

**AGENDA**

**PLANNING COMMISSION**

May 19, 2022

5:30 p.m.

City Hall Council Chambers  
313 Court Street, The Dalles, Oregon

Via Zoom

<https://us06web.zoom.us/j/82327794645?pwd=cld2UGhUb1BoVithR0tFUzczcWtXQT09>

Meeting ID: **823 2779 4645** Passcode: **001537**

Dial: 1-669-900-6833 or 1-253-215-8782

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES – February 17, 2022 and March 17, 2022
6. PUBLIC COMMENT – During this portion of the meeting, anyone may speak on any subject that does not later appear on the agenda. Five minutes per person will be allowed.
7. STAFF COMMENTS / PROJECT UPDATES
8. COMMISSIONER COMMENTS / QUESTIONS
9. LEGISLATIVE PUBLIC HEARING
  - A. CPA 53-22, City of The Dalles  
Request: Approval of Comprehensive Plan Goal 9 Revisions: Amendments and adoption of the Employment Opportunities Analysis and Employment Buildable Lands Inventory documents to *The Dalles Comprehensive Plan, Volume II: Background Documents*.
  - B. ZOA 105-22, City of The Dalles  
Request: Approval of amendments to The Dalles Municipal Code Chapter 10.5.130 to bring the City's Stream Corridor Overlay Zoning regulations into compliance with State-required standards.
10. ADJOURNMENT

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**CITY OF THE DALLES**

"By working together, we will provide services that enhance the vitality of The Dalles."

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Meeting conducted in a room in compliance with ADA standards.

Prepared by/  
Paula Webb, Secretary  
Community Development Department

**MINUTES**

**PLANNING COMMISSION MEETING**

February 17, 2022  
5:30 p.m.

**VIA ZOOM**

**PRESIDING:** Cody Cornett, Chair

**COMMISSIONERS PRESENT:** Karly Aparicio, Alan Easling, Philip Mascher, Mark Poppoff, Maria Pena

**COMMISSIONERS ABSENT:** Linda Miller

**STAFF PRESENT:** Director Alice Cannon, City Attorney Jonathan Kara, Senior Planner Dawn Hert, Associate Planner Joshua Chandler, Assistant Planner Kaitlyn Cook, and Secretary Paula Webb

**CALL TO ORDER**

The meeting was called to order by Chair Cornett at 5:32 p.m.

**PLEDGE OF ALLEGIANCE**

Chair Cornett led the Pledge of Allegiance.

**APPROVAL OF AGENDA**

Chair Cornett suggested the “Staff Comments” and “Commissioner Comments” be addressed after the public hearings.

It was moved by Cornett and seconded by Easling to approve the agenda as amended. The motion carried 6/0; Aparicio, Cornett, Easling, Mascher, Pena and Poppoff voting in favor, none opposed, Miller absent.

**APPROVAL OF MINUTES**

It was moved by Easling and seconded by Aparicio to approve the minutes of January 20, 2022 as submitted. The motion carried 6/0; Aparicio, Cornett, Easling, Mascher, Pena and Poppoff voting in favor, none opposed, Miller absent.

**PUBLIC COMMENT**

None.

**QUASI-JUDICIAL PUBLIC HEARING**

ADJ 055-22, Anne and Ben Wring, 801 E. Second Street, 1N 13E 3 AC tax lot 2200

Request: The applicant is proposing a reduction in required parking from twelve spaces to seven spaces for a mobile food-vending pod.

Chair Cornett read the rules of a public hearing. He then asked if any Commissioner had ex parte contact, conflict of interest, or bias which would prevent an impartial decision.

Commissioner Aparicio stated as the Board Chair of Wonderworks Children's Museum she had a conversation with the Applicant regarding possible use of the Museum's parking lot. Aparicio stated she could make a decision without any conflict of interest.

Chair Cornett opened the public hearing at 5:43 p.m.

Associate Planner Chandler presented the staff report.

Commissioner Mascher asked City Attorney Kara if approval would create legal liability for the City. Kara and Director Cannon both stated they saw no liability.

Ben Wring, 3443 Columbia View Drive, The Dalles

Mr. Wring urged the Commission to consider approval to allow him to continue development.

Eric Gore, 2126 E. 16<sup>th</sup> Street, The Dalles

Mr. Gore stated he was against the application. Chair Cornett noted Mr. Gore's earlier comments referred to application on W. 16<sup>th</sup> Street. Mr. Gore said he was mistaken and held his comments for the next public hearing.

Chair Cornett closed the public hearing at 6:03 p.m.

Commissioner Mascher said he was in favor of the staff's recommendation.

Commissioner Poppoff noted the downtown area was exempt from parking requirements.

Associate Planner Chandler replied although some portions of downtown are exempt, this parcel was outside the exempt area.

Commission consensus was in favor of staff's recommendation.

It was moved by Easling and seconded by Poppoff to approve Adjustment 055-22. The motion carried 6/0; Aparicio, Cornett, Easling, Mascher, Pena and Poppoff voting in favor, none opposed, Miller absent.

APL 032-22, Kenneth Whiteman, 2206 E. 16<sup>th</sup> Street, 1N 13E 11 BA tax lot 700

Request: Appeal of the January 13, 2022 Administrative Decision denying a request to partition one lot into three lots (MIP 401-21). The applicant is requesting Planning Commission review of the appeal and the original three-lot partition request.

Chair Cornett read the rules of a public hearing. He then asked if any Commissioner had ex parte contact, conflict of interest, or bias which would prevent an impartial decision.

Commissioner Mascher stated he and Mr. Whiteman were brokers in the same agency. Mascher had not discussed it with Mr. Whiteman. Mascher stated he could make an unbiased decision.

Chair Cornett stated he was also a realtor, but had not spoken about the application. Cornett stated he could make an unbiased decision.

Chair Cornett opened the public hearing at 6:17 p.m.

Associate Planner Chandler presented the staff report.

*Ken and Molly Whiteman, 2 Montello, Hood River, Oregon, 97031*

Mr. Whiteman requested the definition of a development plan. Associate Planner Chandler replied the partition itself; staff would consider any parcel in the overall plan. In the event of multiple parcels, the total density of all parcels is considered.

Mr. Whiteman stated he is the founder of pFreim Family Brewers in Hood River; affordable housing has been an issue for employees.

Mrs. Whiteman stated she has been a realtor over ten years, and is very familiar with the subject neighborhood. She recognized this lot as a great place for affordable housing.

Mr. Whiteman stated the goal is to develop two small, high-efficiency homes within the \$400,000 range. The lot is naturally graded in three tiers with old growth trees.

Mr. Whiteman stated in discussions with staff prior to purchase, he was told if setbacks were maintained it could be partitioned into three lots. The Fire Marshal stated fire access was acceptable. Mr. Whiteman contacted Ben Beseda who determined each lot was over 5000 SF. Based on this input, Mr. Whiteman purchased the property.

Mr. Whiteman stated he “sailed” through the Site Plan Review (SPR) and expected approval without any issues. He explained he was surprised when informed the application would be denied based on density requirements he claims had never been discussed previously.

Mr. Whiteman requested staff review partition applications within the past 10 years. He stated staff was unable to provide a single partition that was denied based on density. The agenda packet includes a list of approved applications that are nonconforming. In conversation, Director Cannon acknowledged the applications were nonconforming. Mr. Whiteman stated, “This code is new to the point the planners don’t even know about it.” Mr. Whiteman continued to express his frustrations with the process.

Mr. Whiteman stated he carefully selected the property as a test bed for affordable housing in The Dalles and hopes to extend that effort into the future through other developments. Mr. Whiteman asked the Planning Commission to approve the application as he claims CDD indicated they would from the outset; in the alternative, Mr. Whiteman asked the Planning Commission and CDD staff to improve communications with surveyors and developers to ensure future projects do not run into similar issues.

*Linden Bayley, 2216 and 2218 E. 16<sup>th</sup> Street, The Dalles*

Mr. Bayley stated he had not met either applicant. Mr. Bayley disagreed with the proposal, and said he felt like he was being bullied into this situation, and he would be very interested in talking to the Applicant.

Chair Cornett noted those who testify must hold their testimony to the decision criteria.

Eric Gore, 2126 E. 16<sup>th</sup> Street, The Dalles

Mr. Gore agreed with Mr. Bayley's comment and expressed the property location is too tight an area to develop. Mr. Gore appreciated the intent to increase housing, but said Mr. Whiteman's application is just an unacceptable want.

Ken Whiteman, 2 Montello, Hood River, Oregon, 97031

Mr. Whiteman said he did not wish to go against the opponent's statements and stated he is happy to reach out and talk to the neighbors.

Commissioner Poppoff asked Mr. Whiteman if he planned to build houses or just subdivide the land. Mr. Whiteman replied he planned to build the houses.

Chair Cornett clarified the application was to divide the lot, not build homes.

Commissioner Mascher said it sounded as if the process was unclear. He asked if Mr. Whiteman's explanation of the process was correct or if there was a different view from the Planning Department.

Director Cannon replied she did not want to enter process discussions at the Commission meeting because there is an application with applicable criteria before the Commission for their consideration while process is a customer service issue CDD will improve on in the future; ultimately, it is not relevant to the decision.

Commissioner Mascher said his understanding was this density provision of the Code has not been applied before.

City Attorney Kara stated it was incorrect to say this code had not been used before in enforcing density throughout the RL zone specifically. Staff contacted the City Attorney prior to denial of MIP 401-21 for an opinion on this question (included in the staff report). The City Attorney conducted research and concluded the subject of this appeal. In conducting this research, the City Attorney found the City of The Dalles (COTD) had already been through this process in the 2018 case of *Hunt v. COTD* which analyzed this specific provision of this Code, and where the Land Use Board of Appeals (LUBA) ruled in favor of the City's interpretation.

The City Attorney stated the Code authorizes both the Community Development Director and the City Attorney to make discretionary decisions on certain matters, and both positions are afforded a significant amount of discretion and deference when it comes to the way City Code and Comprehensive Plan are interpreted. The City Attorney explained he is the chief legal officer of the City and one aspect of the position of City Attorney is to interpret City Code. The City Attorney explained one aspect of Director Cannon's position as the Community Development Director is to implement the City's Land Use and Development Ordinance in the way she sees fit and subject to the Code, so long as it is supported by clear and objective standards. In this case, the City Attorney's opinion is it appears the Code's standards are clear and objective and staff's interpretation of those standards are plausible and entitled to significant deference.

Mr. Whiteman stated he submitted a public records request asking for any application denials issued in the past 10 years citing that Code. The City replied with an official letter saying this had never been used before to deny an application.

Commissioner Mascher asked if applying that Code is at the discretion of the Director and City Attorney, and our overall goal is to increase density, then, if this lot was divided into two lots, would there be nothing to stop construction of two duplexes, one on each lot?

Director Cannon replied she doesn't find any part of this Code discretionary. Cannon said she applied the code and interpreted it correctly. Further, state law and the City's Code allows for duplexes to be developed anywhere that single family homes can be developed.

Commissioner Mascher stated he was not trying to imply there was discretion in application of the Code, or discretion about that. His understanding implementation of that Code is at the discretion of the Director. Director Cannon replied, no.

The City Attorney stated Director Cannon was correct: there is no discretion in application review and clarified his opinion addressed staff's interpretation of Code. The City Attorney explained the discretion to make interpretation is fundamentally different than the discretion to apply it, and the Code must be correctly applied equally to everyone.

The City Attorney explained the 2018 *Hunt v. COTD* case; addressing Mr. Whiteman's statement on whether section 10.5.10.10 was applied in the past, the answer is yes, it was applied in *Hunt v. COTD*. The City Attorney clarified no application in the last ten years appears to have been denied in the RL zone because of 10.5.10.10, but the Code provision was nonetheless applied and litigated and the LUBA found for the City in *Hunt*.

Director Cannon emphasized that she applied the Code properly in this case. The Code has been applied consistently during her tenure with the City since 2020.

Commissioner Easling stated in the Section 10.5.10.060, the Code states 5,000 SF minimum. An 18,000 SF lot would provide three 5,000 SF minimum lots. He asked why there were two different things in the Code.

Director Cannon replied both standards apply here. A 5,000 SF minimum lot size is required for a single family detached dwelling. Density standards outlined in Section 10.5.010.010 are also required.

The City Attorney added the discussion before the Planning Commission is a distinction between minimum and maximum density, and the position of the City is the partition will split a 0.48 gross acre parcel into three parcels which will exceed the maximum density of the zone, which prescribes three to six single family dwelling units per gross acre limit.

Chair Cornett asked if dwelling units and lot sizes are two different things. The City Attorney replied affirmatively. Cornett then asked how the unit restriction to lot size can be applied if the units do not exist. Director Cannon replied staff must assume some density when applying the Code; the assumption in a single-family zone is that there will be at least one unit on each lot.

Chair Cornett asked if there is anything in the Code that says a vacant lot must be developed. Director Cannon replied, in this case, the property is in a low density residential zone and so CDD must assume one dwelling unit at a minimum and at a maximum.

Associate Planner Chandler provided additional context by explaining the purpose statement of Chapter 10.9 states, "The purpose of the Land Divisions Chapter is to ensure that building sites

are sufficient for their intended use and that lots to be created are within the density ranges permitted by the Comprehensive Plan...”. Associate Planner Chandler provided this section of Code essentially implies each lot has a density connected to it and not that each lot being created is without a unit calculation.

Commissioner Mascher asked the City Attorney if the process applied here opened the City up for liability. The City Attorney replied that question would not be the subject of discussion; this is a quasi-judicial public hearing that should interpret the Code as presented in the agenda staff report and in the record.

Chair Cornett invited rebuttal from the applicant.

Mr. Whiteman said there is a written record of questions that were asked and the fact he did not receive a response, this Code is not clear, and the implementation is flawed. The City Attorney said Section 10.5.010.010 was used in 2018, but then said nothing was denied based on the Code. Mr. Whiteman said there were nine approved applications that did not conform to Code. He asked how the City can say it has been used when it has never been used to deny something.

Mr. Whiteman continued to vent frustration and disappointment about the process and Code interpretation. He thanked the Commission for their time and encouraged the Commission work to make the Code clearer for future developers.

Chair Cornett said he appreciated the Mr. Whiteman’s motivation to bring this to the Commission to allow discussion.

Chair Cornett closed the public hearing at 7:41 p.m.

Deliberations:

Commissioner Aparacio shared her frustration with the situation. She stated the Commission spent a significant amount of time reviewing the Code and there were two “north stars” the Commission continued to hear. One of those was clear and objective code. She believes this projects illustrates a situation where the Code is not clear and objective. The other part was affordable housing. She felt the Commission was in direct conflict with the two north stars. She believes the Commission needs to continue discussion and continue to push forward on “clear and objective” with the ultimate goal of creating more affordable housing. She emphasized that the City’s boundaries are not going to grow. The City needs to be judicious in creating housing opportunities for those that work and want to live here in The Dalles. Chair Cornett agreed with Commissioner Aparacio, stating there were some oversights.

Commissioner Easling also shared his frustration and expressed he felt he should be able to read the Code and interpret the number of lots possible and he had had similar issues with wording, contributing to his position on the Commission today. He thanked the applicant for bringing it to the Commission. Commissioner Easling indicated the City Attorney’s memorandum was clear and stated he thought staff’s denial was correct.

Commissioner Poppoff said the Code seemed unclear and provided his opinion: if in the past higher density was allowed, the Planning Commission must be consistent and apply that here. Considering duplexes are two units each, Mr. Whiteman would have one less unit than if the lot

was divided in half with a duplex on each lot. Commissioner Poppoff indicated Mr. Whiteman seems he did his due diligence

Commissioner Mascher said Commissioner Aparicio clearly defined what he thought the Commission was feeling – the frustration of Code clarity and housing but also density. Commissioner Mascher indicated he struggled with the same back and forth sense of what is right compared to what is written or applied.

Chair Cornett stated his opinion this decision was difficult for the entire Planning Commission and that a great deal of time was spent to improve the Code with the Housing Code Amendments in 2020, but cases like this expose Code revision oversights. Chair Cornett indicated the Commission will have an opportunity to fix this oversight but it will be at a later date and said he felt he had to vote to deny Mr. Whiteman's application due to the Code's perceived ambiguity. If the Commission were to approve the appeal, citing inconsistencies with staff's finding of unmet criteria, the Planning Commission would have to reference the criteria which allows this determination and Chair Cornett stated he does not have a singular criterion that would plainly and without question validate with absolute approval the appeal.

Commissioner Pena stated this was complicated and she shared the Mr. Whiteman's frustration, and the City needs more affordable housing. Commissioner Pena concluded that, following the Code, she could not say yes at this point to Mr. Whiteman's application.

It was moved by Commissioner Easling and seconded by Commissioner Poppoff to adopt Resolution 601A-22 denying Mr. Whiteman's appeal.

Chair Cornett stated the motion was moved and seconded to deny Appeal 032-22 and affirm the administrative denial of Minor Partition 401-21. Chair Cornett confirmed the Commission was voting to accept staff's denial of the appeal, affirming staff's denial of MIP 401-21, based upon the findings of fact and conclusions of law set forth in the agenda staff report.

The motion carried 4/1; Commissioners Aparicio, Cornett, Easling, and Mascher voting in favor. Commissioner Poppoff opposed. Commissioner Pena abstained. Commissioner Miller absent.

### **STAFF COMMENTS / PROJECT UPDATES**

Senior Planner Hert shared the following comments:

Comprehensive Plan Amendment:

- Employment Buildable Lands Inventory/Economic Opportunities Analysis – Based on the Planning Commission's recommendation (11/19/2020) and the City Council's discussion, staff was directed to move forward with text amendments and adoption of ancillary documents to the Comprehensive Land Use Plan.
- A public hearing for Comprehensive Plan amendment will be scheduled for the April 21, 2022 Planning Commission meeting.

Zoning Ordinance Amendment:

- Total Maximum Daily Load (TMDL) – The Planning Commission recently recommended City Council approve the TMDL as an ancillary document to our Comprehensive Plan; this

addition is complete. The next step will create code amendments to detail, and make modifications to, our stream corridor, specifically looking at safe harbor stream corridor setback modifications and hardship adjustments.

- Staff will ensure these modifications align with the Department of Land Conservation and Development (DLCD) requirements, and requirements included in our agreement with the Department of Environmental Quality (DEQ).
- A discussion item is planned for the March 3, 2022 Planning Commission meeting, followed by the public hearing planned for the April 21, 2022 meeting.

Director Cannon stated the following topics will be discussed at a future meeting:

- Discussion on downtown ground floor commercial requirements
- Code clarifications and revisions
- Code amendment for removal of off-street parking for outdoor seating of restaurants

### **COMMISSIONER COMMENTS / QUESTIONS**

Chair Cornett noted that while this was a difficult meeting he believes “we are all on the same team, going for the same things.” He is excited for more opportunities to make things better.

Commissioner Poppoff stated in when a fraction results from determining density, it would make more sense to round downward if it is one-half or less of a unit, and round upward if it is more than one-half. Director Cannon replied there are other cities that use this method.

Commissioner Mascher mirrored Chair Cornett’s statements. There is no blaming or opposition that is driving this conversation; it’s about better understanding the context and the situation to make the right decision. Sometimes what code of law writes will go against what makes sense from a rational perspective, and these situations become very difficult.

### **RESOLUTION**

Resolution PC 600-22: Approval of ADJ 055-22, Ben and Anne Wring

It was moved by Cornett and seconded by Mascher to approve Resolution PC 600-22 based on findings of fact and two conditions of approval. The motion carried 6/0; Aparicio, Cornett, Easling, Mascher, and Poppoff voting in favor, none opposed, Miller absent.

Resolution PC 601A-22: Denial of APL 032-22, Kenneth S. Whiteman

It was moved by Cornett and seconded by Aparicio to approve Resolution PC 601A-22 based on findings of fact. The motion carried 4/0; Aparicio, Cornett, Easling, and Mascher voting in favor, Poppoff opposed, Pena abstained, Miller absent.

**ADJOURNMENT**

Chair Cornett adjourned the meeting at 8:10 p.m.

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Submitted by/  
Paula Webb, Secretary  
Community Development Department

SIGNED: \_\_\_\_\_

Cody Cornett, Chair

ATTEST: \_\_\_\_\_

Paula Webb, Secretary  
Community Development Department

DRAFT

**MINUTES**

**PLANNING COMMISSION MEETING**

March 17, 2022  
5:30 p.m.

CITY HALL COUNCIL CHAMBERS  
313 COURT STREET  
THE DALLES, OREGON 97058

**PRESIDING:** Cody Cornett, Chair

**COMMISSIONERS PRESENT:** Philip Mascher, Maria Pena, Nik Portela

**COMMISSIONERS ABSENT:** Karly Aparicio, Alan Easling, Mark Poppoff

**STAFF PRESENT:** Director Alice Cannon, Secretary Paula Webb

**CALL TO ORDER**

The meeting was called to order by Chair Cornett at 5:37 p.m.  
Chair Cornett welcomed Nik Portela to the Planning Commission.

**PLEDGE OF ALLEGIANCE**

Chair Cornett led the Pledge of Allegiance.

