

GOAL 9 - ECONOMY

Troutdale’s economic goal is to provide employment opportunities for its citizens and a stable tax base for the community. The City’s assets are its excellent access to transportation facilities, its natural and lifestyle amenities, and the availability of public services. Troutdale is poised for economic expansion.

THE REGION

The Portland Metropolitan area is the economic center of Oregon and Southwest Washington. The Metro area (excluding Vancouver, Washington) accounts for 49% of the state’s employment. The most dominant industry sectors in terms of share of employment are government, education and health care, professional and business services, manufacturing and retail.

Employment Base, Portland/Vancouver Metro Area, 2010

Industry Sector	Employment		Avg. Wage	Distribution by Industry Source
Natural Resources & Mining	1,100	0.1%	\$26,436	0.1%
Construction	45,000	4.7%	\$49,456	4.7%
Manufacturing	106,600	11.1%	\$67,552	11.1%
Wholesale	52,600	5.5%	\$63,124	5.5%
Retail	99,800	10.4%	\$27,524	10.4%
Transportation, Warehousing & Utilities	33,000	3.4%	\$43,272	3.4%
Information	21,900	2.3%	\$68,632	2.3%
Financial Activities	62,200	6.5%	\$54,672	6.5%
Professional & Business Services	125,200	13.0%	\$52,248	13.0%
Education & Health Services	137,900	14.4%	\$43,708	14.4%
Leisure & Hospitality	92,600	9.6%	\$18,368	9.6%
Other Services	34,400	3.6%	\$30,480	3.6%
Total All Government	148,100	15.4%	\$50,992	15.4%
Total/Average:	960,400	100%	\$46,569	

SOURCE: Oregon Employment Department

Between 2010 and 2020, the Oregon Employment Department forecasts that the “Education and Health Services” sector, and the “Professional and Business Services” sector will grow the most quickly, followed by “Leisure and Hospitality” and “Wholesale” trade. Regionwide, manufacturing employment is expected to decline marginally, but remain close to flat over the next decade.

Suburban markets (such as Troutdale and neighboring communities) have seen a disproportionately higher share of employment growth in recent decades compared to a slower rate of growth in the City of Portland itself. The trend is expected to continue.

As a medium-size Metro area compared to West Coast cities like Seattle, Los Angeles and Bay Area, the Portland region remains an important secondary market and port location on the West Coast. It is an import/export point and a transport hub for the mid-Coast and the inland states beyond.

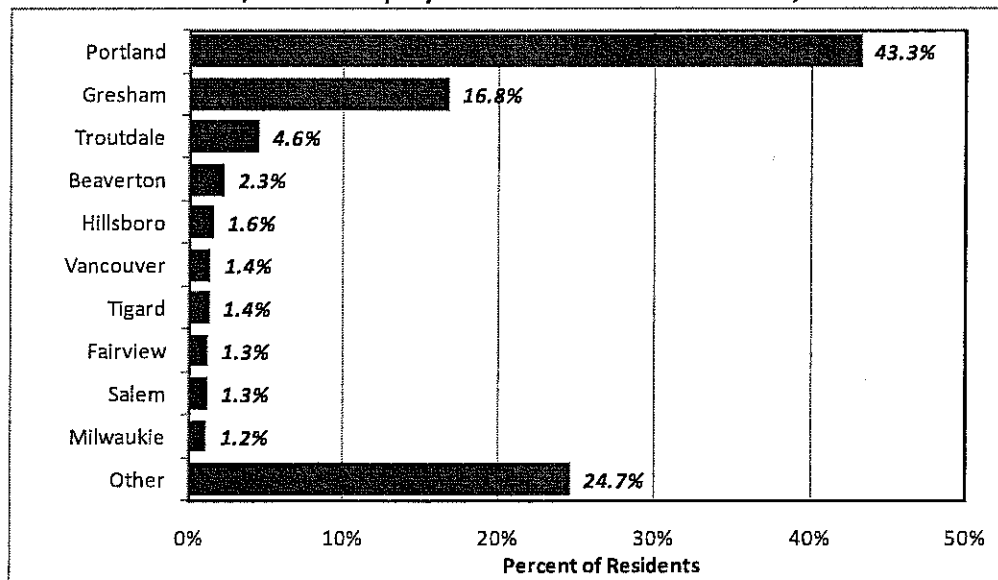
The region lacks an integrated economic development strategy; however, there is general agreement among local agencies on where the region’s basic strengths and opportunities lie. In general, the region seeks to enhance its role as a Pacific Rim city, not only as an active port, but also as the headquarters location of “traded sector” firms, which export their goods and services while bringing revenue back into

the region. As of 2010, some key target industries are “green” technology, athletic and outdoor equipment, software, and advanced manufacturing.

