

City of Lake Oswego Discussion Draft EOA Implementation Strategies

OAR 660-009-0020 sets forth the requirements for how local governments comply with Statewide Planning Goal 9 by preparing and Economic Opportunities Analysis (EOA). In short, local comprehensive plans are required to provide community economic development objectives, a commitment to providing a competitive short-term and twenty year land supply, and commitment to providing adequate sites and public facilities to serve new development.

LAKE OSWEGO ECONOMIC DEVELOPMENT CONTEXT

The City of Lake Oswego has prepared a draft vision for its future. Language specific to Economic Vitality follows:

We are a community where people can live, work, play and meet their daily needs for goods and services. We build upon the intellectual capital of the community to attract new ventures, retain local businesses and connect to the global economy. We are business-friendly and a regional model for employment and mixed-use centers that attract quality jobs.

The following is a description of policy considerations and possible response to state requirements and local aspirations – headings are shown in bold text. These considerations and recommendations have been compiled from previous economic development strategies as well as conversations with the Comprehensive Plan Citizen Advisory Committee, Goal 9 and 10 Work Group and Planning Commission.

Community Economic Development Objectives

Community Economic Development Objectives help guide the development of the EOA. The community objectives define the scope of the analysis and findings necessary to support the resulting land use decisions. Some may rise to the level of a goal or policy. Others may be more appropriately refined to become strategies over the next year. Not all directly applicable to the EOA and will be further developed over the next year.

Working Draft Community Economic Development Objectives:

- Maintain and grow a strong local employment base to provide jobs for Lake Oswego residents and support a high quality of life.
- Support and grow existing and locally-owned businesses.
- Support business incubation and employment growth within the city by providing a diversity of space/site opportunities.
- Provide flexibility in employment zones that supports economic resilience and sustainability while minimizing negative impacts.
- Focus redevelopment and intensification of jobs (e.g., jobs per acre) in employment corridors and centers.
- Provide opportunities for a range of industrial and employment uses. Actively pursue environmentally responsible businesses.

- Pursue living wage employment opportunities, such as an emphasis on creative class opportunities and clusters that build on Lake Oswego’s intellectual capital, proximity to universities and colleges and connection to the I-5 corridor. These could include but would not necessarily be limited to science, engineering, education, computer programming, research, arts, media and design.
- Explore long term redevelopment opportunities in the southwest industrial area, along Bangy Road, along the Kruse Way corridor, and in Foothills.
- Create the opportunity for employment well served by transportation options.
- Maintain Lake Oswego’s exceptional quality of life by investing in infrastructure and services that support residents and businesses.

Growth Forecast

The City is located within the Metro planning boundary and also needs to maintain consistency between adopted regional plans and requirements balanced with local conditions and aspirations. The most recent adopted jobs and population forecast for the

Employment Growth 2010-2035

	2010	2035	Change	AAGR
Low	20,538	22,546	2,008	0.37%
Medium	20,538	24,354	3,815	0.68%
Medium High	20,538	25,398	4,859	0.85%
High	20,538	34,280	13,741	2.07%

Lake Oswego area is from 2005 (MetroScope Generation 2.3) and is now being updated by Metro staff (release date expected December 2011). Preliminary employment and population forecasts for the Lake Oswego area have also been released as part of the 2009 Metro Urban Growth Report (jobs and population forecasts are still being refined and are planned for release by Metro in December 2011). Ultimately, the City will need to make findings associated with the growth range then forecast it selections. For planning purposes this spring, four job growth forecast scenarios are assumed. In all four scenarios, the current employment estimates are based on actual 2009 covered employment estimates for the Lake Oswego USB provided by the Oregon Employment Department.

Low Growth Forecast is based on the AAGR from the 2010 census between 2000-2010 and assumes that the overall job growth is consistent with population growth in the Lake Oswego USB, with no changes to existing land supply or zoning. In light of recent trends and local objectives, we have assumed no gain/loss in jobs within the government and industrial sectors, and growth to occur in the retail and service sectors.

Medium Growth Forecast is based on the AAGR for population that is associated with the medium housing growth forecast. In light of recent trends and local objectives, we have assumed no gain/loss in jobs within the government and industrial sectors, and growth to occur in the retail and service sectors.

Medium-High Growth Forecast assumes future job growth is consistent with the Oregon Employment Department 2008-2018 employment sector forecasts for Region 15 (Clackamas County). Long-term average annual growth rates for employment sectors are based on the most recent 10-year (2008-2018) employment forecast for job sectors in Clackamas County (Region 15), and are extrapolated to year 2035.

High Growth Forecast assumes that the job growth rate is consistent with the 2009 Metro UGR assumptions (which are still being refined for release in December 2011).

Possible Strategy

To implement Lake Oswegans' vision for economic vitality, the low or medium growth forecast seems more consistent with the level of growth and redevelopment that can reasonably be expected over 20 years, given the city's relatively developed, built out environment and lack of vacant, developable land. The high growth scenario would mean an even more aggressive redevelopment program.

Vacant Land Supply/Redevelopment

According to the City's Buildable Lands Inventory, Lake Oswego has a limited supply of vacant land area inside the USB of approximately 20 acres, seven of which are at Marylhurst/Mary's Woods. Therefore, the City must rely on redevelopment and optimization of the remaining vacant land inventory to retain and attract business investment and employment opportunities.

Possible Strategies

1. Identify areas for increased, redeveloped employment densities. Consider land use zoning amendment in industrial zones to allow selected office development (such as research and development or corporate headquarter for uses that are compatible with industrial zone).
2. Strengthen the City's redevelopment program; identify redevelopment tools, strategies and priorities.
3. Use incentive-based approaches and/or regulatory strategies to promote redevelopment and greater development intensity (mixed-use redevelopment with combined retail or office uses and housing), especially in centers and corridors. Options include, but are not limited to:
 - Using urban renewal and tax increment financing for the development of infrastructure necessary to stimulate economic growth
 - Changing development standards or restrictions (overall or for certain types of desired development)
 - Assembling land
 - Investing in structured parking, requiring less parking and/or increasing public transportation use

Commitment to Provide a Short-Term Land Supply

Cities must provide a competitive short-term supply of land. Short-term is defined as developable within one year. Cities must also include detailed strategies for preparing the total land supply for development and replacing the short-term supply of land as it is developed. The policies should identify a process for regular review of the short-term supply of employment land.

Possible Strategies

Monitor and update Buildable Lands Inventory to assess annually the adequacy of short and long-term supplies of buildable employment land.

Commitment to Provide Adequate Sites and Facilities

Cities must include policies to designate an adequate number of sites of suitable sizes, types and locations for their employment need. Cities also must have policies that provide necessary public facilities and transportation facilities through public facilities and transportation system planning.

Possible Strategy

Address the public facility needs of business and economic development through identifying and programming needed public facilities and services. Update public facility plans according to the economic development vision, objectives and strategies.

Discuss and resolve the desired balance between industrial and employment land.

Other Considerations

Small Businesses

Home occupations are an important form of land use efficiency in Lake Oswego. Home occupations offer an employment land use efficiency because they are typically located in existing dwellings and do not require additional land or built space.

Possible Strategy

Emphasize policies that encourage or support home-based employment for sole practitioners while balancing neighborhood quality of life. Provide more opportunities by adding greater flexibility with home occupations.