**APPROVAL OF AGENDA**

Chair Cornett requested Item 6, Staff Comments, and Item 7, Commissioner Comments, be moved permanently to the end of the agenda.

It was moved by Cornett and seconded by Mascher to permanently move Items 6 and 7 to the end of the agenda. The motion carried 4/0; Cornett, Mascher, Pena and Portela voting in favor, none opposed, Aparicio, Easling and Poppoff absent.

It was moved by Mascher and seconded by Portela to approve the agenda as amended. The motion carried 4/0; Cornett, Mascher, Pena and Portela voting in favor, none opposed, Aparicio, Easling and Poppoff absent.

**PUBLIC COMMENT**

None.

### **QUASI-JUDICIAL PUBLIC HEARING**

ADJ 056-22: Brady Wolf, 800 E. 13<sup>th</sup> Street, 1N 13E 3 CD tax lot 13500

Request: Approval to reduce the minimum lot depth from 60 feet to 50 feet, to allow the applicant to partition the property into two lots on an existing 50-foot wide property. This results in a lot depth reduction of approximately 16%.

Chair Cornett read the rules of a public hearing. He then asked if any Commissioner had ex parte contact, conflict of interest or bias, which would prevent an impartial decision.

Hearing none, Chair Cornett opened the public hearing at 5:45 p.m.

Assistant Planner Cook provided the staff report.

In response to Commissioner Mascher's inquiries, Cook replied the applicant is a representative of Columbia Gorge Habitat for Humanity. The Code allows up to a 20% reduction. Future adjustment applications would be decided by the Commission on a case-by-case basis.

Brady Wolf, 395 SW Irie Road, White Salmon, WA 98672

Mr. Wolf stated this corner lot provides a unique opportunity. Land costs hamper the ability to provide affordable houses. Splitting the property into two lots will provide additional opportunity. The current plan is to build a one single story house, and a one and one-half story house with a walk-out basement.

Phil Johnson, 6603 Little Buck Creek Road, White Salmon, WA 98672

Mr. Johnson is a volunteer for Habitat for Humanity. Two narrow lots with townhomes were considered. A two- or three-story construction is prohibitive due to safety concerns.

Chair Cornett closed the public hearing at 6:04 p.m.

It was moved by Mascher and seconded by Pena to approve Adjustment 056-22 subject to the conditions of approval as outlined in the staff report. The motion carried 4/0; Cornett, Mascher, Pena and Portela voting in favor, none opposed, Aparicio, Easling and Poppoff absent.

### **RESOLUTION**

Resolution PC 602-22: Approval of ADJ 056-22, Brady Wolf

It was moved by Mascher and seconded by Portela to approve Resolution PC 602-22. The motion carried 4/0; Cornett, Mascher, Pena and Portela voting in favor, none opposed, Aparicio, Easling and Poppoff absent.

### **DISCUSSION ITEMS**

Review of Land Use and Development Ordinance (LUDO) text amendments to implement stream protection/water quality improvement standards along three creeks that travel through The Dalles.

Director Cannon stated lower water temperatures are necessary to protect migrating fish. Adequate creek buffers encourage riparian vegetation, which in turn lowers water temperature.

The current Code requires a 50-foot setback from the top of the bank. The City's Code does not meet the state's safe harbor requirements. This amendment will change the way the buffer can be modified for development.

Director Cannon presented the staff report with the proposed updates. In response to Commissioner questions, Director Cannon replied:

- A TMDL plan was required in 2010. The City has not yet met the deadline; the amendment must be adopted by this spring.
- Staff must send notice to the Department of Land Conservation and Development (DLCD) 35 days prior to the hearing and the legislative hearing notice must be published in the newspaper.
- Wasco County must also meet DEQ requirements.

Review of draft Comprehensive Plan text amendments in support of the Industrial Buildable Lands/Economic Opportunity Analysis.

Director Cannon provided the presentation, Exhibit 1. Cannon noted Kelly Howsley-Glover, Wasco County Planning, was attendance at the meeting. Howsley-Glover said she was happy to answer any questions.

Commissioner Mascher asked if the proposed text amendments focused entirely on business development. Director Cannon replied the focus was on commercial and industrial land supply and the policies that support development and redevelopment of those lands.

The Housing Needs Analysis, completed in 2017, was not adopted. State law requires the Housing Needs Analysis. Numbers will be updated and adoption will be completed in late 2022 or early 2023.

Commissioner Mascher said he liked that even though this focuses on business development, it touches on quite a few quality of life and standard of living points. Mascher stated he read an interesting article around the factors that have the biggest return of investment on economic development of communities. The article found investments that were not traditionally considered economic or business investments, but were clearly lifestyle investments such as parks, transportation, recreation, etc., had a higher return of investment in the economic development of towns. The article is Exhibit 2.

**STAFF COMMENTS / PROJECT UPDATES**

Director Cannon welcomed new Commissioner Nik Portela. Commissioner Portela is a long-time resident of Oregon, currently working at The Next Door managing health promotion services and underserved residents. He is also on the Board of the Columbia Gorge Pride Alliance.

Director Cannon stated in response to a difficult hearing at the last meeting, draft revisions have been made to the Code. These revisions will be presented at the April meeting.

Also returning to the April meeting will be further discussion and adjustments to the downtown ground floor requirements. These adjustments would add flexibility to current requirements.

Director Cannon provided updates on Urban Renewal projects:

- Recreation Building – Development continues on the project. Two storefronts are complete and ready to occupy pending final tenant improvements. Temporary certificates of occupancy have been issued. Within the next two months, closing on two storefronts is expected [215 and 219 E. Second Street]. Development continues on the remaining building [213 E. Second Street].
- Tony’s Building – This Agency-owned building will be demolished and offered as a shovel-ready redevelopment site. Grant funds from the Environmental Protection Agency have assisted in the environmental study and removal of an underground storage tank. The Business Oregon Brownfield Cleanup Fund is expected to provide an additional \$250,000 to \$400,000 for demolition.
- First Street Streetscape Project – Design phase continues. Bid documents should be complete by this time next year, out to bid, and construction complete by early 2024.
- The Urban Renewal Agency is revamping the grant program. The new Incentive Program will hopefully be adopted in May. Cannon expects development of new units downtown within the coming months. Developers have taken advantage of available Brownfield grants to alleviate costs of clean up.
- The Town Hall hosted by the City had 120 participants. Pending results from the meeting, a second survey will be offered to collect additional input.

#### **COMMISSIONER COMMENTS / QUESTIONS**

Commissioner Mascher called attention to two new projects. A market consisting of individual vendors will be offered in the old Sears building [116 E. Second Street]. The Dalles Art Center is moving forward with creation of a pocket park at the southwest corner of E. Second and Washington Streets.

#### **ADJOURNMENT**

Chair Cornett adjourned the meeting at 6:55 p.m.

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*Meeting conducted in a room in compliance with ADA standards.*

Submitted by/  
Paula Webb, Secretary  
Community Development Department

SIGNED: \_\_\_\_\_

Cody Cornett, Chair

ATTEST: \_\_\_\_\_

Paula Webb, Secretary  
Community Development Department



# City of The Dalles Planning Commission

THURSDAY, MARCH 17, 2022 | 5:30 PM

## Regulatory Basis for Economic Opportunities Analysis and Employment Buildable Lands Inventory

### **Economic Opportunities Analysis (OAR 660-009-0015).**

- Identify the major categories of industrial/employment uses that could be expected to locate or expand.
- Identify the number of sites needed to accommodate projected employment growth.
- Inventory vacant and developed lands for industrial or other employment use.
- Estimate types and amounts of industrial and other employment uses likely to occur.

### **Comprehensive Plans - Industrial and commercial development policies (OAR 660-009-0020).**

- Cities over 2,500 are required to develop commercial and industrial development policies based on the EOA.
- Must state objectives for economic development and identify categories/types of industrial/employment uses desired.
- Must include policies that commit the City to designate adequate employment sites.
- Plan must also include policies to provide necessary public facilities and transportation facilities.

### **Implementation Policies and Measures - Designation of lands for industrial and commercial uses. (OAR 660-009-0025).**

- Cities must adopt measures to implement policies adopted pursuant to OAR 660-009-0020.
- Include amendments to plan/zone map designations, land use code, public facility plans & transportation plans.
- Plans must identify the approximate number, acreage and characteristics of sites needed to accommodate industrial/employment uses to implement policies.

## Employment Buildable Lands Inventory Comprehensive Plan Text Amendments - History

- **October 2020**, Angelo Planning Group (APG) completed the methodology and updated results of the 2020 Employment Buildable Lands Inventory (BLI):
- **November 19, 2020**, the Planning Commission recommended that the City Council adopt the EOA/BLI.
- **February 8, 2021**, City Council discussion on options and staff's ability to complete the amendments.
- **April 12, 2021**, City Council unanimously agreed with the Planning Commission's recommendation.

## Employment Buildable Lands Inventory Comprehensive Plan Amendments

- *The Dalles Comprehensive Plan, Volume II Background Documents* to be updated/added:
  - Economic Opportunities Analysis (Bridge Economic Development, 2019)
  - Economic Development Action Plan (Bridge Economics Development, 2019)
  - Buildable Land Inventory Memorandum (Angelo Planning Group, 2020)
- *Goal #9 Economic Development* goal to be updated reflecting details included in EOA/BLI:
  - *Purpose Statement* to be removed
  - *Background Narrative* updated
  - *Economic Overview* updated
  - *Economic Forecast* updated
  - *Economic Opportunities [2018] and Action Plan [2019-2024]* updated
  - *Findings and Conclusions* updated
  - *Economic Development Goals*, one item added
  - *Goal #9 Policies* updated
  - *Goal #9 Implementation Measures* added

## Goal # 9 Policies, updated (1-9)

### Goal 9 Policies

1. Promote and support diversification of The Dalles' economic base focusing on growth of family wage jobs.
2. To the extent possible, designate within the existing UGB suitable land with site size and locational characteristics required by targeted employment.
3. Coordinate with property owners to retain large commercial and industrial sites identified in the EOA for their intended commercial and industrial uses through zoning and master planning.
4. Actively support redevelopment efforts for under-utilized commercial and industrial sites within The Dalles UGB, recognizing that the Northwest Aluminum site provides the large industrial sites required by targeted employers during the 20-year planning period.
5. Commercial and service uses in the City's industrial zones should be limited to small-scale retail and service uses that cater primarily to local area employees and customers and support surrounding businesses.
6. Plan for and make adequate public investments to meet the existing and future demands of industrial, commercial, and residential growth in The Dalles.
7. Encourage investment in The Dalles Central Business District, and support project activities in the Columbia Gateway/Downtown Urban Renewal Plan.
8. Encourage tourism-related services as an element in the diversification of the community's economy.
9. Support growth of businesses that create destinations that create destinations and experiences for residents of The Dalles and visitors.

## Goal # 9 Policies, updated (10-21)

10. Encourage the continued development of the Mid-Columbia Medical Center and other health services as an important resource to the economic base of The Dalles, and as an important element in extending the perimeter of The Dalles' trade area.
11. Support and encourage the Columbia Gorge Community College in providing workforce development and training to meet the needs of new and existing businesses in The Dalles.
12. Maintain The Dalles position as a primary agribusiness trade center by encouraging the growth of those businesses providing agricultural supplies and services, and those processing and marketing agricultural products.
13. Support the forest products industry as an element of the economy.
14. Encourage the start-up and growth of small to medium sized businesses providing family wage jobs. Develop reasonable standards to allow home business start-ups.
15. Encourage siting of new industries in The Dalles, and encourage existing industries to maintain high environmental standards.
16. Reserve industrial zones for industrial uses and uses compatible with industry.
17. Review and revise administrative policies and procedures to streamline the planning process, and reduce delays in obtaining development approvals.
18. Coordinate economic planning and development with industrial development at Dallesport.
19. Encourage educational, cultural, social and employment opportunities to enhance the quality of life in The Dalles for all age and income groups.
20. Plan for and implement appealing streetscapes that encourage personal interaction, accommodate public gatherings, and enhance the experience of shoppers and workers.
21. Encourage cooperation between public and private sectors to support economic growth.

## Goal # 9 Policies, updated (22-27)

22. Make prudent investments in The Columbia Gorge Regional Airport as needed to accommodate airport development.
23. Pursue development of higher employment densities in areas with planned or existing facilities, utilities, and transportation infrastructure.
24. Establish streamlined permitting processes that allow for business expansions and modifications without undergoing the same level of review as new development.
25. Ensure The Dalles has the services and amenities necessary to attract workers and provide the services they need, such as medical services, child care services, educational training opportunities, public transportation, retail and restaurants, and other necessary amenities.
26. Support and encourage infill and redevelopment, especially in existing commercial areas, as a way to use land and infrastructure more efficiently.
27. Facilitate and support business incubators and other methods to assist start-up businesses

## Goal #9 Implementations Measures, added

### 1. Expand the Existing Industry Base

- Collaborate with MCEDD and other stakeholders to coordinate activities.
- Engage with existing organizations to determine barriers to address at the City and to foster collaboration.
- Align downtown urban renewal plan and visioning with the Economic Development Action Plan
- Prepare an inventory of sites and buildings that clearly define and highlight the infrastructure and inventive assets within the City.
- Promote a proactive permitting process and culture.
- Promote the Columbia Gorge Regional Airport Business Park
- Invest and promote maker space collaborations.
- Support, sponsor, and promote startup collaboration networking events in downtown.
- Encourage master planned redevelopment of the Northwest Aluminum site that retains larger parcel sizes for targeted industries.

## Goal #9 Implementations Measures, added

### 2. Grow and Attract Talent

- Encourage affordable and diverse housing types for a variety of residents.
- Encourage new higher-end market rate housing development for high-wage workforce.
- Enhance youth access to Science, Technology, Engineering, and Math (STEM) related occupations.
- Develop a consistent message for business to attract workers.

### 3. Create Place

- Determine and permit the necessary public infrastructure to encourage the desired private investment in conjunction with the project.
- Enhance the visual appearance in the Downtown Area.
- Define and promote a vision for The Dalles
- Attract new retailers
- Enhance and promote the bike trail network surrounding The Dalles
- Work with stakeholders such as Main Street, Chamber of Commerce, tourism organization, Northern Wasco County Park and Recreation District, and others to enhance promotion of the Gorge
- Conserve historically significant places and properties, and aid in the rehabilitation of buildings and properties, particularly in the Downtown Historic District.

## Next Steps

- **March**
  - Submittal of formal land use application for the Comprehensive Plan Amendments.
  - Notice sent to the Department of Land Conservation and Development (DLCD)
  - City Council Discussion Item (March 28<sup>th</sup>)
  - Notice sent to Wasco County Planning.
- **April**
  - Notifications of the Legislative Public Hearings before the Planning Commission and City Council will be published in the local newspaper.
  - April 12<sup>th</sup> - Planning Commission public hearing
- **May**
  - May 9<sup>th</sup> - City Council public hearing

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Improving quality of life—not just business—is the best path to Midwestern rejuvenation

# BROOKINGS

The Avenue

## Improving quality of life—not just business—is the best path to Midwestern rejuvenation

John C. Austin, Amanda Weinstein, Michael Hicks, and Emily Wornell Wednesday, January 26, 2022

Over the course of the 20th century and into recent years, America’s industrial Midwest—once a landscape of similar small and large manufacturing and mill towns—has evolved into today’s reality of two Midwesterns.

One Midwest features communities that have diversified and turned an economic corner in today’s urbanized, global knowledge economy. In this Midwest, many of the region’s major metro areas and university towns have found new economic dynamism and relative prosperity.

In the other Midwest, however, factory towns that have lost anchor employers continue to languish. Most of these small and midsized industrial heartland communities rely on traditional economic development strategies to reinvigorate their economies, including doling out incentives to attract or retain employers or attempting to create a more “business-friendly” environment with lower taxes and labor costs.

But now there is compelling new data that these traditional economic development tools may be ineffective compared to investments in quality of life and place. Our research on smaller communities has found that community amenities such as recreation opportunities, cultural activities, and excellent services (e.g., good schools, transportation options) are likely bigger contributors to healthy local economies than traditional “business-friendly” measures. Smaller places with a higher quality of life experience both higher employment and population growth than similarly situated communities, including those that rank high by traditional economic competitiveness measures.

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Improving quality of life—not just business—is the best path to Midwestern rejuvenation

The methodology of this new research uses the expressed preferences of households and businesses themselves, rather than the many external rankings of factors that make a community a nice place to live. Previous research shows people are willing to pay higher housing prices and even accept lower wages to live in towns they think offer a higher quality of life. Similarly, businesses are willing to pay higher real estate prices and offer higher wages to locate in places with more productive workers. In this manner, housing and labor markets can reveal the preferences of households and businesses.

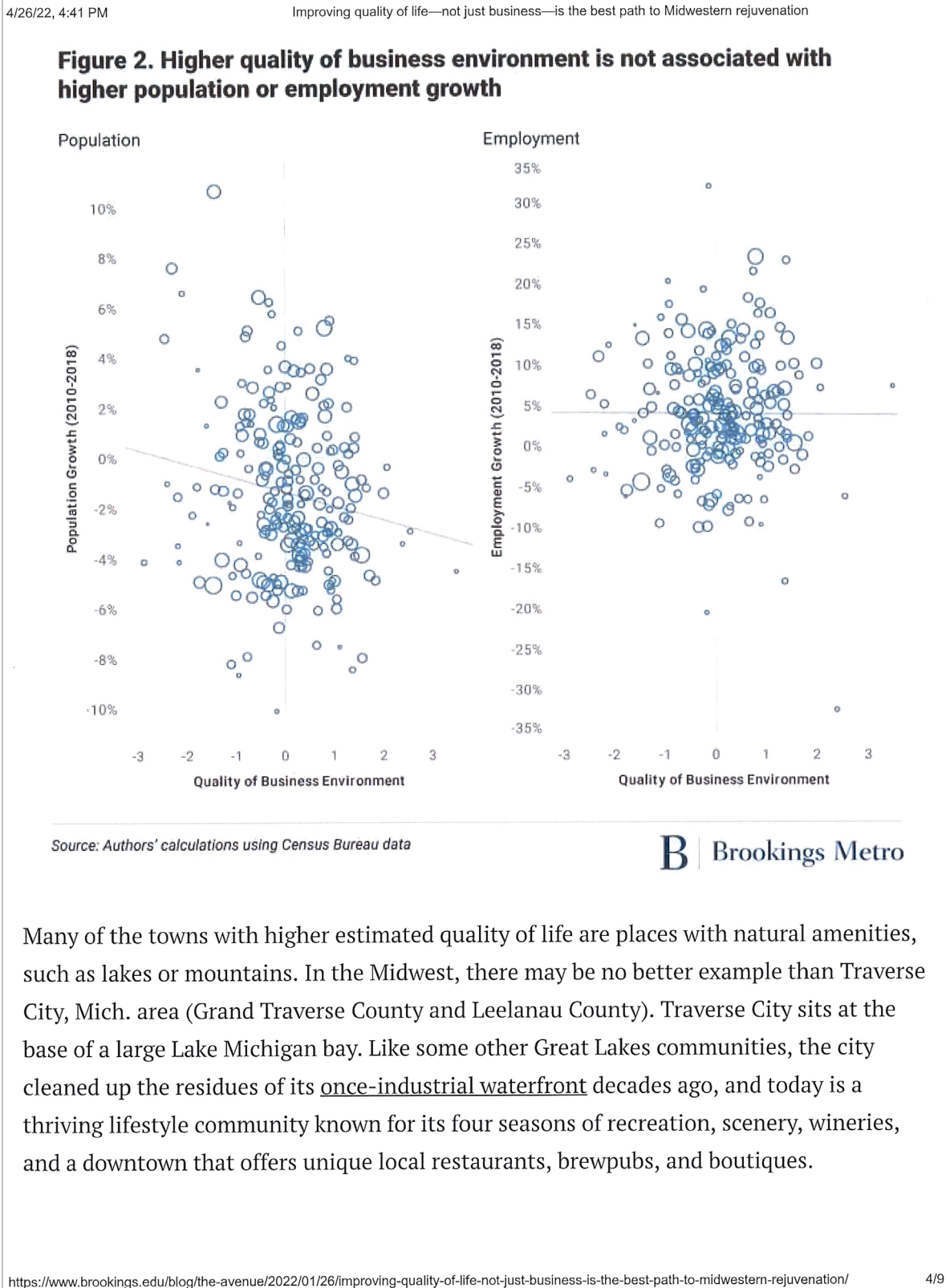
In this analysis “quality of life” is measured by the “extra” housing costs (be they positive or negative) that households appear willing to pay to live in a given county, above and beyond what local wages and housing and population characteristics would suggest. “Quality of business environment” is measured by the “extra” real estate and wage costs (again, positive or negative) that businesses appear willing to pay to locate in a given county, above and beyond what local economic structure and worker characteristics would suggest.

After estimating quality of life (what makes a place attractive to households) and quality of business environment (what makes a place especially productive and attractive to businesses) in communities across the Midwest, we found quality of life matters more for population growth, employment growth, and lower poverty rates than quality of business environment. This is seen in Figure 1 and 2:

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Capitalizing on the natural amenities near these small towns and rural areas offers one potential path to economic success for many Midwest communities. It also offers better long-term prospects than the shorter-term gains associated with natural resource extraction. Such industries place some smaller communities in the “good place to work” side of the ledger, including Pike County, Ind., where at one time about one in six workers was employed in relatively well paid coal mining jobs and is home to a major coal-fired power plant. Yet Pike County has experienced a steady decline in population and employment for decades.