TROUTDALE EMPLOYMENT

The City of Troutdale has traditionally been a bedroom community, serving as a domestic locale for households seeking a quieter life on the outskirts of the metro area. A majority of the City’s working residents are employed outside of the City in other parts of the Metro area, such as Downtown Portland or other East Multnomah County communities.

Commute Patterns, Where Employed Troutdale Residents Work, 2008

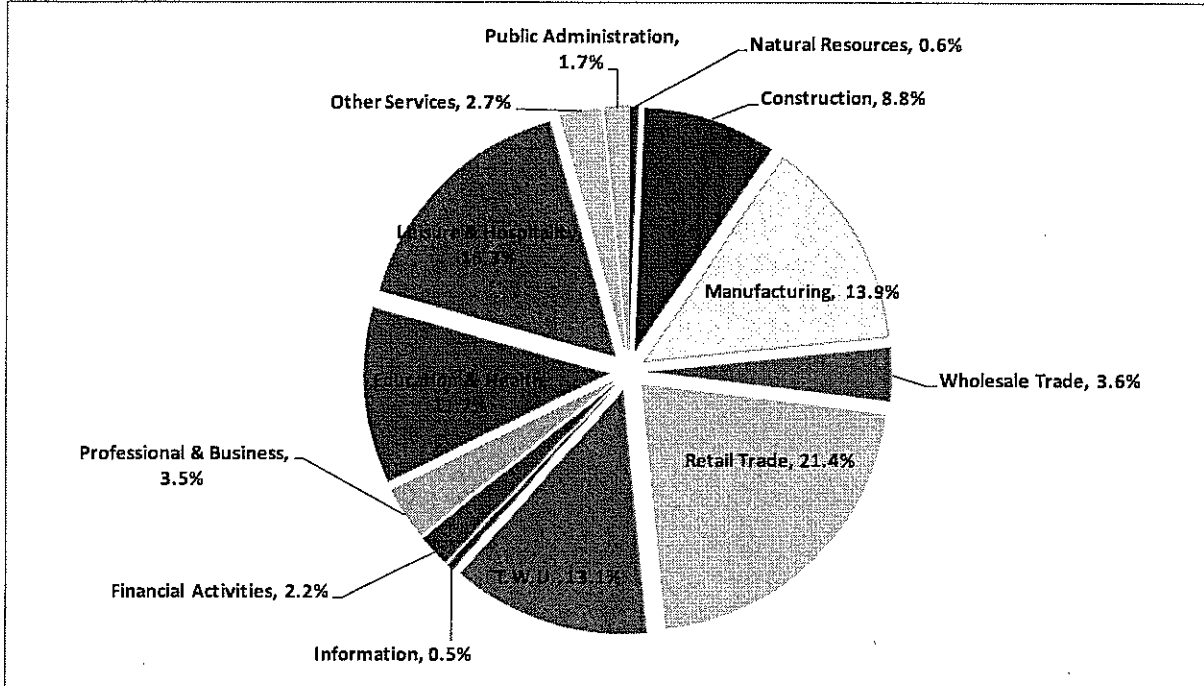


SOURCE: US Census Bureau

However, the local economy has not stagnated. The economy is driven largely by location advantages coupled with a range of specific industry trends. The City's transportation connectivity, with Interstate 84 providing ready access to the region, has led to the development of a transportation-related cluster where “Transportation and Warehousing” employment locally is over three times the national average.

At the gateway of the Columbia River Gorge, Troutdale also has a distinct retail and tourism advantage, with excellent visibility off the freeway. This has supported the growth of an intensive retail cluster in the city. As of 2010, the concentration of retail employment locally was nearly 60% higher than the national average.

