timeline: August 2022

C. ENTREPRENEURIAL SUPPORT

Not all business growth and development will come from existing companies or from businesses relocating to Oregon City. It is important to recognize that engaging in “entrepreneurial gardening” will result in the type of business investment that could have long and enduring roots in the community. Companies that find their beginning in a community and grow to larger businesses are more likely to remain the community due to a variety of factors such as family connections, community pride in the product or service provided, and a closer connection with the labor force. Furthermore, when local companies are successful, they are more likely to reinvest in their workers and community. For these and other reasons, the Oregon City Economic Development Department will work to support small business startups.

1. GOAL: Provide Greater Technical Assistance to Small Business Startups

The City’s Economic Development Department will nurture the growth of startups by connecting them to a variety of existing and new business development resources. In addition, the economic development staff will serve as strong advocates on behalf of small business startups affording them opportunities that larger more established businesses have utilized.

- a. Strategy – Technical Assistance Partnership Agreements**

There exists a variety of technical support resources for small businesses; however, no doubt some are better than others at providing technical services to businesses with 25 or fewer employees. The City's Economic Development Department will actively seek to partner with only those entities that actively and demonstratively provide impactful services to startup clients such as the Micro Enterprise Services of Oregon, and several others.

- i Entrepreneurial Support Milestone One: Draft technical assistance partnership agreements

Timeline: February 2022

2. GOAL: Support The Development of New Market Opportunities For Small Businesses

The startup stage of small businesses, usually between one to five years, is a very venerable point in the development of entrepreneurial endeavors. It is at this stage that business startups should obtain assistance in strengthening their foundation and market entry.

a. Strategy – Support the Development of New Market Opportunities

For its 2021-2022 annual operating budget, the City of Oregon City budgeted approximately \$10.7 million for professional and repair services, operating materials and supplies and office and administration supplies (see Table 6). The economic development department will work with other City departments to create a City-wide procurement program that directs a portion of its expenditures to community-based supply and service providers, to the greatest extent possible.

Professional & Technical Services	\$2,790,577
Repair & Maintenance Services	\$3,493,204
Operating Materials & Supplies	\$3,412,506
Office & Administrative Supplies	\$992,534
Total	\$10,688,821

Table 6 – Selected categories from the Oregon City 2021-2022 Annual Operating Budget

- i Entrepreneurial Support Milestone Two: the Oregon City Small Business Purchasing Assessment

In preparation to launch this program, the economic development department will first conduct an evaluation of City purchasing to understand what level of purchasing is currently directed to Oregon city-based businesses. It is necessary to identify local businesses that may have the capacity to grow further when provided the opportunity to

serve the City's purchasing needs.

Timeline: June 2022

- ii Entrepreneurial Support Milestone Three: Develop Procurement Program Guidelines.

Work with other City departments to develop procurement guidelines.

Timeline: November 2022

- iii Entrepreneurial Support Milestone Four: Promote the City's Small Business Purchasing Initiative

Develop marketing/education material to promote the program.

Timeline: January 2023

3. GOAL: SUPPORT ENTREPRENEURIALISM

a. Strategy – Develop a Loan Program for Small and Start-up Businesses

In addition to technical support and identifying new market opportunities, the City's Economic Development Department will directly provide financial resources to business startups. The department will establish The Small Business Growth and Retention Loan Fund, a low-cost, "patient money" loan program for Oregon city-based businesses. Eligible expenses will include working capital, building renovations, and machinery and equipment purchases.

- i Milestone Five: The Small Business Growth and Retention Loan Fund Program

Timeline: November 2022

D. URBAN RENEWAL DISTRICT

The Urban Renewal District is the single most important tool that the City of Oregon City has to help encourage and direct investment that will create jobs, build industry, and further develop the community. During its retreat to reestablish the District, Urban Renewal Commission recognized that the Urban Renewal District is a valuable economic development tool. Hence, retooling the District is an important undertaking if the community wants to control and direct its growth and development.

1. GOAL: Develop a Vision Statement and Framework for Decision-Making on New Projects

Oregon City is a historically, culturally, and geographically unique place in the Portland Metro Region. It was established in 1829 and in 1844 was the first incorporated city west of the Missouri River. The community's history establishes it as the State's original hometown. In Oregon City there are historic houses, museums, and Willamette Falls situated within the community that stand as testament to the City's historical significance to the State of Oregon and to the United States.