Our analysis suggests that across the nation, natural amenities are associated with higher growth. Yet there are some areas, including in the industrial Midwest, where natural amenities exist but have not been leveraged. In Ohio, for example, natural amenities aren’t associated with higher growth—not because Ohio lacks parks, woodlands, and Great Lakes coastline, but because it hasn’t effectively repurposed industrial sites and rebranded its communities as successfully as a place like Traverse City has.

With the COVID-19 pandemic heightening the importance of places’ quality of life and making remote work more common, Great Lakes and Midwest lifestyle communities are becoming even more attractive destinations of choice. So, how can leaders in these communities leverage their quality of life attributes?

Obviously, leaders and policymakers can’t build a Great Lake, mountain, or unique natural feature from scratch. But they can focus on enhancing other quality of life aspects and providing solid public services for their current residents.

For example, our analysis found that one of the strongest factors associated with higher quality of life in small towns is spending on public schools, with public school quality and the availability of early childhood education being two of the most important factors for working parents. And while school quality is important for both men and women, it is more important to women, as women tend to allocate more household resources toward their children. Recent research suggests women may be the household member that small Midwest towns have the best shot at attracting; women already show stronger preferences for the Midwest, and are more negatively affected by the congestion effects associated with large cities (for example, higher crime rates and worse air quality). Women’s buying

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power and influence over household decisions has been underestimated by policymakers and businesses alike and has likely grown over time, and quality of life features important to women (e.g., access to quality public education and child care) may be a prerequisite for the success of a community's other economic development policies.

Although quality of life surpasses quality of business environment in driving economic success, the *nature* of local businesses still plays an important role. Local employers that provide goods and services that add to the quality of life can be vital aspects of a communities' appeal. This includes not just recreation or arts and culture but also the nature of food stores, home furnishing stores, and personal care establishments; for example, farmers' markets, locally owned businesses, and quirky shops all enhance a community's quality of life to current and potential residents. It may also be important for employers in all industries to consider the work-life balance they are offering employees and ensure their workers have ample opportunities to enjoy the local amenities with friends and family.

One implication of this research is that local leaders, businesses, and decisionmakers need to identify and build on their particular assets and advantages that contribute to quality of life.

While any community's economic positioning for future growth is a nuanced consideration—informed by contexts ranging from natural assets to historical industrial mix to the existence of racial strife—this research suggests that smaller former industrial and rural Midwest communities with a high quality of life could be poised for new growth. This is particularly relevant as new bipartisan infrastructure legislation will deliver high-speed internet access to rural and small town America, and potential human infrastructure spending could offer less-resourced small towns better access to universal pre-K, which previous research has found to be the largest positive impact on preschool enrollment for rural areas—indicating that the market for preschool may be especially “thin” in rural areas.

Figure 3 displays smaller industrial towns based on the positive or negative housing and wage premiums residents and businesses are willing to pay to locate there. The upper left (blue) quadrant displays places with higher quality of life, where residents are willing to

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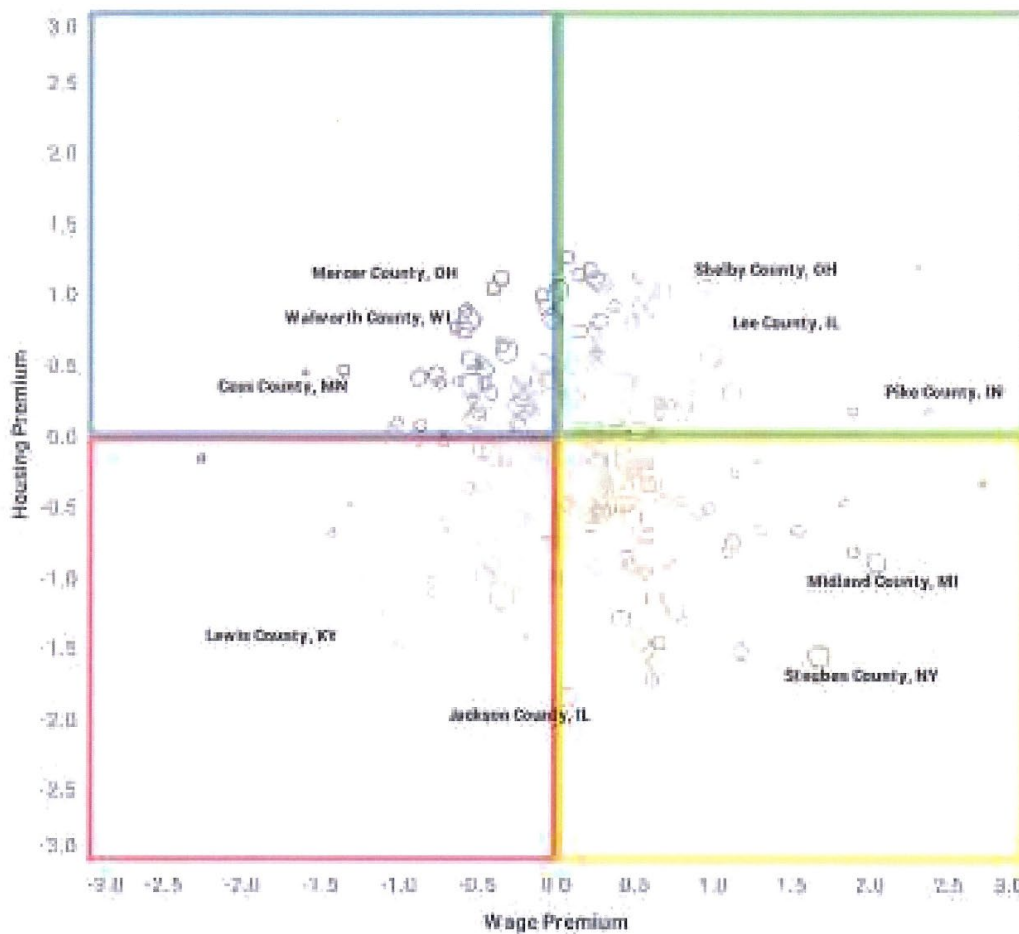
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pay higher housing prices and accept lower wages. This quadrant displays a number of smaller Midwest communities that appear well positioned for new growth, including Whitewater, Wis. (Walworth County); Celina, Ohio (Mercer County); and Brainerd, Minn. (Cass County), which all rank among the top small Midwest towns for quality of life in Figures 1 and 2.

**Figure 3. Small industrial towns should focus on quality of life to realize their full growth potential**



Source: Authors' calculations using Census Bureau data

**B** Brookings Metro

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The upper right (green) quadrant displays places that both households and businesses believe are nice places to live and work. These include Sidney, Ohio (Shelby County), an historic town with an extensive parks and recreation system as well as various headquarters and manufacturing plants. Another example, Dixon, Ill. (Lee County), is a regional employment hub with several large employers along with art venues in its downtown.

We don't see current long-run growth potential for the places in the lower right (orange) quadrant such as Steuben County, N.Y., Jackson County, Ill., and other counties that rely on extractive industries and focus on the quality of business environment in a way that sacrifices quality of life. The same can be said for places in the bottom left (red) quadrant, which are viewed as unattractive places to both live and work. These counties are places that would likely require a significant refocusing of effort in the public and private sphere toward quality of life, or some other strategic intervention (e.g., building out education, medical, or research complexes to spur a growth trajectory).

The findings reinforce that local leaders and economic developers should prioritize quality of life strategies over tax incentives and lax regulation. The long-standing Midwestern community economic development strategy of low taxes, business incentives, and loose environmental regulations usually doesn't work, and has often proven disappointing to communities that have given away tax dollars and reduced business standards without seeing substantial returns. Low business taxes often hide a hidden opportunity cost by reducing available funding for local schools and other public amenities.

A shift in focus toward quality of life also favors regional cooperation rather than the zero-sum game of fiscal incentives. Places that focus narrowly on quality of business environment end up competing with their neighbors, reducing not only their own economic success but also the population and employment growth of their neighbors. Conversely, improving quality of life in a place improves the economic success not only of their own town, but also for nearby communities with the ability to enjoy the amenities their neighbors offer.

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The importance of quality of life in economic development has been growing in recent decades, as prospective residents increasingly demand such amenities. But the change has come so slowly that it has gone unnoticed by many. Even if the populations that move to high quality of life Midwest communities are relatively small in number, these are small places to begin with, and newcomers can help reverse historic patterns of population decline.

Leaders in the smaller Midwest places looking for levers for economic development can be guided by the same wisdom that businesspeople have always known: It is much easier to attract new customers when you make your current customers happy. Improving quality of life for current residents in small Midwest towns can be a driving force for the community renewal they so eagerly seek.

**Acknowledgments:**

Victoria Bronstein contributed to this post.

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## CITY of THE DALLES

313 COURT STREET  
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1125  
COMMUNITY DEVELOPMENT DEPARTMENT

# The Dalles Planning Commission

## STAFF REPORT

Comprehensive Plan Amendment #53-22

**PROCEDURE TYPE:** Legislative

**HEARING DATE:** May 19, 2022

**REQUEST:** Approval of Comprehensive Plan Goal 9 Revisions: Amendments and adoption of the Employment Opportunities Analysis and Employment Buildable Lands Inventory documents to *The Dalles Comprehensive Plan, Volume II: Background Documents*

**APPLICANT:** City of The Dalles

**PREPARED BY:** Alice Cannon, Community Development Director  
Dawn Hert, Senior Planner

### BACKGROUND INFORMATION:

State law requires cities to periodically update and produce a twenty-year inventory of buildable land (BLI) for both employment and residential uses. City staff worked extensively on this project in 2019 and 2020, holding public involvement sessions to discuss the methodology and results with a technical committee, the Planning Commission, City Council, and the Wasco County Board of Commissioners.

This inventory covers land within the City's urban growth boundary (UGB) consistent with Oregon statutory and administrative rule requirements. It does not cover land within the community of Dallesport, Washington, although that area is considered part of a larger regional employment area from an economic development perspective. This refined BLI also suggested recommended amendments to the Comprehensive Plan policies, addressing economic development strategies and actions.

At the Planning Commission meeting on March 17, 2022 and the City Council meeting on March 28, 2022, staff presented the proposed modifications to the Comprehensive Plan for discussion. No modifications were recommended to the recently updated series of draft narratives and policy amendments included in the action plan and generated from the 2020 Employment Buildable Lands Inventory (BLI). The Comp Plan Goal 9 Revisions Documents

(APG 2020), Economic Development Action Plan (Bridge Economics, 2019) as well as the Additional Economic Development Action Plan formulated from the public hearings and task force meetings (APG, 2020) were also reviewed.

The attached document entitled *Comp Plan Goal 9 Revisions Doc, Angelo Planning Group, 2022* (Exhibit B) details the proposed text amendments to the Comprehensive Plan. All of the proposed amendments are subject to revision or deletion. In addition, the attached documents entitled *Employment Buildable Lands Inventory, Angelo Planning Group, Oct. 2020* (Exhibit A), *Economic Development Action Plan, Bridge Economics, 2019* (Exhibit C), and *Additional Economic Development Action Plan, Angelo Planning Group, 2020* (Exhibit D) are proposed for adoption as ancillary documents to the Comprehensive Plan. The Commission will forward a recommendation on the amendments and ancillary documents to the City Council. Final decision on all proposed amendments will be made by the City Council.

## **NOTIFICATION**

Notice of this public hearing was published in the local newspaper, sent to all local news media, sent to Wasco County Planning and posted on the City's website and social media accounts.

## **COMMENTS**

As of the date of the staff report, no formal comments have been received by the Community Development Department.

## **REVIEW CRITERIA:**

## **CITY OF THE DALLES MUNICIPAL CODE – TITLE 10 - LAND USE AND DEVELOPMENT**

### **I. PROCEDURE:**

#### ***Chapter 10.3 – Application Review Procedures, Section 10.3.010.040 Applications.***

*F. Applications for Legislative Actions. A legislative action may be initiated by the Director, the Historic Landmarks Commission, the Planning Commission, the Council, or at the request of an applicant or resident of the City.*

**FINDING #1:** This application is initiated by the City Council pursuant to the provisions of Section 10.3.010.040 F.

#### ***Article 10.3.020.060 Legislative Actions:***

##### ***Section A. Decision types.***

##### ***4. Amendments to the Comprehensive Plan:***

**FINDING #2:** This application is for Amendments to the Comprehensive Plan per Article 10.3.110.

#### ***Section B. Public Hearings.***

- 1. The Commission shall hold at least one legislative public hearing to review applications for legislative actions and, by duly adopted resolution, make a recommendation to the Council to approve, approve with conditions, or deny the request.*

**FINDING #3:** The public hearing has been set for Thursday, May 19, 2022.

**Section C. Notice of Hearing.** *At least 10 days before the legislative hearings, notice of the hearing shall be published in a newspaper of general circulation.*

**FINDING #4:** A notice of hearing containing the required information was published in Columbia Gorge News on May 4, 2022. Criterion met.

**Notice of Hearing as required by ORS 227.186.**

*ORS 227.186 requires that all property owners whose property is rezoned must be provided notice at least 20 days, but no more than 40 days, prior to the date of the first hearing. For purposes of this provision, rezone includes any change that limits or prohibits uses previously allowed in a zone.*

**FINDING #5:** The City Attorney has concluded that the notice of hearing detailed in ORS 227.186 is not required because this Comprehensive Plan Amendment does not constitute a “rezone” of property.

**Notice of Amendments as required by the State of Oregon, Department of Land Conservation and Development.**

*The Department of Land Conservation and Development requires a 35 day advance notice of any proposed amendments.*

**FINDING #6:** The required notice was sent and accepted by the Department of Land Conservation and Development on March 10, 2022, which is 35 days prior to the first public hearing.

**Section 10.3.020.070(B) Legislative Hearing Procedure**

*A staff report shall be presented which identifies the criteria and standards applying to the application and summarizes the basic findings of fact. The staff report may also include a recommendation for approval, approval with conditions, or denial.*

**FINDING #7:** The staff report has identified the criteria and standards as they relate to this application and has summarized the basic findings of fact. The staff report includes a recommendation for approval.

**II. REVIEW:**

**Section 10.3.110.030 Review Criteria**

*Proposed text amendments shall be consistent with the Comprehensive Plan, and State Laws and Administrative Rules, including the State Transportation Planning Rule OAR 660-012-0060. Proposed text amendments shall be consistent with the adopted Transportation System Plan and the planned function, capacity, and performance standards of the impacted facility or facilities. Requirements of the State Transportation Planning Rule shall apply to those land use actions that significantly affect the transportation system, as defined by OAR 660-012-0060.*

**FINDING #8:** The City of The Dalles has broad discretion to adopt textual changes. Each of the proposed amendments is consistent with the Comprehensive Plan, State Laws, and Administrative Rules.

## **COMPREHENSIVE PLAN**

### **1. Explain the justification for the proposed Comprehensive Plan Amendment.**

**FINDING #9:** Local Comprehensive Plans must be consistent with Statewide Planning Goal 9 and the Goal 9 Administrative Rule. The Buildable Lands Inventory (BLI) and Economic Opportunities Analysis (EOA) was conducted with the requirements of these goals. An EOA (OAR 660-009-0015) requires communities to identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends, and identify the number of sites by type reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses. In addition, they are required to include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use, and estimate the types and amounts of industrial and other employment uses likely to occur in the planning area.

Industrial and commercial development policies (OAR 660-009-0020). Cities with a population over 2,500 are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local comprehensive plans must also include policies that commit the city or county to designate an adequate number of employment sites of suitable sizes, types and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area.

Designation of lands for industrial and commercial uses (OAR 660-009-0025). Cities and counties must adopt measures to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies, and must designate serviceable land suitable to meet identified site needs.

The BLI Methodology used is consistent with OAR 660-009-0015 and was conducted in several steps detailed in Exhibit A of this document.

Adoption of the 2019 EOA and 2020 BLI as ancillary documents to the Comprehensive Plan as well as the proposed text amendments will bring the city into compliance with Planning Goal 9 and the Goal 9 Administrative Rule.

### **2. Describe how the proposed amendment is compatible with or will further the goals established by the Community for the subject area.**

**FINDING #10:** The proposed amendment is compatible with the follow goals:

*GOAL #1: Citizen Involvement*

*To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.*

Goal 1 calls for “the opportunity for citizens to be involved in all phases of the planning process.” As noted back in the background section of this report, this project has and will continue to ensure the opportunity for members of the local public to help generate and evaluate its proposals prior to adoption. The policy recommendations of the EOA were developed in collaboration with an advisory committee comprised of local property owners and developers, as well as representatives of the Planning Commission, the School District, and local utility providers. The EOA and BLI final report has been discussed at Planning Commission and City Council meetings.

#### *GOAL #2: Land Use Planning*

*To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.*

Goal 2 requires the City of The Dalles to have and follow a comprehensive land use plan and implement regulations. According to the goal, the City must build its comprehensive plan on a factual base, and follow the plan when making decisions on appropriate zoning. The City of The Dalles Comprehensive Plan has been adopted and acknowledged. This application proposes to amend the text and adopt both the EOA and BLI as ancillary documents to the comprehensive plan.

#### *GOAL #9: Economic Development*

*To provide adequate opportunities throughout the state for a variety of economic activities vital to health, welfare, and prosperity of Oregon’s citizens.*

The Department of Land Conservation and Development states that the purpose of Goal 9 planning is to make sure cities have adequate land available to realize economic growth and development opportunities. Goal 9 requires The Dalles to have a working inventory of areas suitable for economic growth that can be provided with public services. These inventories primarily focus on planning for major industrial and commercial developments, and having a ready supply of land appropriately zoned and located for those opportunities and local investments. The amount of land planned for economic development should be adequate for a 20-year supply. The City’s current economic development policies are outlined in the Comprehensive Plan.

The existing comprehensive plan policies were created by an EOA that was conducted in 2006. Proposed text amendments will replace the policies derived from new studies and public input. The City’s 2020 EOA was performed according to Goal 9 requirements. The findings, which the proposed Comprehensive Plan amendments would adopt by reference, include an analysis of the community’s economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends. They include a buildable lands inventory, an employment forecast, justified computations of employment land demand, and an analysis of policy implications and implementation strategies. The findings of the EOA compel the amendments proposed in this application.

**3. Describe how the proposed Comprehensive Plan Amendment will further the interests of public health, safety, and general welfare.**

**FINDING #11:** The EOA contains specific goal policies that address public health by providing strategies to aid in education, talent growth and business. These strategies will assist the City in maximizing local talent growth and encourage the continued development of Mid-Columbia Medical Center and other health services as they are an important resource to the economic base of The Dalles.

The proposed amendments include adoption of the EOA and BLI as background documents to the Comprehensive Plan. The inclusion of the Plans and the supporting goal and policy direction in the Comprehensive Plan framework will further public health, safety, and welfare interests consistent with the above criterion.

**4. Describe the effect the proposed amendment would have on surrounding properties.**

**FINDING #12:** The proposed comprehensive plan text amendments and adoption of the EOA and BLI will provide the strategies and guiding documents to ensure compliance with Statewide Planning Goal 9 and the Goal 9 Administrative Rule. Specific changes identified have the potential to impact properties located in the Industrial and Commercial zones.

In order to capitalize on long-range economic and employment shifts, The Dalles will need to maximize or improve the efficiency of its existing supply of land for commercial uses within the UGB. Similar conversions of Port industrial lands along the riverfront can produce a mixed-use area to accommodate a slightly different market, including freeway commercial and recreational users. Smaller gains provided through the use of Neighborhood Centers will allow development of neighborhood commercial uses near focal intersections in town. Finally, The Dalles has voiced a desire to accommodate reasonable home business opportunities that can provide an affordable start-up location for emerging businesses.

As stated in the report findings, The Dalles is well positioned to benefit from an increase in service, retail and tourism activity through the Columbia Gorge Discovery Center, The Dalles Riverfront Park and Trail, Google clusters, area sporting activities, and historic points of interest. In addition, new commercial development and retail leakage from Washington will help strengthen The Dalles as the retailing center of the Mid-Columbia Region. The Columbia Gorge Community College and the Mid-Columbia Medical Center make The Dalles the health care and educational center for the region, and are important work force training centers.

### **III. DISCUSSION**

The proposed amendments and ancillary documents are subject to revision or deletion. The Commission will forward a recommendation on the amendments to the City Council. The final decision on the proposed amendments will be made by the City Council.