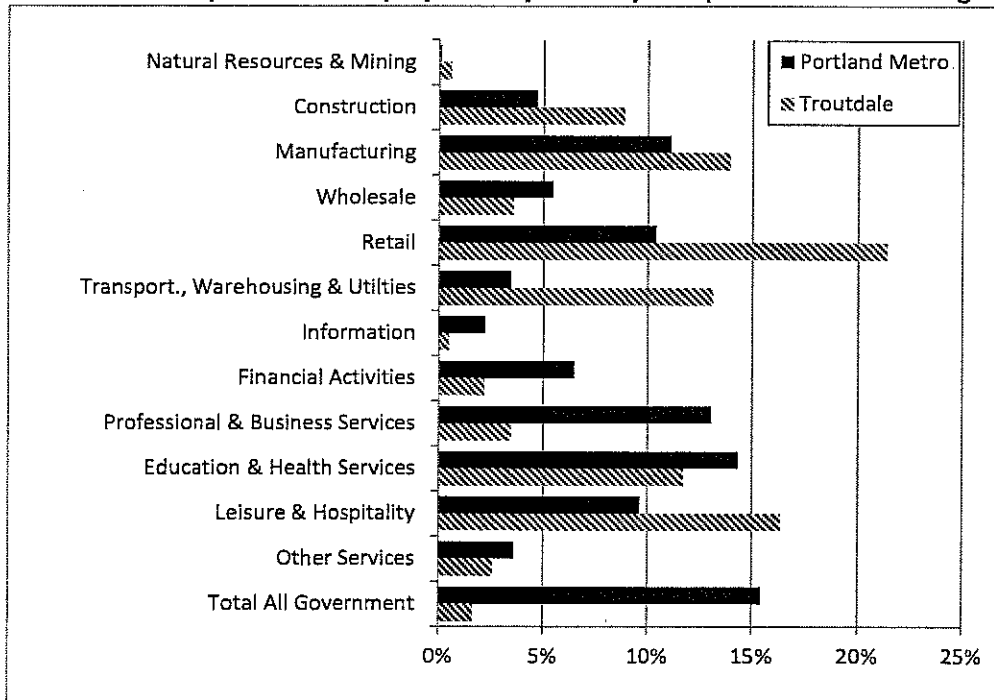
Composition of Employment by Industry, Troutdale, 2010



SOURCE: Oregon Employment Department

The following figure shows a comparison of the distribution of Troutdale employment by sector to distribution of employment in the entire Portland Metro area by sector. This comparison shows where Troutdale seems to enjoy a competitive advantage.

Troutdale's Composition of Employment by Industry Compared to Portland Region, 2010



SOURCE: Oregon Employment Department

When Troutdale is compared to the rest of the region, the city has a strong showing in multiple sectors including “Transportation, Warehousing and Utilities”, “Retail”, “Manufacturing”, “Leisure and Hospitality”. Compared to the region, Troutdale is strong in sectors which tend to use industrial and retail commercial space. The city is underrepresented by office-dependent employment, such as the finance, professional and business sectors, and government employment.

PROJECTED EMPLOYMENT GROWTH

Employment in Troutdale is projected to grow at an annual rate of 1% over the coming decades. This is a slightly faster growth rate than the projected regional rate of 0.9% per year. Starting from an estimated base employment level of 6,518 jobs, the next 20 years may see an increase of 1,462 jobs.

Employment Forecast by Sector, Troutdale, Oregon (2010-2030)

Baseline Growth Scenario Employment Sector	Total Employment 1/					'10-'30 Change	
	2010*	2015	2020	2025	2030	Jobs	AAGR
Construction	459	471	483	495	507	48	0.5%
Manufacturing	636	672	710	750	792	156	1.1%
Wholesale Trade	183	187	190	194	198	15	0.4%
Retail Trade	1,243	1,306	1,373	1,443	1,517	274	1.0%
Transportation, Warehousing & Utilities	1,384	1,437	1,491	1,548	1,607	223	0.8%
Information	25	25	26	27	27	3	0.5%
Financial Activities	201	213	225	237	251	49	1.1%
Professional & Business Services	233	254	277	302	329	97	1.8%
Education & Health Services	859	917	978	1,043	1,113	253	1.3%
Leisure & Hospitality	997	1,059	1,124	1,193	1,266	269	1.2%
Other Services	210	223	237	252	269	59	1.3%
Government	88	92	96	100	105	17	0.9%
Total	6,518	6,854	7,209	7,584	7,980	1,462	1.0%

* Estimate

SOURCE: Economic Opportunities Analysis, 2011, Johnson Reid LLC

LOCAL ECONOMIC DEVELOPMENT ADVANTAGES

The following factors represent potential economic development advantages or opportunities for Troutdale:

Quality of Life (Amenity Values)

Amenity values (livability) are often characterized in the field of Economics and Economic Geography because amenity values have real economic consequences. While amenity values are qualitative and subjective in nature which can make them challenging to effectively characterize in quantitative economic terms, their real economic consequences make them worth identifying. Located on the edge of the Urban Growth Boundary, the City of Troutdale provides a highly livable community offering a smaller town character that is not common in the Portland Metro Area. Other unique elements contributing to the livability of the Troutdale community include:

- An attractive and pedestrian friendly Main Street downtown corridor;
- Proximity to the Multnomah Falls and the Columbia River Gorge;
- McMenamins Edgefield;
- Excellent fishing and river activities on the Sandy and Columbia Rivers;
- Lewis and Clark State Park;
- Close proximity to Mt. Hood recreation areas
- Pleasant City Parks; and

- The Columbia Gorge Premium Outlets.

Competitive Advantages

The character and composition of community's economy is born out of its relative competitive advantages. Companies often locate and thrive in a specific community as a direct result of an advantage, be it a unique supply of a particular production input, broad regional connectivity, land supply characteristics, the presence of a specifically trained workforce, or unique existing industry cluster of like businesses within a specific industry, among many other factors.

Transportation Linkages - The Troutdale community is located at the gateway to the Columbia River Gorge along I-84, the principal east-west corridor connecting Portland to Boise and eventually Salt Lake City. With its location at the confluence of the Sandy and Columbia Rivers, Troutdale also offers excellent marine linkages as well. East-west rail access runs through the north part of town. Troutdale airport is located adjacent to the new Reynolds Industrial Park, and the Portland International Airport is less than 10 miles to the west.

Desirable Vacant Land - The Reynolds Industrial Park, operated by the Port of Portland, comprises roughly 350 acres of highly sought, industrial land in the metro area. This large assembly of land will provide ample room for economic expansion for many years.

Economic Development Partnership Opportunities

The Port of Portland - The Port of Portland is likely to be a key economic development engine in Troutdale over the next 20 years and beyond. With over 200 acres of vacant industrial land remaining at the Reynolds Industrial Park, the port controls the vast majority of vacant employment land in the City. The port has full time economic development and recruitment resources. The Port's strategy for build-out of the Reynolds site will impact the economic landscape in Troutdale considerably over the planning period, with the potential to provide many well-paying jobs for local residents.

Mount Hood Community College - Mt. Hood Community College currently holds a sizable industrial property in the City, reportedly having previously held intentions of developing an industrial incubator concept at the site. As the central educational institution in the area, Mt. Hood Community College will continue to support workforce and technical training for the resident workforce in coming years as well.

Multnomah County – (need to address the County Farm property and why rezoning from light industrial to commercial does not pose problems for our employment lands.)

EMPLOYMENT GENERATING LAND USES

Commercial areas in Troutdale will provide expanded opportunities for local employment in the future, particularly in the town center, and remaining retail and industrial lands.

The downtown area contains unique and diverse retail shops catering to a special market area. Convenience-oriented retail is located at the intersections of major arterials and is expanding along the south side of I-84. As the population of Troutdale and East Multnomah County grows, additional retail growth will be necessary to accommodate demand. Areas designated for future commercial development include a corridor along Stark Street between 257th Avenue and Hogan Road, west of 257th Avenue just north of Cherry Park, and the area between I-84 and the Union Pacific Railroad west of 257th Avenue.

Industrial areas play a vital role in the local economy. Light manufacturing, warehousing, distribution centers, and service operations are located in industrial areas north of I-84. Although a significant industrial base exists in this area, this type of employment is expected to expand in the future given the availability of large, prime industrial parcels and expanding public facilities.

The 2010 Economic Opportunities Analysis identifies excellent industrial growth potential, and yet still having a likely surplus supply of industrial land over the next 20 years and beyond. Given this reality, the City has identified portions of the County Farm property along Halsey Street as a good candidate for rezoning to allow alternate non-industrial employment uses, or mixed-use development. The County Farm site is in a central location in the City, near downtown and adjacent to the prominent McMenamins Edgefield complex. The site features various conditions and constraints that make it less suitable for industrial uses than many of the remaining industrial parcels in the City. The City believes it is a good candidate to provide a mix of uses which are not industrial, but still provide employment and meet other community objectives.