Oregon City is one of the hubs of the Portland Metro Area. It seeks to attract visitors, new residents who appreciate the community's commitment to quality of life. The City's core is a recognizable, vibrant destination with public and private investment in small-scale shops, a mix of restaurants, and cultural amenities that reflect the area's diversity.

Within the Urban Renewal District ("the District") residents live, work, and play while having access to various amenities including vibrant visitor experiences that attract the public during both the day and night; well-presented historical venues that provide visitors different vantage points of the community's past; enjoyable recreational opportunities of various types and venues; livable environs that enhance one's quality of life, efficient transportation options that move people in and around the District; and sound investments in public infrastructure that complement and support private investment.

Overall, the District's project expenditures are fiscally conservative and do not saddle future generations with long term environmental or economic burdens. For-profit business operations provide long-term employment, helps broaden the tax base, and provides a positive rate of return to the Urban Renewal District.

- a. **Strategy – Develop a Vision Statement and Framework for Decision Making through a Series of Retreats**
 - i One: A New Vision Statement and Framework for Decision-Making

Timeline: December 2021 (Done)

2. GOAL: Revise the Existing District Plan

Revise the outdated existing Urban Renewal District Plan.

- a. **Strategy - Hire a consultant to update the financial and project components of the plan**
 - i Milestone Two: Update the Financial and Project Components of the Plan

Timeline: April 2022

3. GOAL: Encourage Downtown Residency on Upper Floors of Downtown Structures

a. Strategy – Establish a “Quiet Zone” Downtown

Railroad tracks run adjacent to much of Oregon City’s historic downtown. A “Quiet Zone” would establish a series of operational and architectural measures that would result in reduced noise from freight and passenger trains.

i Milestone Three: Quiet Zone Established

Timeline: 2027

E. TOURISM DEVELOPMENT

The primary tourism goals for the City of Oregon City are to increase tourism-related revenues and employment opportunities within the City. This will be achieved by:

1. Increasing the number of tourists/visitors
2. Increasing the length of stay of the tourist/visitor
3. Increasing the average amount of tourist/visitor expenditures

The Economic Development Department recognizes that what is attractive to visitors can also be attractive to residents and investors, thus providing a quality of life and business development component to the strategy.

1. GOAL: Develop, Grow, and Strengthen the Tourism Industry in Oregon City

Tourism can play an economically beneficial role in Oregon City. It could help businesses grow and provide a better living experience for residents. This is a belief shared by many stakeholders in the community, who have been engaged in helping to realize tourism’s full potential.

a. Strategy – Further Solidify the Oregon City Tourism Stakeholder Table

Convene a working group of asset and business operators to share best practices and resources: With Oregon City tourism being relatively young in its development, resources are scarce. For the City to realize its full tourism potential, local stakeholders will have to work together to combine efforts, educate each other on effective practices and share resources where necessary.

i Milestone One: Grow the Stakeholder Group

Involve more private for-profit businesses as well as more private non-profits in the tourism stakeholder group.

Timeline: Ongoing

b. Strategy – Provide Training & Technical Assistance

For Oregon City to grow its tourism industry, it will need to lead local stakeholders in tourism best practices. By providing educations and technical assistance that supports a variety of tourism assets in operating in a more effective and efficient manner, as well as offering participatory programming that aligns individual tourism assets with a more compelling city-wide vision, Oregon City tourism can ensure its relevancy and competitive stance in a crowded, ever-changing market.

i Milestone Two: Establish the Concierge Institute

The Concierge Institute is a high-quality training and technical assistance program for nonprofit tourism-related organizations as well as for-profit tourism-facing businesses, employees, and volunteers. The program will provide various forms of resource assistance to help participants overcome operational challenges, enhance occupational professionalism and secure growth opportunities.

Nonprofit and for-profit entities participating in the program will experience up to eight weeks of training on the business of tourism and organizational and professional development. After completing the training, graduating nonprofits will be eligible to receive grants, and/or paid interns as well as new volunteers based on approved operational plans submitted by Institute participants. Participating historical organizations must agree to a coordinated schedule with other tourism sites within the community. For-profit entities will be eligible to receive marketing and promotion resources. Program participants must also agree to coordinated marketing and outreach strategies designed to attract visitors to Oregon City.