**STAFF RECOMMENDATION:**

*Staff recommends the Planning Commission move to recommend to the City Council the approval of Comprehensive Plan Amendment #53-22, adopting text amendments to Goal #9 and approving the EOA and BLI as ancillary documents attached herein and adopting findings included in this staff report with any additional changes from the Commission at the April 21, 2022 hearing.*

**ATTACHMENTS**

Exhibit A – Employment Buildable Lands Inventory, Angelo Planning Group, October 2020

Exhibit B – Comp Plan Goal 9 Revisions Document, Angelo Planning Group, 2022

Exhibit C – Economic Development Action Plan, Bridge Economics, 2019

Exhibit D – Additional Economic Development Action Plan, Angelo Planning Group, 2020



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**MEMORANDUM****Employment Buildable Lands Inventory – FINAL DRAFT**  
**City of The Dalles Employment Opportunities Analysis**

DATE        October 8, 2020

TO            Alice Cannon and Dawn Hert, City of The Dalles

FROM        Andrew Parish, Clinton “CJ” Doxsee, and Matt Hastie, APG

CC            Alisa Pyszka and, Bridge Economic Development

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**INTRODUCTION**

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This memorandum describes the methodology of and updated results of the 2020 Employment Buildable Lands Inventory (BLI). The BLI represents the second phase of an Economic Opportunities Analysis (EOA) for the City. The first phase of the EOA, conducted by Bridge Economic Development, identified employment conditions and trends, target industries, employment land needs, and draft strategies and actions to achieve the City’s economic objectives.

This memo has been revised from a previous draft based on comments provided by members of the project’s Stakeholder Advisory Committee (SAC), the Planning Commission, and City Council. It also reflects additional analysis by the consulting team in response to the received comments, as well as a continued emphasis on consistency with state requirements and standards and direct consultation with staff from the Oregon Department of Land Conservation and Development (DLCD). The memorandum in Attachment A provides a more in-depth summary of revisions that were considered and/or incorporated. Changes to the analysis and resulting assessment included:

- Clarifying how certain types of property constraints are addressed in the inventory.
- Reclassifying, adding, or removing a number of inventory properties based on SAC feedback.
- Comparing the BLI with employment land needs identified in the Phase 1 EOA.
- Assessing and describing the need for industrial sites of specific sizes.

Once the BLI has been further refined as needed, it will be used to update the City’s recommended economic development strategies and actions. The BLI also will be used to inform the upcoming Westside Planning process.

This inventory covers land within the City’s urban growth boundary (UGB), consistent with Oregon statutory and administrative rule requirements. It does not cover land within the community of Dallesport, Washington although that area is considered part of a larger regional employment area

from an economic development perspective. As an example, the City of The Dalles co-owns the Dallesport Airport and markets land there for economic development purposes.

## Regulatory Basis

The BLI is conducted consistent with the requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009).

1. **Economic Opportunities Analysis (OAR 660-009-0015).** The Economic Opportunities Analysis (EOA) requires communities to identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends; identify the number of sites by type reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses; include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and estimate the types and amounts of industrial and other employment uses likely to occur in the planning area.
2. **Industrial and commercial development policies (OAR 660-009-0020).** Cities with a population over 2,500 are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local comprehensive plans must also include policies that commit the city or county to designate an adequate number of employment sites of suitable sizes, types and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area.
3. **Designation of lands for industrial and commercial uses (OAR 660-009-0025).** Cities and counties must adopt measures to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies, and must designate serviceable land suitable to meet identified site needs.

As noted above, the City of The Dalles has already developed an economic development strategy that incorporates two distinct elements. First is a long-term evaluation of the city's 20-year projected employment growth and corresponding amount of land necessary to accommodate that growth. Second is a short-term 5-year action plan for immediate programs and projects that the city and its economic development partners can implement to grow the existing economic base. This analysis builds on the first element – the EOA – through developing the BLI.

## BLI Methodology

Consistent with OAR 660-009-0015, the BLI is conducted in several steps, described below.

- **Step 1: Determine Land Type** – This step identifies all land within the UGB as either residential, employment, or other, based on zoning and other characteristics.
- **Step 2: Identify and Calculate Constraints** – This step identifies development constraints and removes them from the inventory to get an accurate measurement of the amount of developable land within the UGB.
- **Step 3: Classify Land by Development Status** – This step classifies land into categories of Vacant, Partially Vacant, Developed, and Committed, based on a series of filters using available data.
- **Step 4: Inventory Results** – This step reports the results of the analysis in various ways, and accounts for land needed for right-of-way and other public uses to arrive at total developable net acreage within the UGB.
- **Step 5: Comparison of Need and Supply** – This step compares the supply of buildable land identified in the inventory with the land needs projected in Phase 1 of the EOA and describes the need for parcels of different sizes zoned for industrial uses.

The remainder of this memorandum addresses each of the above steps in turn.

### STEP 1: DETERMINE LAND TYPE

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Land in the City of The Dalles is categorized into Residential, Employment, and Other. This classification is made primarily by zoning designation as shown in Figure 1. Exceptions were made for cases based on existing land use, property ownership, or other circumstances. This categorization is broadly consistent with the 2016 residential BLI conducted by the City and APG, with the following general changes:

- Changes in zoning (i.e. change from residential to employment zones or vice versa).
- Limitations due to available access (i.e. slope constraints).
- Reductions to amount of unconstrained land to reflect portion of sites within UGB.
- Some properties owned by the Port of The Dalles are located just outside the floodplain, but near the riparian zone along the Columbia River, including one with a trail. These properties were removed from the inventory as constrained or committed to natural resources and/or recreational use.
- The Amerities Plant property, which is located outside of assessed tax lot records, was categorized as Employment.<sup>1</sup>

<sup>1</sup> Because the site is located outside of assessed tax lot record data, there are no tax assessor records that would typically be used to determine if the site is vacant, developed, or redevelopable. The site is largely developed based on visual inspection from aerial photos and confirmation from local stakeholder input, including property owner representatives.

Figure 1: The Dalles Zoning Designations

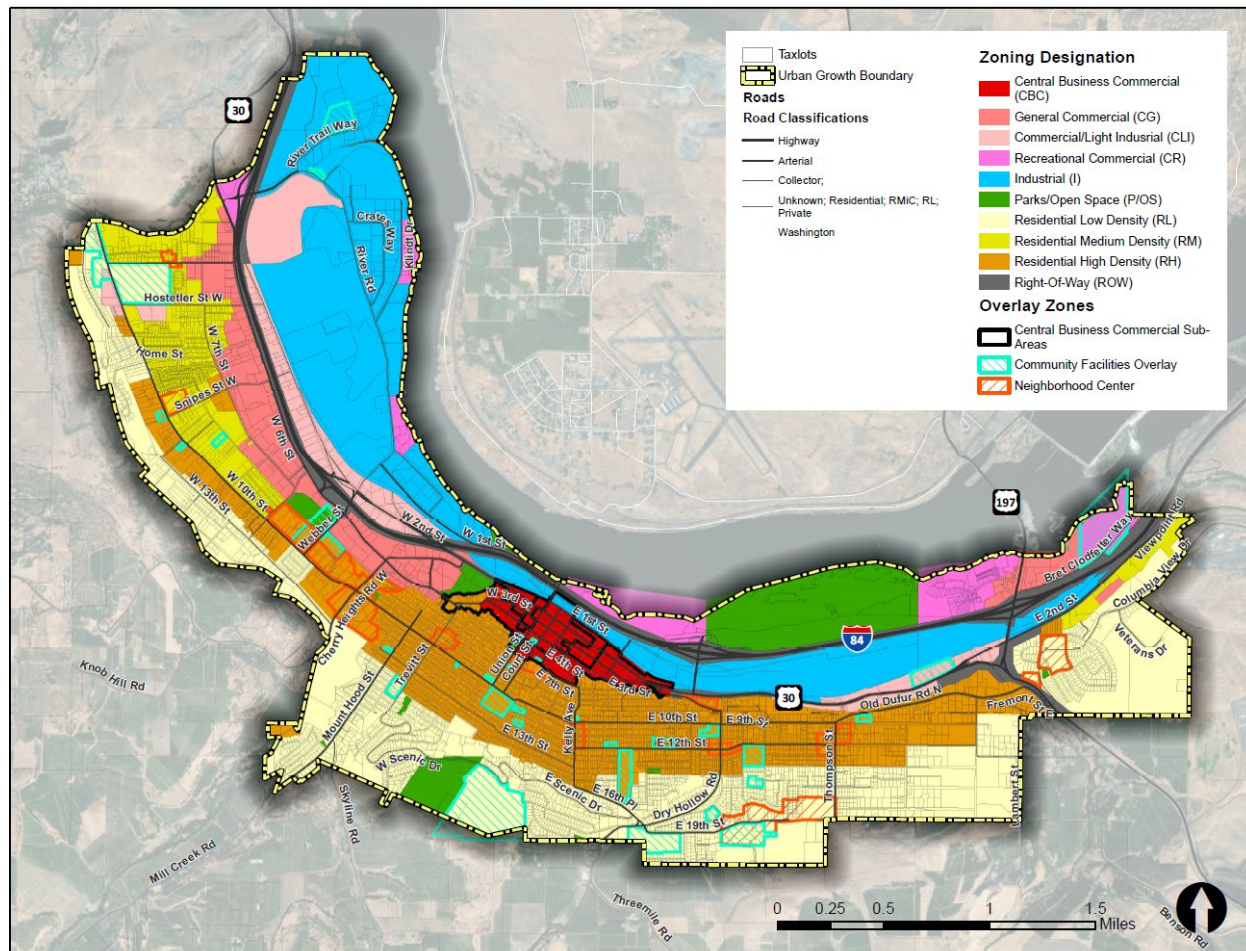


Figure 2: The Dalles Land Types

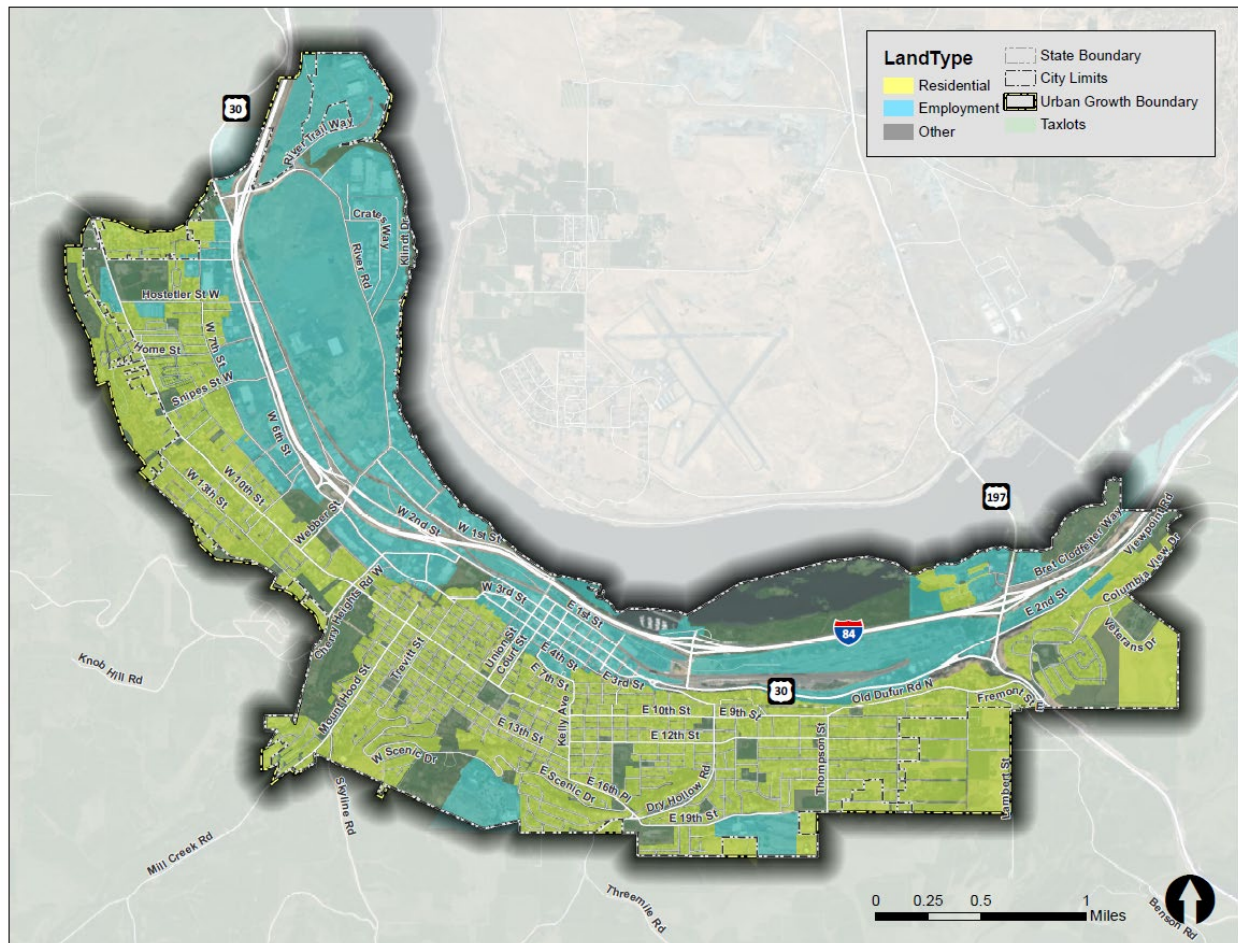


Table 1: The Dalles Land Type

	Number of Tax Lots	Gross Acres <sup>2</sup>
<b>Employment</b>	885	1,518
<b>Residential</b>	5,690	1,724
<b>Other</b>	129	1,109
<b>Total<sup>3</sup></b>	<b>6,704</b>	<b>4,352</b>

<sup>2</sup> Acres rounded down to whole number

<sup>3</sup> Gross acreage includes a limited number of tax lots that are partially located inside The Dalles UGB.

## STEP 2: CALCULATE CONSTRAINTS

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As defined in OAR 660-009-005, “Development Constraints” are factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, slope, topography, infrastructure deficiencies, parcel fragmentation, or natural hazard areas. The constraints used for this analysis include:

- Slopes greater than 25% (Source: Oregon Department of Geologic and Mineral Industries)
- FEMA Flood Hazard Area (Source: FEMA)
- Wetlands (Source: US Fish and Wildlife Service National Wetlands Inventory)
- Area within 50’ of Chenoweth Creek (Source: Oregon Geospatial Enterprise Office)
- The superfund site is considered an environmental constraint and removed
- Bonneville Power Administration (BPA) Right-of-Way Easements<sup>4</sup>

Land affected by these constraints is removed from the inventory. Figure 3 shows the location of these constraints.

Some land within the study area are subject to additional cost constraints such as cultural/archeological sites or areas within the City’s geohazard overlay. Cultural/archeological sites may be protected or prohibited from development or may require additional documentation or protection of resources found on the site.<sup>5</sup> Regulations for sites within the geohazard overlay require studies by qualified geologic specialists to be prepared prior to developing the site and that structures be designed and built to withstand geologic conditions.

Although these cost constraints pose a limitation to site developability, they are still considered to be buildable over the planning horizon and have not been removed from the inventory. Cost constraints represent an added cost to development, making its developability less attractive or feasible relative to other sites. However, it does not prohibit the site from developing within the planning horizon. Sites that encounter some form of cost constraint would require additional investment in the form of time or money to be developed.

To the extent that property owners can provide additional information that shows that development is prohibited on all or a portion of these sites within the planning horizon, that acreage can be deducted from the total inventory.

<sup>4</sup> The BPA administers an application process for development within its easements. Although certain types of development are allowed in these areas, BPA staff and applicants note that no structures are allowed within the easement areas and non-structural development (i.e. parking lots) is extremely limited and site-dependent. In addition, accommodating development on a site with an easement typically requires relocating easements and facilities at the owners expense. Such relocation processes are very costly and can take years to complete. As a result, all land within BPA easements is considered constrained from development for the purposes of the inventory.

<sup>5</sup> Locations of cultural/archeological sites are not publicly available to protect the resource. A site is considered developable until this information is known, at which point appropriate mitigation measures would be identified and implemented.

Figure 3: The Dalles Development Constraints

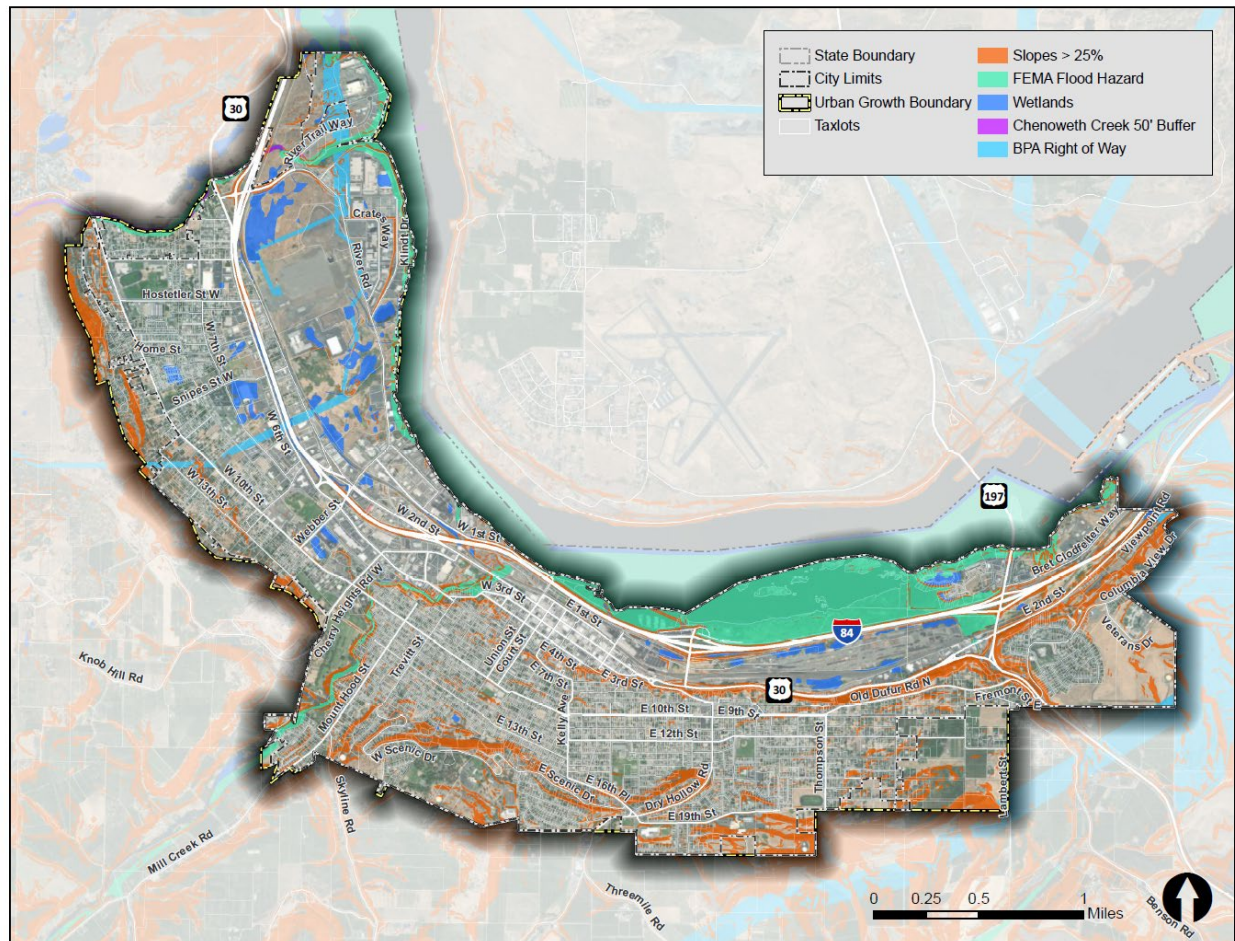


Table 2: The Dalles Development Constraints

Category <sup>6</sup>	Gross Acres Within Tax Lots	Gross Constrained Acres	Gross Buildable Acres
Employment	1,518	407	1,110
Residential	1,724	314	1,410
Other	1,109	403	706
<b>Total</b>	<b>4,352</b>	<b>1,125</b>	<b>3,226</b>

<sup>6</sup> Acres rounded down to whole number

### STEP 3: CLASSIFY EMPLOYMENT LAND BY DEVELOPMENT STATUS

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Employment land within the study area was classified by development status, as follows:

- **“Vacant”** land meets one or more of the following criteria:
  - equal to or larger than ½ acre and not currently containing permanent improvements <sup>7</sup>
  - equal to or larger than 5 acres where less than ½ acre is occupied by permanent buildings or improvements
  - improvement value is less than \$5,000 or less than 5% of the property’s land value.
- **“Partially Vacant”** land has an improvement value of between 5% and 40% of the land value, or is greater than one acre in size with at least ½ acre not improved (based on aerial photo). This land will assume that 50% is vacant/50% is developed unless aerial photos or other information shows otherwise.
- **“Developed”** land has an improvement value greater than 40% of the land value and does not meet the definition of vacant or partially vacant.
- **“Committed”** land is either vacant or partially vacant but has been removed from inventory as being developable because the property is committed to a non-employment use or cannot be developed for an employment use during the planning period. Committed land does not include properties planned for some type of employment use by the existing owner, but not necessarily available to other businesses for sale or lease. The following areas are not anticipated to develop over the planning horizon based on input from local stakeholders.
  - The Port of The Dalles owns several commercial and industrial properties within the study area. Many of these properties currently do not have improvements on them (\$0 improvements value according to tax assessor data). The Port identified several of these properties that would not be developable within the study horizon. These properties were categorized as committed.
  - Several properties are owned by the federal government.<sup>8</sup> There are no known plans for these sites to develop or redevelop within planning horizon. These properties are classified as committed and removed from available land inventory.