In addition to designating industrial and commercial areas, the City has created a Master Planned Mixed Use (MPMU) designation to provide an opportunity for additional economic development. This designation is intended for sites of 40 acres or more to provide for a mixture of land uses including light manufacturing, retail, restaurant, professional office, recreational, and accessory residential land uses.

**Proposed Revisions to
COMPREHENSIVE LAND USE PLAN POLICIES UNDER GOAL 9**

[Existing text to be deleted is ~~crossed out~~;— Existing text to be added is in *bold italics*;
New policies are **bold double underline**]

Goal 9 – Economy

EMPLOYMENT GENERATING LAND USE POLICIES

1. Allocate commercial facilities in a reasonable amount and planned relationship to the people they will serve.
2. Allocate industrial areas where there is good access to *regional and state* transportation facilities and ~~public facilities are available~~.
3. Encourage and promote efforts to upgrade the quality of existing ~~and future~~ *nonconforming* industrial developments as the area grows.
4. Promote ~~an adequate level of~~ economic development and a diversified employment base within the City of Troutdale.
5. Preserve and promote the commercial district along Columbia River Highway *between its intersection with Halsey Street on the west and Depot Park on the east* as the Central Business District.
6. **Maintain an adequate supply of land in the City's employment land use categories consistent with findings from employment land needs analyses.**

CENTRAL BUSINESS DISTRICT POLICIES

1. *Promote and* Enhance the downtown's role as a center of retail goods and consumer services for area residents and a premier attraction for visitors to the community. Provide an atmosphere conducive to investment.
2. Provide opportunities for a mix of commercial activity with moderate and high-density housing in a manner that will not compromise commercial uses.
3. Encourage a transportation system that will provide safe and convenient circulation for pedestrians, bicycles, automobiles, trucks, and ~~mass~~ *public* transit. Promote a system of pedestrian ways which connect the retail areas with the waterfront and residential areas, parking facilities, and open spaces. Provide parking to serve the needs of existing businesses and new developments.

4. Encourage development that is sensitive to physical attributes and constraints, and is cost effective for private development interests and public agencies.
5. Encourage the use of design elements on public and private lands that will promote the downtown as the Gateway to the Columbia River Gorge and Sandy River recreation areas. Encourage building and site designs that establish a unifying relationship with the overall design character of the downtown.
6. Provide public, and encourage private, open spaces adaptable to a wide variety of uses to include community entertainment, exhibition, and meeting spaces. Active use of these spaces should be promoted by utilizing kiosks, cafes, vending stands, and entertainment.
7. Provide facilities for people such as public restrooms, outdoor furniture, and protection from the elements.
8. Preserve, protect, and dramatize historical structures and locations within the downtown whenever feasible. Encourage new development that is compatible with existing structures and functional characteristics of planned uses.
- ~~9. Recognize and protect vistas of unique natural features which provide a scenic backdrop for the downtown.~~

9. Encourage private business activity that results in high-paying jobs. Desirable employment uses with the potential for higher wage jobs include, but are not limited to, business and professional services, manufacturing, construction and research and development firms.

10. Encourage private business activity and investment through use of incentives and a regulatory environment that is competitive *compares favorably* with that of other comparable jurisdictions.

TOWN CENTER PLAN POLICIES

1. Focus retail commercial activity in the established CBD and, ~~except for expansion of the Columbia Gorge Factory Stores,~~ do not allow large-scale commercial development to locate nearby *if it will compete with the same market as CBD businesses.*
2. Concentrate commercial retail activity along East Historic Columbia River Highway in the historic commercial downtown of Troutdale *and within the riverfront redevelopment site.*
3. Support the development and maintenance of a public plaza in the CBD.
4. ~~Eliminate the auto-related~~ *Maintain a pedestrian* focus in the established CBD.
5. Provide office employment opportunities in the town center area.

6. Allow a mixture of office and housing uses.
7. ***Where appropriate and feasible, R***require all new development to create pedestrian connections to neighborhood centers or to the town center.
8. Encourage development of a grocery store in the CBD.
9. Allow expansion of the regional retail at the Columbia Gorge Factory Stores ***only if it is compatible with other desired development within the City's riverfront renewal site.***
- ~~10. Ensure that neighborhood commercial uses within the town center serve the needs of the neighborhood.~~