Timeline: Started November 2021

2. GOAL: Establish a Tourism Industry Brand

A destination's brand is an important differentiator in the travel and tourism industry. It helps distinguish one destination from another and helps influence visitor decision making. A well-communicated and understood brand also helps direct marketing efforts to visitor segments who have the highest affinity to the brand, optimizing activity and spending. Brand also serves as a unifying tool to get various stakeholders to come together under one common understanding of the experience they are trying to create.

a. Strategy – Establish a Full-Fledged Marketing Campaign

i Milestone Three: Implement Destination Ready

Destination Ready is a marketing/promotion campaign designed to highlight Oregon City's Tourism industry. Its goals are:

- to establish an ongoing relationship, following, and loyalty status with the Oregon City visitor
- to convey the attributes of *home, history, and play*; and
- serve as a place where the visitor can always come back "home" to recalibrate.

Timeline (Destination Ready): Started November 2021

ii Milestone Four: Establish a Tourism-Related Website

Timeline (Tourism-Related Website): Currently running

b. Strategy – Develop and Implement City-Sponsored Event Program

A “City-Sponsored Event” Program is recognized by the City as a special event that supports the community’s tourism industry and promotes the industry’s brand. It is usually an ongoing annual special event that grows in recognition to become a marquee event.

i Milestone Five: Develop Program Guidelines and Promote the Initiative.

Timeline: January 2022

c. Strategy – Increase Community Engagement with the Tourism Industry

A destination is its people—they make up the culture and the experience the visitor engages during their visit. Therefore, a tourism product is only as good as the people who support it and its value. Oregon City needs to ensure that the value of tourism is understood by the local community and that the community supports these efforts and create an authentic experience.

Example: The Community Showcase. Oregon City’s Tourism Program developed The Community Showcase initiative to encourage residents to explore historic attractions. Due to COVID-19, the program provided virtual experiences of visiting historic sites while also incentivizing individuals and families to participate via prize drawings for gift certificates redeemable at local restaurants. Ten (10) different restaurants were randomly chosen each month. Oregon City paid the restaurants using the gift certificates.

i Milestone Six: Implement the second round of the Community Showcase

Timeline: February 2022

3. GOAL: Increase the Number of Visitor Experiences

The City’s Economic Development Department and its partners will be engaged in activities and methods to attract new tourism-related investments to Oregon City. The primary focus will be on businesses that are positioned to enhance the experience of visitors regardless of the season.

a. Strategy – Attract New Tourism-Related Businesses to Oregon

Oregon City Economic Development Department will identify tourist-facing businesses that provide experiences to their customers, i.e., small cruise ship vessels, kayaking rentals, zip-lining, etc.

i Milestone One: Develop Business Attraction Package

The business attraction package is designed to acquaint potential new tourist-facing businesses with the Oregon City community and convey develop opportunities that exist here. The package would also describe potential incentives that may be afforded to new investment opportunities.

It is projected that the Economic Development Department will attract 1 to 3 new business investment to Oregon City by June 2023

Timeline (Business Attraction Package): February 2022

4 GOAL: Support the Arts in Oregon City

a. Strategy - Re-establish the Oregon City Arts Commission

The Arts Commission is an advisory body that is charged with engages the arts community in various ways to help encourage tourism, nurture community identification through the public display of sculptures, paintings, decorative features, horticulture enhancements, music, dance, poetry, historical portrayals, and other forms of artistic expression.

i Milestone One: Re-establish the Oregon City Arts Commission

Timeline: Re-established on October 26, 2021

V. ACKNOWLEDGEMENTS

We thank the members of the Economic Development Strategic Plan Steering Committee for their contribution.