<sup>7</sup> Improvements include anything with an “improvement value” as defined by the Wasco County tax assessor, consistent with state administrative rule and statutory definitions. Examples typically include buildings or other permanent structures, associated equipment or machinery, and utility facilities located on the site. Improvements for taxation purposes are further defined in Oregon Administrative Rule (OAR) 150-037-0010.

<sup>8</sup> Oregon Administrative Rules allow for federally owned properties to be removed from a BLI.

Table 3: Summary of Employment Land Gross Acreage by Development Status<sup>9</sup>

<b>Employment Zone<sup>10</sup></b>	<b>Developed</b>	<b>Committed</b>	<b>Partially Vacant</b>	<b>Vacant</b>	<b>Total Gross Acres</b>
<b>CBC</b>	55	2	3	3	<b>65</b>
<b>CG</b>	165	0	3	22	<b>191</b>
<b>CLI<sup>11</sup></b>	92	0	1	48	<b>142</b>
<b>CR</b>	101	0	1	28	<b>130</b>
<b>I (subtotal)</b>	260	58	6	233	<b>558</b>
<i>Google Sites</i>	<i>40</i>	<i>0</i>	<i>0</i>	<i>182</i>	<i>222</i>
<i>Other Sites</i>	<i>220</i>	<i>58</i>	<i>6</i>	<i>51</i>	<i>336</i>
<b>RL</b>	22	0	0	0	<b>22</b>
<b>Total</b>	<b>697</b>	<b>60</b>	<b>15</b>	<b>336</b>	<b>1,110</b>

The gross acreage of buildable land summarized in Table 3 was reduced further to account for undeveloped sites owned by Google that are subject to non-disclosure agreements which comprise approximately 222 (gross) acres of unconstrained land. The amount of available land at undeveloped Google sites was estimated based on current approximate employment estimates for developed sites in The Dalles. (see Attachment B for methodology). The ratio of projected employment at the existing Google sites, compared to other industrial land in The Dalles, is approximately 0.85. In other words, employment estimates at undeveloped Google sites is anticipated to be approximately 85% of what would typically be assumed for average employment density on other sites in the inventory. This ratio was developed based on employment estimate discussions with Google representatives and Enterprise Zone employment estimates. This analysis is described in more detail in a separate memo. Applying this ratio to undeveloped Google sites results in a reduction of approximately 32 gross acres of vacant Industrial zoned land in the inventory due to these estimated low employment densities.

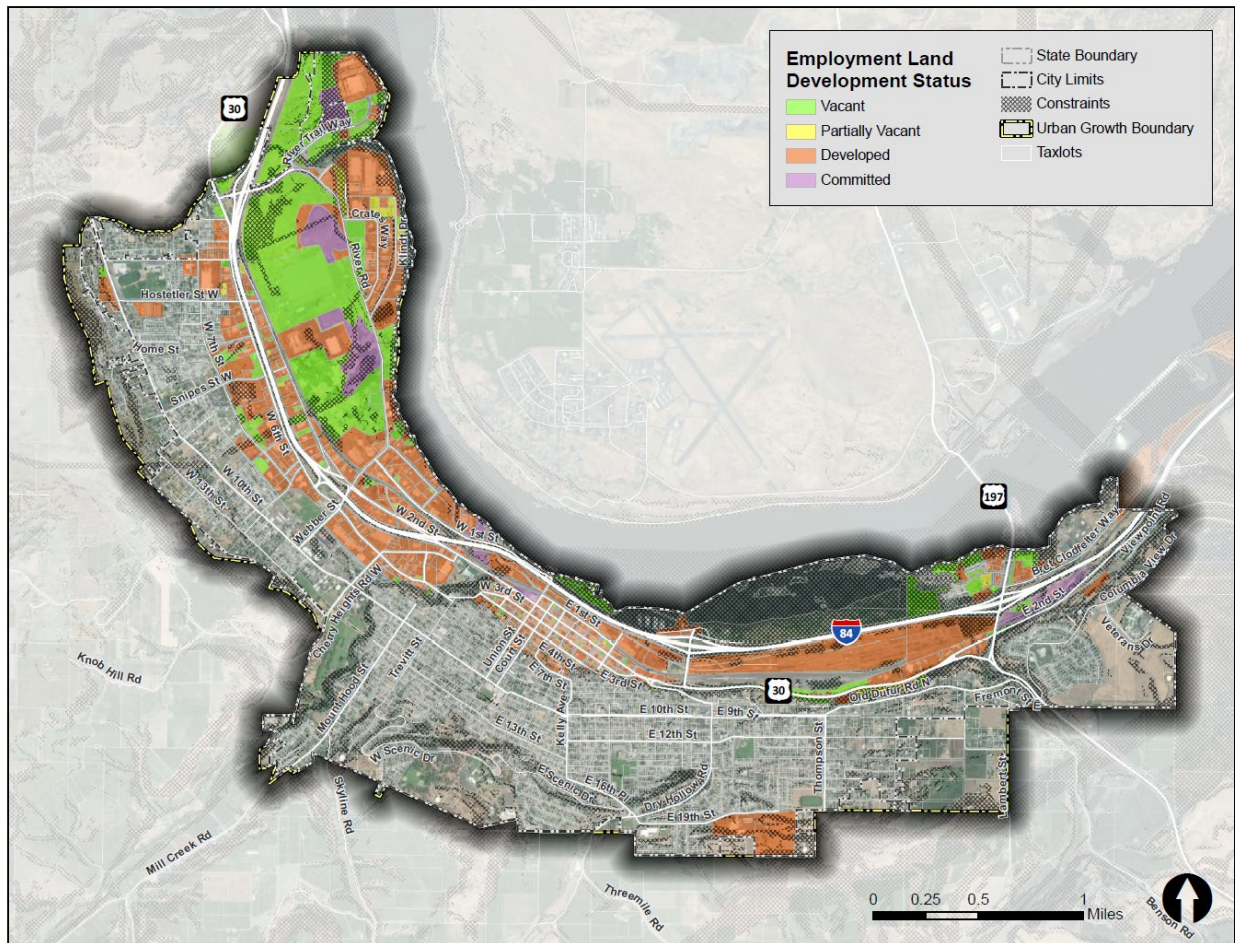
Figure 4 shows the classification of employment land within the UGB.

<sup>9</sup> Source: Wasco County Tax Assessment data; Angelo Planning Group; Stakeholder Advisory Committee input

<sup>10</sup> Acres rounded down to whole number

<sup>11</sup> The Walmart site is in the CLI zone and comprises of approximately 38 vacant acres. The site was confirmed vacant during a site visit. A portion of the site received land use approval for a Walmart facility. However, the decision was appealed and is still under review in the legal appeals process. The site is considered vacant and considered buildable for this analysis because no building permit has been issued and the land use approval itself does not guarantee the site's development.

Figure 4: Employment Land by Development Status



## STEP 4: PRELIMINARY RESULTS

There is an estimated 319 gross acres of vacant or partially vacant employment land in The Dalles. The gross acreage accounts for the reduction in 32 acres of available land on sites owned by Google based on lower assumed employment densities on those sites. The following assumptions were used to determine the net acreage of land within the City. The assumptions are consistent with those used in Phase 1 of the EOA.

- 50% of all employment land identified as partially vacant will not be developable to account for existing development and infrastructure.
- 15% of industrial employment land (I zone) will be set aside to account for infrastructure, setbacks, etc.
- 20% of commercial employment land (CBC, CG, CLI, and CR zones) and residential land (RL zone) will be set aside to account for infrastructure, setbacks, etc.

There is an estimated 261 acres available for employment land after accounting for existing development on partially vacant land and set asides for infrastructure-related and other needs on vacant land. Table 4 below provides a summary for each zone.

Table 4: Gross & Net Developable Acres of Employment Land

Employment Zone <sup>12</sup>	Partially Vacant Land		Vacant Land		Total Buildable Land
	Gross	Net	Gross	Net	
<b>CBC</b>	3	1	3	2	<b>3</b>
<b>CG</b>	3	1	22	18	<b>19</b>
<b>CLI</b>	1	0	48	38	<b>38</b>
<b>CR</b>	1	0	28	22	<b>22</b>
<b>I (subtotal)</b>	6	3	201	171	<b>175</b>
<i>Google Sites</i>	0	0	150	127	127
<i>Other Sites</i>	6	3	51	44	47
<b>Total</b>	<b>15</b>	<b>7</b>	<b>304</b>	<b>253</b>	<b>261</b>

<sup>12</sup> Acres rounded down to whole number.

Phase 1 of the City's EOA conducted three analysis scenarios that estimated the projected need for employment land. The scenarios incorporate different growth projections and employment assumptions. Figure 5 provides a summary of the land demand forecast for each scenario. Based on the scenarios, the total need for net buildable acres ranges between 134 to 179 acres.

Figure 5: The Dalles Land Demand Forecast, 2018-2038 (Source: The Dalles Economic Opportunities Analysis & Action Plan, 2019)

Scenario 1	Employment Land	New Employment	Sq.Ft./Employee	Total SF Needed	Floor Area Ratio*	Gross Acres Needed	Net Buildable Acres
Scenario 1	Industrial	672	750	503,967	0.15	81.7	69.4
	Office	350	250	87,530	0.30	7.1	5.7
	Retail	235	350	82,166	0.25	6.1	4.9
	Accommodation/Food	351	300	105,263	0.50	3.9	3.1
	Institutional	1,057	750	792,795	0.30	64.5	51.6
	<b>Total</b>	<b>2,665</b>		<b>1,571,722</b>		<b>163.3</b>	<b>134.7</b>
Scenario 2	Employment Land	New Employment	Sq.Ft./Employee	Total SF Needed	Floor Area Ratio*	Gross Acres Needed	Net Buildable Acres
Scenario 2	Industrial	929	750	697,042	0.15	113.0	96.0
	Office	459	250	114,711	0.30	9.3	7.5
	Retail	180	350	63,077	0.25	4.7	3.8
	Accommodation/Food	576	300	172,883	0.50	6.4	5.2
	Institutional	1,182	750	886,259	0.30	72.1	57.6
	<b>Total</b>	<b>3,326</b>		<b>1,933,973</b>		<b>205.5</b>	<b>170.0</b>
Scenario 3	Employment Land	New Employment	Sq.Ft./Employee	Total SF Needed	Floor Area Ratio*	Gross Acres Needed	Net Buildable Acres
Scenario 3	Industrial	985	750	739,090	0.15	119.8	101.8
	Office	468	250	116,963	0.30	9.5	7.6
	Retail	418	350	146,228	0.25	10.9	8.7
	Accommodation/Food	418	300	125,459	0.50	4.7	3.7
	Institutional	1,186	750	889,446	0.30	72.3	57.9
	<b>Total</b>	<b>3,475</b>		<b>2,017,186</b>		<b>217.2</b>	<b>179.7</b>

\*Floor Area Ratio (FAR) is the ratio of total usable building area relative to the total area of the site. It allows a consideration of the entire floor area of a building as opposed to its footprint.

Source: OED QCEW and Bridge ED

For comparison purposes, this memorandum generalizes the net buildable land zoning from this land inventory into two categories: commercial (CBC, CG, CLI, CR, and RL zones) and industrial (I zone). The land inventory is based on the City's zoning, each which allow for a range of employment uses. Commercial uses are allowed in most employment zones. By contrast and with few exceptions, industrial uses are limited to the I zone.

A similar generalization is done for employment land categories in the EOA: commercial (Office, Retail, Accommodation/Food, and Institutional) and industrial (Industrial). This comparison generalizes all EOA employment categories as commercial, except for the industrial employment category.

The following table includes a preliminary comparison of the total net buildable land from this inventory with the projected need for employment land based on Phase 1 of the City's Economic

Opportunities Analysis. As summarized in the table, The Dalles has a total surplus of between 82 and 127 net acres of land.

Most of the employment demand is needed for industrial employment (demand for 69 to 101 net acres). Based on the land inventory, the City can accommodate that demand within the planning horizon with a supply of approximately 175 net acres of buildable land zoned for industrial use.

The need for commercial employment is lower, with approximately 65 to 78 net acres needed. According to the BLI, The Dalles has an estimated available supply of 86 net acres of buildable land.

*Table 5: Land Demand Acreage and Buildable Land Inventory Comparison Summary*

<b>Employment Zone<sup>13</sup></b>	<b>Estimated Net Land Demand (acres)</b>	<b>Net Buildable Land (acres)</b>	<b>Surplus/ Deficit (acres)</b>
<b>Commercial</b>	65 – 78	86	<b>8 – 21</b>
<b>Industrial</b>	69 – 101	175	<b>74 – 106</b>
<b>Total</b>	<b>134 - 179</b>	<b>261</b>	<b>82 – 127</b>

In addition to estimating an overall land need, Bridge Economic Development (Bridge) has assessed the need for sites of different sizes to meet typical industrial employment needs of target industries in The Dalles (see accompanying April memorandum). The purpose of this analysis is to summarize initial information about the market for certain size properties and to elicit feedback from the project Stakeholder Advisory Committee about these observations, including opinions about the ability of available industrial sites to accommodate the type of future projected users identified in the memo.

In their assessment, Bridge identified the need for a combination of both smaller sites (2-5 acres) and larger sites (12-18 acres). Smaller sites typically are needed for office and warehouse space with buildings that range from 3,000 to 16,000 square feet for various tenants and which come with dock and grade loading. Larger sites generally accommodate one large or a few larger manufacturing facilities. These building types have different loading and parking requirements than the smaller multi-tenanted buildings and therefore have a more efficient site layout or higher floor area ratio (FAR) than the buildings on smaller sites. This information is described in more detail in the separate memo prepared by Bridge, including examples of these types of sites in The Dalles and other comparable communities.

The following table summarizes the number of vacant or partially vacant sites identified in the BLI in these and other size categories in the Industrial zone. Only sites in the Industrial Zone were counted. The number of sites for all categories are based on the number of unconstrained acres,

<sup>13</sup> Acres rounded down to whole number.

the 50% deduction of developable land for partially vacant properties, and 15% set aside deduction for right-of-way for properties over five acres in size. The number of sites does not reflect the deductions associated with Google sites.

As summarized in the table, the City has buildable sites available in all categories. There are nine smaller (2-5 acre) sites and one larger (12-18) acre site available within the study area. The larger sites are currently owned by Google. Several of the sites in the 0-2 acre category include just under two acres of unconstrained land (e.g., 1.84 acres).

*Table 6: Industrial Site Size Category Summary, Industrial Zone*

	<b>0-2 acres</b>	<b>2-5 acres</b>	<b>5-12 acres</b>	<b>12-18 acres</b>	<b>18+ acres</b>
<b>Partially Vacant</b>					
Number of Sites	7	0	0	0	<b>0</b>
Acres	3	0	0	0	<b>0</b>
<b>Vacant</b>					
Number of Sites	24	9	1	1*	3*
Acres	13	27	9	12	141
<b>Total Number of Sites</b>	31	9	2	1	3
<b>Total Acres</b>	16	27	19	12	141

\* Sites under Google's ownership

There is limited potential for site consolidation among industrial sites that are under five acres in size. Most sites do not have common ownership and share a contiguous tax lot boundary.

The sites that do have consolidation potential are primarily located on River Trail Way and owned by the Port of The Dalles. Several of the sites share contiguous tax lot boundaries and could be combined into larger sites if sold to or developed by the same owner in the future. The unconstrained acreage among these sites ranges from a half-acre to just under three acres in size.

## **Additional Observations**

- This inventory documents the supply of land within the City of The Dalles that is buildable pursuant to Oregon statutes and administrative rules. As used in this inventory, buildable land represents the capacity for additional projected employment during the next 20 years. In other words, buildable land assumes a site can accommodate increased employment growth based on the potential to increase the amount of development on a site. Land identified as buildable for the purpose of this analysis does not guarantee that identified sites are currently available for sale, lease, or development to employers or that all sites will be available during the planning period.

- Because some of the City's larger vacant, partially vacant, and redevelopable employment sites are owned by companies that have acquired properties for development but do not have immediate plans for development and do not plan to sell or lease these properties, there is a lesser supply of properties that are more traditionally "available" for development in the short term. For example, all of the larger sites (greater than 12 acres in size) are owned by Google. As a result, they are not anticipated to be available to other users but are appropriately included in the City's 20-year supply of buildable employment land.
- A significant percentage of the land in the City's inventory of industrial sites, particularly larger sites, are owned and planned for future use and development by Google (approximately 127 acres of the 175 acres of buildable industrial land). This means that just under 50 acres of land in the inventory are available to other users. In this respect, the City has put a significant of its available industrial land in one landowner "basket" with a much smaller relative supply available to others.
- Regionally, there is a larger supply of buildable employment land, including property within the Dallesport Airport area. However, this land cannot be included in the BLI because it is not within The Dalles UGB.
- It will be important for the City to continue to monitor its supply of buildable land. To the extent that one or more large industrial sites are developed in the near to medium-term, such actions could result in a shortage of buildable industrial land at that point.

# The Dalles Comprehensive Land Use Plan

## Volume I Appendices

Appendix A: Comprehensive Land Use Plan (CLUP) Map

Appendix B: Guidelines for Land Use Map Classifications

## Volume II: Background Documents

A. Pioneering The Dalles: A Vision for The Dalles in the Year 2020

B. Comprehensive Plan, Land Use Map (Ames & Associates, 2002)

C. Population Forecast for The Dalles (ECONorthwest, 2006)

D. City of The Dalles Economic Opportunities Analysis ~~-(ECONorthwest)~~Bridge Economic Development, 2014-2019)

E. ~~City of The Dalles Residential Land Needs Report (Winterbrook Planning, 2006)~~City of The Dalles Economic Development Action Plan (Bridge Economic Development, 2019)

F. ~~Buildable Lands Inventory Methods and Maps for The Dalles UGB and URA (Winterbrook Planning and the City of The Dalles, 2006)~~Buildable Lands Inventory Memorandum (Angelo Planning Group, 2020)

G. Goal 13 Energy and Land Use Analysis (ECONorthwest, 2006)

H. City of The Dalles Historical Resources Inventory, 1984-85

I. The Dalles Riverfront Master Plan, October 1989

J. Hazards Studies

a. Geologic Hazards of Northern Wasco, Sherman and Hood River Counties, 1977; Department of Geology and Mineral Industries

b. Landslide Hazard Study; Fujitani Hilts & Associates, 1991

## GOAL #9 ECONOMIC DEVELOPMENT

*To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.*

### Background

In 2019, The Dalles developed an economic development strategy that incorporates two distinct elements. First, a long-term evaluation of the City's 20-year projected employment growth and corresponding amount of land necessary to accommodate that growth - the Economic Opportunity Analysis (EOA). Second, a short-term action plan for immediate programs and projects that the City and its economic development partners can implement to grow the existing economic base.

As part of the 2006-07 Comprehensive Plan update, the City of The Dalles coordinated closely with the Port District a broad range of stakeholders, including local employers and property owners, regional

economic development staff, real estate professionals, and City, County and state agency representatives, to prepare an Economic Opportunities Analysis (EOA) consistent with OAR Chapter 660, Division 9 - the Goal 9 Rule. The EOA was updated in ~~2011~~ 2019 to reflect changes in circumstances and local policy.

### Recent Economic History Overview

The Dalles economy is linked with the entire region. The City serves as the regional center for the five-county Mid-Columbia Region. With a population of approximately 14,700 people, it is Wasco County's largest city and serves as the County seat. The City well-positioned along Interstate 84, located approximately 85 miles east of Portland and Highway 197 that connects northerly to Dallesport, Washington across the Columbia River.

The City serves as the regional center for retail, government, and institutions such as the Mid-Columbia Medical Center, Columbia Gorge Community College, and Wasco County Courthouse. The Dalles region traditionally thrived on manufacturing industries tied to agriculture and metals such as the aluminum plan. The regional economy has since diversified with the closure of the plan and more recent significant private investments such as the Google data center, the success of the Port attracting new business, downtown investments, and burgeoning unmanned aviation systems (UAS) industry.

Key aspects of the area's economy include the following:

The Dalles is Wasco County's primary municipality; and is the major employment center of the County. The community has a broad spectrum of diversified employment opportunities underpinned by a base of small industrial/manufacturing companies.