Oregon City	Frank O'Donnell, Commissioner City Commission
Oregon City	Matthew Zook, Finance Dir. Finance Department
Oregon City	Laura Terway, Director Community Development Department
Clackamas County	Sarah Eckman, Deputy Director Business & Community Services
Greater Portland Inc.	Amy Jauron, Vice President of Business Development
State of Oregon..... Analyst/Economist	Lynn Wallis, Workforce Oregon Employment Department
State of Oregon.....	Michael Meyers, Economist Business Oregon (Commerce & Industry)
State of Oregon.....	Colin Sears, Regional Dev. Officer Region 4, Business Oregon
Portland General Electric	Theresa Haskins, Senior Bus Dev. Mgr. (Private Industry)
Oregon City Chamber of Commerce	Victoria Meinig, CEO (Private Industry)
Clackamas Workforce Partnership	Bridget Dazey, Executive Director 501(c) 3 Private Nonprofit

Childcare Subcommittee

Bryan Fuentes, Clackamas County Workforce Partnership

Sandy Meados, Clackamas Education Services

Brett Walkers, Clackamas Education Services

Tracy Moreland, Clackamas County

Laura Terway, Oregon City Community Development

Susan Youngblood, Smart Start Play School

Workforce Development Subcommittee

Gina Bacon, Oregon City Library

Amy Black, Clackamas Workforce Partnership

Irene Carillo, Clackamas Community College

Angela Hartman, Oregon City Pioneer Center

Amy Jauron, Greater Portland Inc.

Peter Walter, Oregon City Planning

Rita Siong – Focus Group Trainer



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: Planning Commission
From: Christina Robertson-Gardiner, Senior Planner

Agenda Date: 2/28/2022

SUBJECT:

Middle Housing Code Update- Next Steps

STAFF RECOMMENDATION:

Staff will be providing a general project update in preparation for Public Hearings in March 2022.

EXECUTIVE SUMMARY:

House Bill 2001 aims to provide Oregonians with more housing choices, especially housing choices more people can afford. The law, passed by the 2019 Oregon Legislature, expands the ability of property owners to build certain housing types, like duplexes and tri-plexes, in residential zones (also called middle housing). House Bill 2001 requires updates to local laws that currently limit the kinds of housing people can build. Oregon City is required to meet the requirements of HB2001 by June 30, 2022 and the City Commission has identified this project as a goal within the biennium with completion by that deadline.

Staff will be providing an overview of the hearings' process and approach for adoption. The first Planning Commission hearing for this Legislative file is scheduled for March 28, 2022 with a Planning Commission worksession planned on March 14 to review the proposed code approach and package. Public notice postcards will arrive in residents' mailboxes in late February/early March.

The Legislative package will be separated between those items that must be addressed by June 30, 2022 and items that are impacted by the required revisions but may need some additional review and direction by the Planning and City Commission and could be adopted in a separate package after the June 30, 2022 deadline.

Visit <https://www.orcity.org/planning/housing-choices-code-update-house-bill-2001> to [sign up and join the project email list](#)

BACKGROUND:

The City of Oregon City is continuing work to expand housing choices for all members of the community with zoning code updates to increase flexibility for middle housing types. These housing types tend to be smaller scale and less expensive than detached single-family dwellings and provide needed variety to accommodate Oregon City's diversity of households. They are called middle housing because they fall somewhere between single-family homes and larger apartments. [House Bill 2001](#), passed by the State Legislature in 2019, calls for cities to allow a range of middle housing types, including duplexes, triplexes, quadplexes, townhouses, and cottage clusters in single-family neighborhoods.

The Housing Choices Code Update <https://bit.ly/OCHB2001> will help restore a greater variety of housing types that were historically incorporated into residential neighborhoods but have been outlawed for more than half a century. While detached single-family homes on one lot will remain the predominant housing type in Oregon City, code updates will create more opportunities for different types of housing to be accessible for a wider range of households.

House Bill 2001 requires Oregon City to update its development code to:

- Allow property owners to build duplexes anywhere in the City a single-family home is allowed. If someone wants to build a duplex, the process and standards need to be the same as building a single-family home.
- Expand the options by allowing duplexes, triplexes, fourplexes, townhomes, and cottage clusters everywhere single-family homes are allowed. These requirements can be slightly different than single-family and duplexes.

Changes are expected to be gradual, with modest growth of middle housing in both existing neighborhoods and new neighborhoods.

For more information, contact Christina Robertson-Gardiner, Senior Planner at crobertson@orc.org. Visit the [project website](#) for news and updates, project materials, and other ways to get involved!