Major employers in The Dalles include Google, the Mid-Columbia Medical Center, Columbia Gorge Community College, The State of Oregon, Fred Meyer, Bi-Mart, K-Mart, Oregon Cherry Growers, Union Pacific Railroad, and several branches of the U.S. Government. Recent events which are expected to influence economic conditions and employment in The Dalles include changes in the economic base and new supporting public facilities. ~~[C"D1][MH2]~~ Key aspects of the area's economy include the following:

- ~~The \$66,096,000 [C"D3][MH4] annual (2006) production and processing of fruit and grain remains a staple for Wasco County, and agribusiness is expected to remain a strong economic influence on The Dalles. Value-added development allows for expansion and retention of these agricultural industries.~~
- ~~In 1988 a location one mile west of The Dalles was selected as the site for the Columbia Gorge National Scenic Area Interpretive Center ("Gorge Discovery Center"). Opened in 1997, the facility Columbia Gorge National Scenic Area Interpretive Center includes the Wasco County Museum and attracts tens of thousands of visitors each year and offers many educational programs and special exhibits.~~
- ~~In 1993 a \$7.8 million general obligation bond passed, allowing the bond election allowed Columbia Gorge Community College to purchase the former Judson Baptist College site current campus facility and to establish its first campus. Since then the campus has continued to improve and expand, and serves students from all over the Mid-Columbia region, in both Oregon and Washington student numbers have continued to increase.~~
- ~~In 2006, an \$18,000,000 bond was passed which will be used to up-grade existing buildings and build new ones as the college continues to expand. Program development can provide vocational training to aid business and industrial advancement through work force education and apprenticeships.~~

- ~~An aging population, together with in-migration of retirees, will provide opportunities and challenges as more people retire to and in The Dalles. As one of five medical facilities in the nation to adopt the "Planetree" concept (providing for patient involvement in treatment), Mid-Columbia Medical Center acts as a magnet for quality medical services and specialties. A recent addition to the Medical Center is the Cancer Treatment Center, a state-of-the-art facility. Another recent addition to MCMC includes a Mind/Body Center, which focuses on non-traditional treatments and lifestyle programs.~~
- ~~In 1990 The Dalles adopted an urban renewal plan to provide new infrastructure, upgrade conditions, and attract new investment to the downtown commercial area. About \$8,000,000 has been invested in the downtown area including streetscape work, historic building restoration and riverfront access.~~
- ~~The upsurge of windsurfing in the Mid-Columbia since the 1980's brought a modest windfall to the Wasco County economy, adding an additional recreation opportunity to the existing sports of fishing, hunting, rafting and hiking.~~
- ~~A west side interchange from I-84 was built in XX to service the Discovery Center and the Port Industrial Center. The Dalles is well served by existing rail, river, and air transport.~~
- ~~Google LLC opened a data center in The Dalles in 2006 and intends to construct new data centers at other locations the City.~~
- ~~[any other pertinent updates]~~
- During the last two decades, the regional economy of The Dalles has diversified with the closure of the Northwest Aluminum Specialties aluminum plant and more recent significant private investments such as the Google data center, the success of the Port attracting new business, downtown investments and burgeoning unmanned aviation systems (UAS) industry.
- The Dalles will continue to promote growth in both traded sector and local sector jobs. As of 2019, The Dalles region consists of 18% traded sector and 82% local sector businesses.
- The Mid-Columbia Economic Development District (MCEDD) region employment increased by 1.2% with most growth realized in the five years between 2014 and 2019. While the Gorge did not experience the Great Recession as severely as the state, it did not begin fully recovering until 2015-2016. MCEDD region employment growth will average 0.9% through 2028.
- Within the MCEDD region, Manufacturing has outpaced all other industries with Klickitat County experiencing an annual average of 24% employment growth between 2012 and 2017 and an almost tripling of its manufacturing employment.
- The median age in The Dalles has held steady at 39.6 since 2010. The Dalles is slightly younger than the overall MCEDD region, which averages a median age of 42.7 but older than the median age of 34.7 in the City of Hood River. Maintaining a relatively younger population will be important to the city's future economic and employment growth prospects in that the city will have a balanced proportion of prime-age working adults to maintain and spur a sustainable level of economic activity.
- As of 2017, the city had 10,697 jobs, with Education and Health Care accounting for more than a quarter of all jobs, followed by Retail Trade, accounting for 15% of jobs. Relative to its employment shed, The Dalles contributes a greater share of employment in Trade, Transportation & Utilities, Information, Education & Health Services and Government.
- As of 2017, 74.3% of The Dalles residents had post-secondary and ~~associate's~~ associate degrees while 20.8% of residents had a bachelor's degree. The degree to which The Dalles is able to maintain or grow future economic activity will depend on the community's ability to

attract and retain residents with bachelor's degrees and targeted post-secondary education levels.

- Change in local residents' occupational skills in The Dalles indicates a decrease in Management and professional occupations. Moving forward, increased and sustainable economic activity will depend on the reversal of the recent trend in the loss of occupations in management, business, science and arts.

~~In 1993, and updated in 2002, The Dalles created a community vision statement and action plan to help define its preferred future and initiate action to achieve a more attractive and efficient city. The Dalles is uniquely situated with access via two interstate highways, the river, rail, and air. New developments, such as airport expansion, will improve upon the geographic advantages of the area.~~[C"D5]

~~In 2005, the City and Klickitat County, Washington, joined together to improve the airport with the long-term goal of making the airport financially self-sufficient. A new Regional Airport Board was established and given additional responsibilities and powers to further the goal. This new management structure will serve the airport, the local economy, and the flying public well for many years to come. With over 500 acres of developable land, the airport represents a huge economic development opportunity. Planned on the airport property is a world-class golf course with related resort activities to be developed on adjacent property.~~

~~Significant commercial development activities occurred between 1982-2006, primarily along West 6th Street including, two major Fred Meyer expansions, a 24,000-square-foot Home Depot store, a new Safeway store, Walgreens, Columbia River Bank branch, Chevrolet dealership, medical facility, Staples, K-Mart, Bi-Mart, Wal-Mart and several other smaller commercial developments. A motel, market, and service station were constructed near the Highway I-97/1-84 intersection. During the same ten-year period, the Port's industrial land base has been completely developed. Development included a major Google technology center, two major manufacturing facilities, and several existing business expansions. Northwest Aluminum Specialties, Interior Motor Freight, United Parcel Service and expansion of existing facilities for Precision Lumber, Cargill Grain, and several more smaller industries have developed on non-Port industrial lands. All of the industrial developments have occurred within or adjacent to the Port's Industrial Center.~~[C"D6][MH7]

~~Google's recent decision to locate in The Dalles provides the basis for a high technology cluster industries. The closing of Northwest Aluminum resulted in the loss of jobs, but also created new industrial and commercial employment sites with river, rail and highway access.~~

#### ~~Economic forecast~~Forecast[C"D8][MH9]

The Dalles' economic forecast was developed through a combination of analyzing national and state economic trends and soliciting input from local businesses and community members.

Since 2011, there has been a decrease in management and professional occupations. Moving forward, increased and sustainable economic activity will depend on reversing the recent trend in the loss of occupation in management, business, science, and arts. This is also dependent on the increase in educational attainment levels, particularly for residents with bachelor's degrees and targeted post-secondary education levels. Demand for occupations will be greatest in service occupations; primarily food preparation and personal care, but also protective service and building and grounds maintenance. Natural resource related occupations will be in high demand to fill the gap left by upcoming retirements.

To maximize local talent growth, The Dalles should identify and focus on the following types of businesses.

- Advanced Manufacturing (unmanned systems, renewable energy, and aerospace fields)
- High Technology (data centers, data analysis, and software)
- Agriculture
- Health Care

The Columbia Gorge Community College (CGCC) has or is considering educational programs in each of these focus areas and can serve as a critical partner in developing the workforce talent and bolstering these industries. The City can also grow the advanced manufacturing and high technology areas through collaboration with existing industries, particularly through focusing on understanding barriers to growth and developing shared interests with industry leaders. With regards to agriculture – a legacy industry – the Dalles serves an important role in the region, particularly with regards to manufacturing fermentation and value-added agriculture clusters.

Additional information about forecasted future employment and associated land needs is described further in the following sections.

~~Based on these changing conditions, the following findings describe probable future shifts in employment, and new economic opportunity areas. The Dalles will diversify its economy, recognizing the necessity for family wage jobs which create wealth while acknowledging the opportunities for secondary service jobs within a balanced framework. Based on its five county regional trade area, The Dalles is situated as the hub of a 75,169 person market (2000 Census: Hood River, Wasco, and Sherman Counties in Oregon; Klickitat and Skamania Counties in Washington). As the largest city within this area, The Dalles is the retail trade center for the Mid-Columbia Region.~~

~~The Dalles will maintain its long time position as a regional retail trade center. Adequate commercial spaces, both undeveloped and redevelopable, should support anticipated growth. Tourism growth presents an opportunity to diversify the local economy. Facilities including the Gorge Discovery Center, Wasco County Museum, Riverfront Park and Trail, a wide variety of historic resources and properties, and abundant recreational opportunities provide the basis for this growth area. In addition, community attitudes drawn from the vision statement indicate a desire to improve the livability and attractiveness of The Dalles. The action plan will help carry out the vision.~~

~~The economy of an aging population will provide opportunities in services and housing, further supporting The Dalles and the Mid-Columbia Medical Center as the hub of medical services in the Mid-Columbia Region. The creation of a campus and additional buildings for the Columbia Gorge Community College will allow for growth and development of the community's education capabilities, focusing on work force training tailored to business and manufacturing needs that support a balanced economy.~~

~~Agribusiness will continue to remain as a strong influence on the local economy, with the potential of creating additional processing and packaging facilities to support new manufacturing jobs.~~

### Industrial and Commercial Land Use Needs

~~In order to capitalize on long range economic and employment shifts, The Dalles will need to add to maximize or improve the efficiency of its existing supply of land for commercial uses within the UGB. Similar conversions of Port industrial lands along the riverfront can produce a mixed use area to accommodate a slightly different market, including freeway commercial and recreational users. Smaller gains are provided through the use of Neighborhood Centers to allow residential and neighborhood commercial uses to develop near focal intersections in town. Finally, The Dalles has voiced a desire to~~

~~accommodate reasonable home business opportunities that can provide an affordable start-up location for emerging businesses.~~

~~The Northwest Aluminum site provides an excellent commercial and industrial redevelopment opportunity, and will be able to meet The Dalles' need for large employment sites over the next 20 years. Since this employment lands inventory was completed, potential wetlands have been discovered that may have the effect of reducing the supply of suitable commercial and industrial land within The Dalles UGB. The City is committed to completing a local wetlands inventory (LWI) over the next several years to determine more accurately the supply of suitable employment land with The Dalles UGB. If the supply of suitable employment land falls below the 20-year need as identified in The Dalles EOA, the City will take steps to ensure an adequate supply of suitable employment land, including possible UGB amendments.~~

### **Economic Opportunities Analysis and Action Plan (20062018)**

The City of The Dalles developed an economic development strategy that incorporates two distinct elements. First is a long-term evaluation, through the first phase of an Economic Opportunity Analysis (EOA), of the city's 20-year projected employment growth and corresponding amount of land necessary to accommodate that growth. Second is a short-term 5-year action plan for immediate programs and projects that the city and its economic development partners can implement to grow the existing economic base. These are parallel but complimentary efforts derived from the same data, research and information provided in the EOA.

### **Economic Opportunity Analysis (2018)**

The EOA is comprised of two primary components, each developed throughin separate phases. The first phase focuses on the forecasted employment growth opportunities and estimated amount of demand for new land. The second phase of the EOA evaluated the supply of land to meet this anticipated growth and land demand. In accordance with the Department of Land Conservation and Development (DLCD), only land within Oregon can be considered as part of the phase two supply evaluation. No Washington lands may be considered as part of the evaluation.

Both phases of the EOA were completed in accordance with the requirements of statewide planning Goal 9 and OAR 660-009-0015. The objective of an EOA is "to identify likely industrial and other economic development opportunities and corresponding employment land needs over the planning period of the next 20 years" through an analysis of national, state, regional and local trends and the establishment of community vision, goals and objectives.

The projection of employment growth and the resulting land demand through the year 2038 was developed based on economic and community trends, Oregon Employment Department employment projections, historical employment growth in The Dalles and the regional five-county economic development district (Mid-Columbia Economic Development District region) of which The Dalles is a part as well as community vision and goals.

In addition, the EOA included preparation of a shorter term (five year) Economic Developmentthat region. In 2006, the City of The Dalles contracted with Winterbrook Planning and ECONorthwest, a land use economics consulting firm, to prepare an updated Economic Opportunities Analysis (EOA) consistent with the requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009 as revised in December 2005). The 201 IEAO is included as a Background Document in Volume II of The Dalles CLUP.

The EOA includes a 20-year forecast of employment for The Dalles. It provides technical information that will help articulate the City's economic development policy and determine whether the City has an

adequate inventory of industrial sites within its urban growth boundary (UGB) to accommodate employment growth over the 20-year planning period. The 2011 EOA reports industries that have shown recent growth and business activity in Oregon—and which may locate or expand in The Dalles:

The EOA also identifies locational characteristics that will help determine the types of businesses most likely to locate in The Dalles during the 20-year planning period:

- The presence and expected growth of the Columbia Gorge Regional Airport could help The Dalles attract businesses engaged in the manufacture and service of aircraft, avionics, and related equipment.
- The Dalles' semi-rural setting, access to I-84 and other modes of transportation, and workforce availability make The Dalles attractive to businesses in manufacturing. Examples include high-tech electronics, food processing, industrial equipment, recreational equipment, and other specialty manufacturing.
- Access to transportation, including the access to I-84, the railroad, barges, and the airport, makes The Dalles attractive to businesses in the warehousing and transportation sector. Large warehouse facilities that serve large areas appear to favor more central settings, such as the Willamette Valley. The Dalles is more likely to attract more modest facilities that serve a smaller geographic region or that specialize in fewer goods.
- The Dalles' attractive semi-rural setting and quality of life could make it a location for professional, scientific and technical services, which are attracted to areas with high quality of life. Examples include software design, engineering, and research.
- The Dalles' setting within the Columbia River Gorge, access to a variety of outdoor recreation, and the growing presence of viticulture make The Dalles attractive to tourists. Industries that serve tourists, such as food services and accommodations, are likely to grow if tourism increases.
- The comparatively low cost and high availability of electricity, water, and high-speed internet connection (via the Q-life fiber optic loop) could make The Dalles attractive to businesses engaged in specialty manufacturing or technology-related businesses.
- The Dalles is the largest city in the Gorge, and it will continue to serve as a regional center for retail, services, and government.
- As a regional center for retail shopping, The Dalles will experience demand for development of big-box and mid-sized retail stores, primarily for Grocery, General Merchandise, and Home Improvement stores. The Dalles will continue to be the location for regional institutions such as the Mid-Columbia Medical Center, the Columbia Gorge Community College, Wasco County Courthouse, and other government offices.

The 2011 EOA identified potential growth industries for The Dalles as follows:

- Retail and Services. The State's forecast for nonfarm employment forecast for 2004 to 2014 projects that more than half of employment growth in Region 9, which includes Wasco County, will be in Retail and Services. As a regional center for retail and services, The Dalles may attract the following industries:
  - The Dalles may be attractive to big-box and mid-sized retail. The Dalles may have growth in small and specialty retail shops and offices for business, professional, and health-care services as population increases.
  - The Dalles' setting within the Columbia River Gorge, access to a variety of outdoor recreation, and the growing presence of viticulture make The Dalles attractive to tourists.

Industries that serve tourists, such as food services and accommodations, are likely to grow if tourism increases.

- The Dalles' may be attractive for firms engaged in professional, scientific and technical services, such as software design, engineering, and research.
- Government. The State's forecast for nonfarm employment forecast for 2004 to 2014 projects that growth in government will account for about one-third of employment growth in Region 9, including Wasco County. The Dalles may see employment growth in government for the following reasons:
  - The Dalles will continue to be the location for regional institutions such as the Columbia Gorge Community College, Wasco County Courthouse, and other government offices.
  - The Dalles will have growth in local government as population increases. Assuming that families with young children locate in The Dalles, growth in local government is likely to be dominated by education.
- Industrial. The State's forecast for non-farm employment forecast for 2004 to 2014 projects that growth in industrial sectors will account for the smallest portion of employment growth in Region 9, which includes Wasco County. The Dalles has comparative advantages, such as location and access to transportation, that may contribute to the growth in employment in the following industries:
  - The Dalles should be attractive for firms engaged in a range of specialty manufacturing, including aircraft, high tech electronics, food processing, industrial equipment, and recreational equipment.
  - The Dalles should also be attractive for firms engaged in warehousing and distribution. The Dalles is more likely to attract more modest facilities that serve a smaller geographic region or that specialize in fewer goods.
  - The Dalles may be attractive to industries that need large amounts of electricity from stable sources.

Table 9-1 shows a summary of vacant and partially redevelopable ~~commercial and industrial employment~~ lands within The Dalles' UGB. In 2020, The Dalles had an estimated 261 acres of vacant and partially vacant land designated for industrial and other employment uses. Of these, about 253 acres were vacant - 171 acres designated for industrial uses and 70 acres designated for commercial uses. A large portion of the vacant industrial zoned land is under one private owner – Google, LLC – comprising of nearly three-quarters of the available industrial vacant land supply.

The table shows that The Dalles has a total of about 109 acres of vacant land, including 79 acres of vacant industrial land and about 30 acres of vacant commercial land.

Table 9-1 shows that The Dalles has an estimated 350 gross acres of potentially redevelopable land, including:

- 129 acres of redevelopable commercial land;
- 221 acres of redevelopable industrial land (almost entirely on the Northwest Aluminum site); and
- 19 acres of land designated for mixed commercial and residential use, which could be redeveloped for commercial uses.

-Table 9-1. Summary of Buildable Commercial and Industrial Land in The Dalles UGB, 2006Gross & Net Developable Acres of Employment Land

<del>Commercial and Industrial</del>	
<del>Vacant</del>	<del>89.04</del>
<del>Commercial Vacant</del>	<del>28.87</del>
<del>Industrial Vacant</del>	<del>60.17</del>
<del>Potentially Redevelopable</del>	<del>341.5</del>
<del>Commercial Redevelopable</del>	<del>75.88</del>
<del>Industrial Redevelopable</del>	<del>265.62</del>
<del>Mixed Use</del>	<del>18.81</del>
<del>Total</del>	<del>449.35</del>

Source: The City of The Dalles, 2006

Employment Zone <sup>12</sup>	Partially Vacant Land		Vacant Land		Total Buildable Land
	Gross	Net	Gross	Net	
CBC	3	1	3	2	3
CG	3	1	22	18	19
CLI	1	0	48	38	38
CR	1	0	28	22	22
I (subtotal)	6	3	201	171	175
<i>Google Sites</i>	0	0	150	127	127
<i>Other Sites</i>	6	3	51	44	47
<b>Total</b>	<b>15</b>	<b>7</b>	<b>304</b>	<b>253</b>	<b>261</b>

Since this employment lands inventory was completed, potential wetlands have been discovered that may have the effect of reducing the supply of suitable commercial and industrial land within The Dalles UGB. The City is committed to completing a local wetlands inventory (LWI) over the next several years to determine more accurately the supply of suitable employment land within The Dalles UGB. If the supply of suitable employment land falls below the 20-year need as identified in The Dalles EOA, the City will take steps to ensure an adequate supply of suitable employment land, including possible UGB amendments.

Table 9-2 shows demand for employment land in The Dalles UGB by land use type for the 2006–2026 period. The results show that The Dalles will need 278 gross acres of land for employment within its UGB for the 2006–2026 period. Land demand forecast to estimate the demand for employment land. Table 9-2 shows land demand under three employment growth scenarios.

Table 9-2. Estimated Demand for Employment Land in The Dalles, 2006–2026 The Dalles Land Demand Forecast (2018–2038)

Land Use Type	Growth	EmpGrowth No Land Demand	EmpGrowth with Land Demand	Emp-per Net Acre	Land Demand	
2006–2026					Net Acres	Gross Acres
Retail and Services	2,196	220	1,976	18	110	129
Industrial	950	95	855	10	86	101

Government	541	54	487	12	41	48
Total	3,687	369	3,318		236	278

Source: ECONorthwest. Winterbrook.

Scenario 1	Employment Land	New Employment	Sq.Ft./ Employee	Total SF Needed	Floor Area Ratio*	Gross Acres Needed	Net Buildable Acres
	Industrial	672	750	503,967	0.15	81.7	69.4
	Office	350	250	87,530	0.30	7.1	5.7
	Retail	235	350	82,166	0.25	6.1	4.9
	Accommodation/Food	351	300	105,263	0.50	3.9	3.1
	Institutional	1,057	750	792,795	0.30	64.5	51.6
	<b>Total</b>	<b>2,665</b>		<b>1,571,722</b>		<b>163.3</b>	<b>134.7</b>

Scenario 2	Employment Land	New Employment	Sq.Ft./ Employee	Total SF Needed	Floor Area Ratio*	Gross Acres Needed	Net Buildable Acres
	Industrial	929	750	697,042	0.15	113.0	96.0
	Office	459	250	114,711	0.30	9.3	7.5
	Retail	180	350	63,077	0.25	4.7	3.8
	Accommodation/Food	576	300	172,883	0.50	6.4	5.2
	Institutional	1,182	750	886,259	0.30	72.1	57.6
	<b>Total</b>	<b>3,326</b>		<b>1,933,973</b>		<b>205.5</b>	<b>170.0</b>

Scenario 3	Employment Land	New Employment	Sq.Ft./ Employee	Total SF Needed	Floor Area Ratio*	Gross Acres Needed	Net Buildable Acres
	Industrial	985	750	739,090	0.15	119.8	101.8
	Office	468	250	116,963	0.30	9.5	7.6
	Retail	418	350	146,228	0.25	10.9	8.7
	Accommodation/Food	418	300	125,459	0.50	4.7	3.7
	Institutional	1,186	750	889,446	0.30	72.3	57.9
	<b>Total</b>	<b>3,475</b>		<b>2,017,186</b>		<b>217.2</b>	<b>179.7</b>

\*Floor Area Ratio (FAR) is the ratio of total usable building area relative to the total area of the site. It allows a consideration of the entire floor area of a building as opposed to its footprint.

Source: OED QCEW and Bridge ED

Table 9-3 estimates distribution of future employers by size and site needs. The analysis does not distinguish between industrial and other employment types; it is likely that many larger employers (>50 employees) will generally want industrial sites.

The Dalles will need four sites of 6 to 35 acres in size during the 2006-2026 period. While the city will also need a lot of smaller sites, this need can be met by smaller firms that co-locate in office buildings or on retail sites, or locate in industrial parks. Thus, a few of the larger sites in the inventory will be divided to meet identified needs for smaller sites.

Table 9-3. Estimated Distribution of Future Employers by Size and Site Needs, The Dalles, 2006-2026

Number of Employees	Est# of Firms	New Emp	Sites Needed	Site Size Range	Avg Site Acres (net)	Net Acres Needed	Gross Acres Needed
0 to 9	155	697	104	<1ac	0.5	47	55
10 to 24	49	829	33	0.5 to 2.5	1.5	49	57
25 to 49	17	630	12	1 to 5	3.1	38	44
50 to 99	5	365	4	3 to 10	6.3	25	30
100 or more	4	796	4	6 to 35	20.3	81	95
Total	229	3317	157			240	282

Source: estimates by ECONorthwest

In 2006, The Dalles had about 449 acres of vacant and redevelopable land designated for industrial and other employment uses. Of these, about 89 acres were vacant—60 acres designated for industrial uses and 29 acres designated for commercial uses. The demand analysis above concluded that The Dalles needs 282 acres for the 2006-2026 period.

Table 9-4<sup>3</sup> compares identified site needs with available sites through 2026-2038 period. The results suggest that The Dalles has a surplus of acreage available for industrial and other uses. For the 2006-2026 period, the City will need a considerable number of smaller sites, and will need to use some of its larger sites to meet the small site deficit. Finally, the City has an identified need for a regional commercial center with access to I-84, a neighborhood commercial node to serve planned residential growth, and a business park to meet employment needs through 2026. The regional commercial center need was met through the Wal-Mart rezoning in 2007-08. Most of the employment demand is needed for industrial employment, requiring approximately 69 to 101 acres depending on the scenario. Based on the land inventory, the City can accommodate that demand within the planning horizon with a supply of approximately 175 net acres of buildable land zoned for industrial uses. The need for commercial employment land is lower, with approximately 65 to 78 acres of needed land. The buildable land inventory shows an estimated supply of 86 acres of buildable land to meet the forecasted demand.

Table 9-4<sup>3</sup>. Comparison of site needs and site supply, The Dalles UGB, 2006-2026 Land Demand Acreage and Buildable Land Inventory Comparison Summary

Site Size Range	Average Site Size	Sites Needed	Net Acres Needed	Supply: Sites	Supply: Net Acres	Needed Sites Surplus (def)	Needed Acres Surplus (def)
<10	4	153	159	18	74	(135)	(84)
>10	20	4	81	10	210	6	129
Non-site					49		49
Total		157	240	28	334		94

Employment Zone <sup>13</sup>	Estimated Net Land Demand (acres)	Net Buildable Land (acres)	Surplus/ Deficit (acres)
Commercial	65 – 78	86	8 – 21
Industrial	69 – 101	175	74 – 106
Total	134 - 179	261	82 – 127

In addition to estimating the overall employment land need, the EOA assesses the need for sites of different sizes to meet typical industrial employment needs of target industries. The EOA identifies a need for both smaller sites (2-5 acres) and larger sites (12-18 acres). The following table summarizes the number of vacant or partially vacant sites in these and other size categories. As summarized, the City has buildable sites available in all categories; nine of which would meet the smaller site size and one – currently under Google, LLC ownership – that would meet the larger site size

Table 9-4 Industrial Site Size Category Summary, Industrial Zones

	0-2 acres	2-5 acres	5-12 acres	12-18 acres	18+ acres
<b>Partially Vacant</b>					
Number of Sites	7	0	0	0	0
Acres	3	0	0	0	0
<b>Vacant</b>					
Number of Sites	24	9	1	1*	3*
Acres	13	27	9	12	141
<b>Total Number of Sites</b>	<b>31</b>	<b>9</b>	<b>2</b>	<b>1</b>	<b>3</b>
<b>Total Acres</b>	<b>16</b>	<b>27</b>	<b>19</b>	<b>12</b>	<b>141</b>

The 2006 EOA has several implications for the City of The Dalles. Following are the key implications:

- The City has an overall surplus of employment land. Considering regional development trends and state and city policies concerning economic development, the City should maintain an adequate number of large sites within its existing industrial land base to accommodate future employment growth.
- Topographic constraints in areas adjacent to the UGB limit the number of large industrial sites that the City could possibly expand into. The City is committed to a long-term redevelopment strategy for existing industrial areas. The Dallesport Industrial Park is not a viable long-term industrial strategy for The Dalles because it is in another state and distant from housing and services.
- The City should amend its zoning regulations to restrict commercial uses in relatively scarce industrial areas.
- The City will also establish a new business park designation that could accommodate office uses as well as certain light manufacturing uses and a master planned setting.
- The City will continue to emphasize the historic downtown area as the government, specialized retail, office and tourist center.

In order to capitalize on long-range economic and employment shifts, The Dalles will need to maximize or improve the efficiency of its existing supply of land for commercial uses within the UGB. Similar conversions of Port industrial lands along the riverfront can produce a mixed use area to accommodate a slightly different market, including freeway commercial and recreational users. Smaller gains are provided through the use of Neighborhood Centers to allow residential and neighborhood commercial uses to develop near focal intersections in town. Finally, The Dalles has voiced a desire to accommodate reasonable home business opportunities that can provide an affordable start-up location for emerging businesses.<sup>[MH10]</sup>

### Economic Development Action Plan (2019 – 2024)

In addition, the EOA included preparation of a shorter-term (five-year) Economic Development Action Plan that is based on the evaluation of regional industry competitive advantages, corresponding workforce

skills, and local barriers and opportunities for growth. This information was supplemented by the input of 30 regional economic development stakeholders representing tourism organizations, business owners, government officials, and real estate professionals across the region.

The Action Plan is based on an evaluation of regional industry competitive advantages, corresponding workforce skills, and local barriers and opportunities for growth. It identifies the following overall goals and objectives which are described further in the “Implementation Actions” section of this chapter.

- Goal 1: Expand the Existing Industry Base
  - Objective 1.1: Identify an Economic Development Champion
  - Objective 1.2: Engage with Industry Clusters and Define Needs
  - Objective 1.3: Make Employment Areas Desired by Industry Clusters Shovel Ready
  - Objective 1.4: Enhance the Startup Ecosystem
- Goal 2: Grow and Attract Talen
  - Objective 2.1: Build Diverse Types of Housing
  - Objective 2.2: Prepare Youth for Economic Opportunity
  - Objective 2.3: Attract Talen
- Goal 3: Create Please
  - Objective 3.1: Complete and Implement the Downtown Plan
  - Objective 3.2: Celebrate the Dalles
  - Objective 3.3: Support Local Retailers and Expand the Market
  - Objective 3.4: Promote the Gorge and Enhance Access to Outdoors

### **Findings and Conclusions**<sup>[MH11]</sup>

This plan recognizes that local policy also has an effect on the type and distribution of employment. In summary, the primary findings and conclusions are:

- The Dalles is well positioned to benefit from an increase in service, retail and tourism activity through the Columbia Gorge Discovery Center, The Dalles Riverfront Park and Trail, Google clusters, area sporting activities, and historic points of interest.
- New commercial development and retail leakage from Washington state will help strengthen The Dalles as the retailing center of the Mid-Columbia Region. The Columbia Gorge Community College and the Mid-Columbia Medical Center make The Dalles the health care and educational center for the region, and are important work force training centers.
- ~~Within The Dalles UGB, approximately 450 commercial and industrial acres are suitable for employment purposes, including potentially redevelopable land at the Northwest Aluminum site and elsewhere. Incentives such as job creation credits, the enterprise zone, and others should continue to be emphasized for industrial land development, and the creation and retention of family wage jobs. Since this employment lands inventory was completed, potential wetlands have been discovered that may have the effect of reducing the supply of suitable commercial and industrial land within The Dalles UGB. The City is committed to completing a local wetlands inventory (LWD) over the next several years to determine more accurately the supply of suitable employment land with The Dalles UGB. If the supply of suitable employment land falls below the 20-year need as identified in The Dalles EOA, the City will take steps to ensure an adequate supply of suitable employment land, including possible UGB amendments.~~
- ~~The Dalles holds a substantial asset in its serviced industrial property within the existing UGB. This asset should be held for its long-term value to the economy.~~

- The Dalles has strong broadband and electrical power infrastructure provided through non-carbon emitting hydro-power that can be promoted to encourage continued business investment.
- The Columbia Gorge Regional Airport Business Park – jointly owned by The Dalles and Klickitat County – can serve anticipated growth in the manufacturing sectors.
- The Columbia Gorge Science Technology Engineering and Math (STEM) Hub is a relatively new organization providing specialized education. The Maker Space in The Dalles Library has played a large role for investment and collaboration with local high-tech industry leaders.
- The Pendleton UAS Range (PUR) - located 125 miles east of The Dalles – is one of seven FAA permitted unmanned aircraft system (UAS) facilities in the Country and represents a potential opportunities for The Dalles to partner with or promote the City to help grow the UAS industry.
- The Columbia Gorge National Scenic Area (NSA) – a unique federal designation to protect the scenic, cultural, recreational, and natural resources of the Gorge – limits population and employment growth outside of designated Urban Areas. Expansion of the Urban Area is a time-intensive process requiring extensive technical analysis and public involvement, which necessitates the need to utilize existing land efficiently.
- The rate of employment growth in The Dalles is expected to grow faster than Wasco County due to the City's urban services such as a hospital, community college, and regional services.
- The EOA developed three alternate employment forecasts, resulting in a range of potential growth scenarios. The scenarios are based on the Oregon Employment Department regional forecasts, The Dalles recent employment growth rates, and if Wasco County were to experience higher employment to population ratios and The Dalles were to capture a greater share of overall employment in the County. The employment forecasts indicate employment growth to include between 2,665 to 3,475 new employees through the year 2038 and a need for between 134 to 180 developable acres of land.
- Increasing the management, business, science, and arts sectors, as well as increasing educational attainment levels will contribute to increased and sustainable economic activity.
- To maximize local talent growth, The Dalles should identify and focus on the following businesses: advanced manufacturing, high technology, agriculture, and health care.
- In aggregate, the City has enough land within its UGB to accommodate projected 20-year employment needs.
- There is a lesser supply of properties that are more traditionally available for development in the short term because some sites are owned by companies that acquired properties for development but do not have immediate plans to develop them and do not plan to sell or lease these properties.
- A significant percentage of industrial land are owned and planned for future use and development by Google, leaving just under 50 acres of industrial land available to other uses.

### ***Economic Development Goals***

- Provide family wage employment opportunities for The Dalles citizens.
- Diversify the economic base of the community.
- Increase the tax base needed to provide an adequate level of community services for The Dalles citizens.
- Encourage the growth of existing employers and attract new employers to The Dalles that complement the existing business community.

- Implement the objectives and activities of the Columbia Gateway/Downtown Urban Renewal Plan, enhancing opportunities for the improvement and redevelopment of business, civic, cultural, and residential uses in the area.
- Utilize Port District lands for job creation, and development of the tax base in The Dalles.
- Provide for tourism-related employment as an important part of the effort to diversify The Dalles' economy.
- Provide employment opportunities, environments, and choices which are a vital part of a high quality of life in The Dalles.
- Support the maintenance and enhancement of The Dalles Commercial Historic District.
- Encourage redevelopment and adaptive reuse of commercial space downtown as an alternative to commercial sprawl.
- Support The Columbia Gorge Regional Airport located in Dallesport, Washington, in its growth and contribution to the local economy.
- Develop strategies to provide adequate infrastructure to accelerate and support employment growth, with a focus on available employment areas.

### Goal 9 Policies

1. Encourage the siting and growth of employers which pay family wages as identified in The Dalles Economic Opportunities Analysis (EOA). Promote and support diversification of The Dalles' economic base focusing on growth of family wage jobs. [C"D12]
2. To the extent possible, designate within the existing UGB suitable land with site size and locational characteristics required by targeted employment ~~as set forth in the 2010 Economic Opportunities Analysis (EOA).~~
3. ~~Identify industrial sites that are immediately available and serviceable for industrial development consistent with the Goal 9 rule. Request Oregon Economic and Community Development Department (OECDD) certification for "shovel ready" industrial sites pursuant to Executive Order 03-02.~~
- 4.3. Coordinate with property owners to retain large commercial and industrial sites identified in the EOA for their intended commercial and industrial uses through zoning and master planning.
5. ~~Actively support redevelopment efforts for under-utilized commercial and industrial sites within The Dalles UGB, recognizing that the Northwest Aluminum site provides the large industrial sites required by targeted employers during the 20-year planning period. [C"D13]~~
- 6.4. Protect large Northwest Aluminum redevelopment sites for their intended industrial uses as identified in the EOA as set forth in Table 9-4. [C"D14]
- 7.5. Commercial and service uses in the City's industrial zones should be limited to small-scale retail and service uses that cater primarily to local area employees and customers and support surrounding businesses.
- 8.6. Plan for and make ~~prudent~~ adequate public investments to meet the existing and future demands of industrial, commercial, and residential growth in The Dalles.
- 9.7. Encourage investment in The Dalles Central Business District, and support project activities in the Columbia Gateway/Downtown Urban Renewal Plan.
8. Encourage tourism-related services as an element in the diversification of the community's economy.
- 10.9. Support growth of businesses that create destinations that create destinations and experiences for residents of The Dalles and visitors. [C"D15]

10. Encourage the continued development of the Mid-Columbia Medical Center and other health services as an important resource to the economic base of The Dalles, and as an important element in extending the perimeter of The Dalles' trade area.
11. Support and encourage the Columbia Gorge Community College in providing workforce development and training to meet the needs of new and existing businesses in The Dalles. [C"D16]
12. Maintain The Dalles position as a primary agribusiness trade center by encouraging the growth of those businesses providing agricultural supplies and services, and those processing and marketing agricultural products.
13. Support the forest products industry as an element of the economy.
14. Encourage the start-up and growth of small to medium sized businesses providing family wage jobs. Develop reasonable standards to allow home business start-ups.
15. Encourage siting of new industries in The Dalles, and encourage existing industries to maintain high environmental standards.
16. Reserve industrial zones for industrial uses and uses compatible with industry.
17. Review and revise administrative policies and procedures to streamline the planning process, and reduce delays in obtaining development approvals.
18. Coordinate economic planning and development with industrial development at Dallesport.
19. Encourage educational, cultural, social and employment opportunities to enhance the quality of life in The Dalles for all age and income groups.
20. Plan for and implement appealing streetscapes that encourage personal interaction, accommodate public gatherings, and enhance the experience of shoppers and workers.
21. Encourage cooperation between public and private sectors to support economic growth.
22. Make prudent investments in The Columbia Gorge Regional Airport as needed to accommodate airport development.
23. Pursue development of higher employment densities in areas with planned or existing facilities, utilities, and transportation infrastructure.[C"D17]
24. Establish streamlined permitting processes that allow for business expansions and modifications without undergoing the same level of review as new development.[C"D18]
25. Ensure The Dalles has the services and amenities necessary to attract workers and provide the services they need, such as medical services, child care services, educational training opportunities, public transportation, retail and restaurants, and other necessary amenities.[C"D19]
26. Support and encourage infill and redevelopment, especially in existing commercial areas, as a way to use land and infrastructure more efficiently. [C"D20]
- 22,27. Facilitate and support business incubators and other methods to assist start-up businesses

## **Goal 9 Implementation Measures**

1. Central Business District/Downtown Area (Designated Central Business Commercial on the Land Use Plan Map):
  - Undertake activities which will create or strengthen linkages among the Downtown, the Columbia Riverfront, and the East and West Gateway areas.
  - Work with local business to redevelop the Sunshine Flour Mill property and East Gateway streetscape project.[C"D21]
  - Improve the visual appearance of streets in the Downtown Area by encouraging amenities such as street trees and street furniture when public and private development and redevelopment is undertaken.
  - Provide an adequate amount of properly located off-street parking.[C"D22]

- ~~Conserve historically significant places and properties, and aid in the rehabilitation of buildings and properties, particularly in the Downtown Historic District.~~
- ~~Consider and minimize the aesthetic impact of utility locations when new development or redevelopment occurs.~~
- ~~Construct or improve water, sewer, and storm drain systems as needed.~~
- 2. ~~West 6th Gateway Area (Designated General Commercial on the Land Use Plan Map):~~
  - ~~Provide for highway commercial developments in areas along the West 6th corridor where this is the predominant land use.~~
  - ~~Improve the visual appearance by encouraging amenities such as street trees and street furniture when public and private development and redevelopment is undertaken.~~
  - ~~Construct or improve water, sewer and storm drain systems as needed.~~
  - ~~Ensure that future improvements and land use changes in the area provide adequate sound, light and visual buffers to adjacent residential areas.~~
  - ~~Reserve areas along East and West Second Street for commercial/industrial mixed zoning.~~
  - ~~Reserve land in the northern portion of the Northwest Aluminum site for needed commercial development.~~
- 3. ~~The Dalles Industrial Area (Industrial areas shall be identified on the Land Use Plan Map for industrial uses):~~
  - ~~Provide for industrial development located with good access to I-84, arterial streets and rail facilities.~~
  - ~~Encourage master planned redevelopment of the Northwest Aluminum site that retains larger parcel sizes identified in the EOA for targeted industries.~~
  - ~~Locate industrial areas generally north of the I-84/Union Pacific Railroad corridor.~~
  - ~~Construct or improve water, sewer, streets, and storm drain systems as needed.~~
- 4. ~~Service/Recreation Areas (Designated Recreational Commercial on the Land Use Plan Map):~~
  - ~~Provide for mixed use business and service commercial areas in locations with good access to I-84, Columbia River access, and proximity to recreation and/or visitor attractions.~~
  - ~~Allowed uses include retail, service and office uses related to nearby industrial areas, and commercial uses serving the traveling public such as "hotels, restaurants, conference centers and recreation facilities. Allow light industrial uses which are compatible with commercial and recreational uses.~~
  - ~~Ensure site planning which protects and enhances the significant environmental areas located along the Columbia River and related streams and creeks.~~
  - ~~Prepare zoning and development standards for the service/recreation areas.~~
  - ~~Construct or improve water, sewer, street, and storm drain systems as needed.~~
- 5. ~~Planned Developments (located in Commercial Areas)~~
  - ~~Planned development shall be located within areas designated Residential and Commercial on the Comprehensive Plan map. Such developments are intended to allow greater flexibility and creativity in construction, lay-out, and use.~~

~~Planned developments for commercial uses shall be a minimum of 10 acres; development for residential uses shall be a minimum of 1 acre.~~

1. Expand the Existing Industry Base

- Collaborate with MCEDD and other stakeholders to coordinate activities.
- Engage with existing organizations to determine barriers to address at the City and to foster collaboration.
- Align downtown urban renewal plan and visioning with the Economic Development Action Plan
- Prepare an inventory of sites and buildings that clearly define and highlight the infrastructure and inventive assets within the City.
- Promote a proactive permitting process and culture.
- Promote the Columbia Gorge Regional Airport Business Park
- Invest and promote maker space collaborations.
- Support, sponsor, and promote startup collaboration networking events in downtown.
- Encourage master planned redevelopment of the Northwest Aluminum site that retains larger parcel sizes for targeted industries.

2. Grow and Attract Talent

- Encourage affordable and diverse housing types for a variety of residents.
- Encourage new higher-end market rate housing development for high-wage workforce.
- Enhance youth access to Science, Technology, Engineering, and Math (STEM) related occupations.
- Develop a consistent message for business to attract workers.

3. Create Place

- Determine and permit the necessary public infrastructure to encourage the desired private investment in conjunction with the project.
- Enhance the visual appearance in the Downtown Area.
- Define and promote a vision for The Dalles
- Attract new retailers
- Enhance and promote the bike trail network surrounding The Dalles
- Work with stakeholders such as Main Street, Chamber of Commerce, tourism organization, Northern Wasco County Park and Recreation District, and others to enhance promotion of the Gorge
- Conserve historically significant places and properties, and aid in the rehabilitation of buildings and properties, particularly in the Downtown Historic District.

<b>THE DALLES ECONOMIC DEVELOPMENT ACTION PLAN (2019 TO 2024)</b>									
Actions	2019	2020	2021	Year 4&5	Lead Org/ Staff	City Staff Support	Partners	Resource Required	Deliverable
<b>GOAL 1: EXPAND THE EXISTING INDUSTRY BASE</b>									
<b>Objective 1.1 Identify an Economic Development Champion</b>									
<b>Outcome: Identified actions are implemented</b>									
A. Hire staff person to implement Action Plan	X				Community Development Director (CDD)	City Manager Office	None	Budget for one FTE	<ul style="list-style-type: none"> <li>Approval for staff position. 2Q 2020</li> <li>Post position and recruit. 3Q 2020</li> <li>Position filled. 1Q 2021</li> </ul>
B. Collaborate with MCEDD and other stakeholders to review Action Plan and coordinate activities			X	X	NEW FTE	Community Development Director (CDD)	MCEDD, CGCC, Port Wasco County EDC, SBDC, Chamber	Staff time	<ul style="list-style-type: none"> <li>Create list of targeted companies within industry clusters to visit. 3Q 2021</li> <li>10 meetings a year (generally 1 per month). Annually</li> <li>Document barriers/opportunities and quotes from CEO (for marketing purposes) in a database. Annually</li> <li>Review Action Plan outcomes with report to Council. 4Q each year.</li> </ul>
<b>Objective 1.2 Engage with Industry Clusters and Define Needs</b>									
<b>Outcome: Understand where to best invest time and resources to support businesses</b>									
A. Engage with existing organizations to determine barriers to address at city and foster collaboration		X	X	X	NEW FTE	Community Development Director (CDD)	CGCC, Gorge Tech Alliance (GTA), Gorge Works, Chamber, STEM Hub, K-12, SBDC, Port	Staff time	<ul style="list-style-type: none"> <li>Attend partner meetings and foster collaboration. Annually</li> <li>Determine how city can support and promote CGCC development of test kitchen and certificate program. 4Q 2020.</li> </ul>
B. Collaborate with GTA and MCEDD to foster alignment and industry promotion of Pendleton and Warm Springs UAS facilities		X	X	X	NEW FTE	Community Development Director (CDD)	MCEDD, UAS Ranges, GTA, Business Oregon	Staff time	<ul style="list-style-type: none"> <li>Meet with Pendleton UAS to foster relationship and understanding of UAS assets to better understand UAS industry opportunities. Annually</li> <li>Align information with Action 1.3.B. Annually</li> </ul>
C. Align downtown urban renewal plan and visioning with ED Action Plan		X	X		Community Development Director (CDD)	NEW FTE	Utility Providers, Public Works, Urban Renewal, Main Street	Staff time	<ul style="list-style-type: none"> <li>Align company needs and interests with downtown projects. 3Q 2020</li> <li>Outline a list of necessary public investments to foster private investment that addresses businesses' needs. 2Q 2021</li> </ul>
<b>Objective 1.3 Make Employment Areas Desired by Industry Clusters Shovel Ready</b>									
<b>Outcome: Foster regional growth of industry clusters</b>									
A. Prepare a land supply analysis in alignment with EOA requirements	X	X			Community Development Director (CDD)	NEW FTE	Port, MCEDD, Business Oregon, Wasco County Planning Director	\$25,000 (unless grant secured)	<ul style="list-style-type: none"> <li>Secure grant to fund project. 3Q 2019</li> <li>Complete supply analysis. 2Q 2020</li> </ul>
B. Prepare an inventory of sites and buildings that clearly define and highlight the infrastructure and incentive assets within the city			X	X	NEW FTE	Community Development Director (CDD)	MCEDD, Business Oregon, Public Works, Utility Providers, Port, Airport Business Park	Staff time	<ul style="list-style-type: none"> <li>Identify underutilized industrial properties that can be redeveloped at higher densities. 4Q 2020</li> <li>Based on information derived in 1.1.B, document where certain industry wants to expand. 1Q 2021</li> <li>Determine if local improvement districts (LID) are desired to help secure grants that will finance any necessary infrastructure improvement to make sites "shovel ready" 1Q 2021</li> <li>Develop a list of sites and buildings that corresponds with industry desires and incentive opportunities. 1Q 2021</li> <li>Maintain and update list. Annually</li> </ul>

# EXHIBIT C

C. Promote a proactive permitting process and culture		X	X	X	Community Development Director (CDD)	Public Works, Planning, City Manager, NEW FTE	Public Works, County Building/Fire, Planning	Staff time	<ul style="list-style-type: none"> <li>Create a “SWAT team” of key staff from each partner to collaborate on site or building development needs. Share intent of ED Strategy and Action Plan. 1Q 2021</li> <li>Meet quarterly to discuss infrastructure investments or proactively address barriers. Annually</li> <li>SWAT team convened for immediate opportunities. Annually.</li> </ul>
D. Actively promote Columbia Gorge Regional Airport Business Park, which is within an Opportunity Zone.			X	X	Airport Manager	NEW FTE	Pendleton UAS, GTA	Staff time and \$15,000 for marketing materials	<ul style="list-style-type: none"> <li>Based on meetings with industry clusters, determine potential users/tenants. 1Q 2021</li> <li>Prepare marketing materials with available sites, lease rates, OZ opportunity for businesses and recent siting of Sage Tech by 4Q 2021.</li> <li>Meet with Portland industrial developers and brokers by 1Q 2022.</li> <li>Collaborate with Pendleton UAS to inform companies testing at site of location opportunities at the Business Park to grow the regional UAS cluster. Annually</li> </ul>
Objective 1.4 Enhance the Startup Ecosystem									
Outcome: Foster regional growth of industry clusters									
A. Continue to invest in and promote maker space collaboration		X	X	X	NEW FTE	Library/Makers Space	STEM HUB, GTA, K-12 School District, MCEDD	Staff time. Urban renewal allocation.	<ul style="list-style-type: none"> <li>If it does not exist, create a Maker Space stakeholder group to determine alignment and foster initiatives. 4Q 2020</li> <li>Work with Maker Space to determine if local crafter space is appropriate in downtown. 1Q 2021</li> </ul>
B. Support, sponsor and promote startup collaboration networking events downtown		X	X	X	NEW FTE	Library/Makers Space	Chamber, GTA, SBDC, MCEDD	Staff time	<ul style="list-style-type: none"> <li>Determine why Pub Talks are no longer happening. 4Q 2020.</li> <li>If Pub Talks or Pitch events desired, determine who will lead. 2Q 2021</li> <li>City revisits home business license/permit process to encourage flex space and opportunity for entrepreneurs. 1Q 2021</li> <li>Determine how Latino population can be best engaged in start-up activities. 2Q 2021</li> <li>Leverage MCEDD’s micro-loan program to support start-ups and if appropriate for city to help seed. 4Q 2021</li> </ul>

GOAL 2: GROW AND ATTRACT TALENT									
Actions	2019	2020	2021	Year 4&5	Lead Org/ Staff	City Staff Support	External Partners	Resource Required	Deliverable
<b>Objective 2.1: Build Diverse Types of Housing</b>									
<b>Outcome: Helps attract and retain talent</b>									
A. Encourage affordable and diverse housing types for a variety of residents.	X	X			Community Development Director (CDD)	Planning	CGCC	Staff time	<ul style="list-style-type: none"> <li>City consider if it will reduce or defer SDC's or permit fees to encourage affordable housing. Q1 2021</li> <li>Continue to support CGCC Campus student housing development with proactive permitting process. Q3 2022</li> <li>Allow for various types and sizes of housing through updated flexible zoning code. Ongoing</li> </ul>
B. Encourage new higher-end market rate housing development for high-wage workforce. This will help prevent home owners from "buying down" and balance the affordable housing supply.		X	X	X	Community Development Director (CDD)	NEW FTE Urban Renewal	Brokers, Developers, Hospital	Staff time. Urban renewal allocation.	<ul style="list-style-type: none"> <li>Identify opportunities for market rate apartment projects downtown. 2Q 2020</li> <li>Continue to collaborate with developers through public-private partnerships to build apts. Ongoing</li> <li>Determine available residential sites for high-income workforce. 4Q 2020</li> </ul>
<b>Objective 2.2: Prepare Youth for Economic Opportunity</b>									
<b>Outcome: Builds the local long-term workforce pipeline</b>									
A. Enhance youth access to Science, Technology, Engineering and Math (STEM) related occupations.		X	X	X	NEW FTE	Community Development Director (CDD)	STEM Hub, Chamber, GTA, MCEDD, K-12 School District	Staff time	<ul style="list-style-type: none"> <li>Support and promote the Gorge Works program that streamlines the internship process for business and industry. 2Q 2020</li> <li>Work with STEM Hub to potentially track enrollment and completion in Career Technical Education (CTE) and other programs by industry cluster to ensure alignment with high-demand sectors. Determine gaps and how to resolve. (Potential grant opportunity through Oregon Community Foundation). 2Q 2021</li> </ul>
B. Promote a STEM culture across the community			X	X	NEW FTE	Community Development Director (CDD)	STEM Hub, Chamber, Main Street, GTA	Staff time. Business sponsorships	<ul style="list-style-type: none"> <li>Support North Wasco School District actions to improve facilities that will foster STEM education. Ongoing</li> <li>Sponsor and promote events such as a new The Dalles STEM Fair focused on maker space (Hood River STEM Fair is focused on robotics). 1 Q 2021</li> </ul>
<b>Objective 2.3: Attract Talent</b>									
<b>Outcome: Helps existing industry clusters grow in the short-term</b>									
A. Attract talent to meet immediate needs for talent.				X	NEW FTE	Community Development Director (CDD)	CGCC, GTA, Chamber, MCEDD	Staff time	<ul style="list-style-type: none"> <li>Create a Task Force (including CGCC) of diverse local residents that are the demographic make-up of the target audience. 1Q 2022</li> <li>Task Force develops strategy for messaging, events and local engagement to attract desired group. 4Q 2022</li> <li>Promote campaign with The Dalles High School and CGCC alumni database or utilizing social media tools. 1Q 2023</li> </ul>
B. Develop a consistent message for business to attract workers.				X	NEW FTE	Community Development Director (CDD)	CGCC, GTA, Chamber, MCEDD, Hospital, Workforce Board	Staff time. \$20,000 for website development.	<ul style="list-style-type: none"> <li>Work with local employers and partners to build a talent attraction website for the entire region. This will help them with their recruiting efforts, while also providing economic development marketing for the region. 1Q 2022</li> </ul>

GOAL 3: CREATE PLACE									
Actions	2019	2020	2021	Year 4&5	Lead Org/ Staff	City Staff Support	External Partners	Resource Required	Deliverable
Objective 3.1: Complete and Implement the Downtown Plan									
Outcome: Attracts amenities such as recreation services, retail, and restaurants that helps retain talent									
A. Consider applying for a federal Environment Protection Agency (EPA) brownfield grant to supplement the existing state grant. The EPA grant is a more substantial amount of funding that goes beyond environmental assessments. It will also pay for market analyses for retail, housing and office uses, proposed development site layouts and proforma analysis, as well as infrastructure analysis to foster private investment interest.	X	X	X		Community Development Director (CDD)	NEW FTE	Urban Renewal, County, Port, Main Street, MCEDD	Staff time. (No match required.)	<ul style="list-style-type: none"><li>Work with engineering firm to prepare grant application. 3Q 2019</li><li>Identify additional properties for clean up. 4Q 2020</li><li>Identify infrastructure needs and solutions. 4Q 2021</li></ul>
B. Determine and permit the necessary public infrastructure to encourage the desired private investment in conjunction with the project. (Do not build the infrastructure without private investment commitment.)			X	X	Community Development Director (CDD)	Public Works	Main Street, Utility providers	Staff time	<ul style="list-style-type: none"><li>Prepare a list of public infrastructure projects and costs that are required with new private investment. 4Q 2021</li><li>Allocate urban renewal budget. 1Q 2022</li><li>Construct infrastructure in conjunction with private investment as an incentive. Ongoing</li></ul>
C. Align city policies with downtown plan and ED Strategy.		X			Community Development Director (CDD)	NEW FTE	CGCC, Main Street, Chamber	Staff time	<ul style="list-style-type: none"><li>Allow for small niche manufacturing for food production and manufacturing. Q4 2020</li><li>Continue a storefront improvement program for strategic downtown areas. Q4 2020</li><li>Allow for mobile trucks and align with CC culinary program to help incubate new restaurants. Ongoing</li></ul>
Objective 3.2: Celebrate The Dalles									
Outcome: Conveys to businesses, and their future employees, why they should stay and grow here.									
A. Enhance the image of downtown.	X	X			Community Development Director (CDD)	City Manager Office	Main Street, Chamber, DEQ	Staff time	<ul style="list-style-type: none"><li>Align economic development with beautification committee and private investment. Q4 2019</li><li>Discuss and derive solutions as to how the AmeriTies facility can mitigate impacts. Q1 2020</li></ul>
B. Define and promote a vision for The Dalles		X	X		Community Development Director (CDD)	NEW FTE	Main Street, Chamber	Staff time.	<ul style="list-style-type: none"><li>Work with community stakeholders, including the Chamber, to define the unique qualities that the community embraces and is authentic. Use these assets to tell the story and vision of The Dalles. (Investing resources in another brand or tagline is not recommended. Just tell the story, which is much bigger and richer than a tagline.) Q3 2020</li><li>Utilize and build off the research and recommendations in the City of The Dalles Vision Action Plan completed in May 2011. Ongoing.</li><li>Work with the Chamber and local industries to promote business stories that exemplify The Dalles vision. Q1 2021</li></ul>

Objective 3.3: Support Local Retailers and Expand the Market									
Outcome: Increased amount of retail that serves the local community									
A. Cultivate success for existing retailers.	X	X			Community Development Director (CDD)	NEW FTE	Main Street, Chamber, SBDC	Staff time. Consultant. \$20,000	<ul style="list-style-type: none"><li>Build off and collaborate with Chamber’s prior work of providing a consultant to retailers. Hire a consultant to educate and train existing retailers on best practices to improve sales. 1Q 2020</li><li>Support and sponsor events downtown with consistent marketing, promotion and coordination. Ongoing</li></ul>
B. Attract new retailers.		X	X	X	Community Development Director (CDD)	NEW FTE	Main Street, Chamber, County	Staff time. Consultant \$20,000	<ul style="list-style-type: none"><li>Visit City of Beaverton to understand how they have been successful with their restaurant attraction strategy. 1Q 2020</li><li>Implement a “pre-lease” program in the city to help new local retailers navigate the permit process. This is a complimentary and informal process that introduces permit review staff to potential business owners and considered space to encourage proactive solutions or identification of costly improvements up front. 2Q 2020</li><li>Create a retail attraction strategy to recruit new restaurants. 4Q 2020</li><li>Work with local wineries to consider a downtown storefront/tasting rooms (similar to Walla Walla). Ongoing</li></ul>
Objective 3.4: Promote the Gorge and Enhance Access to Outdoors									
Outcome: Sets The Dalles apart from other Oregon communities									
A. Enhance and promote the bike trail network surrounding The Dalles	X	X	X	X	NEW FTE	Community Development Director (CDD)	Main Street, Chamber, Wasco County, Travel Oregon, ODOT	Staff time.	<ul style="list-style-type: none"><li>Support and promote events and assets such as Gravel Grinder and Highway 30 Trail connector. Ongoing</li><li>Work with Columbia Gorge Interagency Public Recreation Action Team to improve and expand trails. Ongoing</li><li>Complete the Bike Hub project. Q4 2021</li></ul>
B. Work with stakeholders to enhance promotion of the Gorge		X	X	X	NEW FTE	Community Development Director (CDD)	Main Street, Chamber, Tourism Organizations, Northern Wasco County Park and Recreation District	Staff time.	<ul style="list-style-type: none"><li>Utilize existing information, as in Ready Set Gorge, to define a comprehensive of list of recreation assets within Gorge for promotion throughout economic development marketing. Q1 2020</li><li>Utilize for Task 1.3.D, 2.3.B and 3.2.B. Ongoing</li></ul>

**The Dalles Economic Development Action Plan - possible additional actions related to land supply**

Actions	2019	2020	2021	Year 4&5	Lead Org/	Staff	City Staff Support	Partners	Resource Required	Deliverable	Notes
Outcome: Foster regional growth of industry clusters											
A. Prepare a land supply analysis in alignment with EOA requirements	X	X			Community Development Director (CDD)	NEW FTE	Port, MCEDD, Business Oregon, Wasco County Planning Director	\$25,000 (unless grant secured)	• Secure grant to fund project. 3Q 2019	• Complete supply analysis. 2Q 2020	
Continue to work with Google on planning for future development of their sites			X	X	CDD					Identify opportunities for more employment-intensive uses where possible	Assume this is an ongoing process
Address land use appeals and opportunities for future development of Walmart site					CDD					- Resolve land use application permitting status and issues, pending outcome of legal appeal process - Help property owner market site for alternative employment uses	Don't know what the timeline should be for this
Advocate with BPA for more streamlined approach to and flexibility of low-impact forms of development within BPA easement areas (e.g., parking, circulation, etc.)			X	X	CDD		Port, MCEDD			- Initiate discussions with BPA re: challenges of developing properties with easements - Identify potential enhancements to current BPA permitting/approval process	
Work with Port of The Dalles to support development of Port-owned sites			X	X	City Manager		Port, MCEDD, Business Oregon			- Continue to coordinate with Port to identify City actions that can support development - Partner with MCEDD, Port, Business Oregon, realtors, others to respond to inquiries about available development sites	
Continue to monitor and update the City's inventory of buildable employment land				X	CDD		Port, MCEDD, Business Oregon			- Update approximately every three to five years - If the City identifies a deficit of buildable land in future years, pursue strategies to address the deficit, including a possible UGB expansion	



## CITY of THE DALLES

313 COURT STREET  
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1125  
COMMUNITY DEVELOPMENT DEPARTMENT

# The Dalles Planning Commission

## STAFF REPORT

Zoning Ordinance Amendment #105-22

**PROCEDURE TYPE:** Legislative

**HEARING DATE:** May 19, 2022

**REQUEST:** Approval of amendment to The Dalles Municipal Code Zoning Code Amendments to bring the City's Stream Corridor Overlay Zoning into compliance with State-required standards.

**PROPERTIES:** All properties located in the Stream Corridor Overlay Zoning District within the City of The Dalles Urban Growth Boundary.

**APPLICANT:** City of The Dalles, Community Development Department

**PREPARED BY:** Alice Cannon, Community Development Director  
Dawn Marie Hert, Senior Planner

### BACKGROUND INFORMATION:

The Dalles Municipal Code, which the Community Development Department (CDD) implements and regulates, references a Stream Corridor (SC) Overlay. This Overlay includes Chenoweth Creek, Mill Creek and Threemile Creek and was created to protect streams, through measures that will reduce stream temperature, prevent stream habitat degradation, and to protect/restore fish-bearing stream corridors. The SC Overlay applies additionally applies to areas within The Dalles Urban Growth Boundary (UGB) and includes the corridor extending upland 50 feet from the tops-of-bank of the three identified fish-bearing streams. All new development needs to be located outside of the Stream Corridor Overlay; maintain a 50 foot setback from the streams.

While the Municipal Code normally relies on this 50-foot setback for new development, there are two ways it can be reduced. One is through a "Stream Corridor Setback Modification" and the other is through a "Hardship Adjustment". The CDD is proposing to update these two exceptions in the Municipal Code by reducing the potential setbacks allowed (See Attachment A – Proposed Stream Corridor Overlay Code Amendments).

These amendments are required to implement of a new policy document recently adopted by the City Council on November 22, 2021 through General Ordinance No. 21-1386 approving the *Total Maximum Daily Load Implementation Plan* as an ancillary document to the City's Comprehensive Plan. This adopted Implementation Plan incorporates existing management strategies, as well as an assessment of how City operations could be modified to better meet Total Maximum Daily Load (TMDL) allocations. The main goal of the City of The Dalles TMDL Implementation Plan is to reduce all stream pollutants to comply with the requirements of the Clean Water Act for the three creeks located inside the City of the Dalles. These are Chenoweth Creek, Mill Creek and Threemile Creek. At this time, temperature was the only identified pollutant source exceeding the maximum levels; therefore, the Plan's primary focus will be to reduce temperature. However, the management strategies will be beneficial not only to reducing temperature, but also to help reduce stream erosion and sediment within the streams and help maintain bacteria and oxygen at appropriate levels.

This application for text amendments to The Dalles Municipal Code is the first modification proposed in the TMDL Implementation Plan. The proposed text amendments were discussed with the Planning Commission on March 17, 2022 and with the City Council on March 28, 2022. In addition the code amendments will include definitions specifically pertaining to the SC Overlay.

The City of The Dalles Municipal Code, Title 10 - Land Use and Development, is the City's regulatory code for all land use located within The Dalles Urban Growth Boundary. This zoning ordinance amendment application is considered a legislative action under the provisions of Article 10.3.110 - Ordinance Amendments, Section 10.3.110.020 Review Procedures, and Section 10.3.020.060 (A) (2) Ordinance Amendments.

## **NOTIFICATION**

Notice of this public hearing was published in the local newspaper, sent to all local news media, sent to Wasco County Planning and posted on the City's website and social media accounts.

## **COMMENTS**

No comments were received at the time the staff report was prepared.

## **REVIEW CRITERIA:**

### **CITY OF THE DALLES MUNICIPAL CODE – TITLE 10 - LAND USE AND DEVELOPMENT**

#### **I. PROCEDURE:**

##### ***Chapter 10.3 – Application Review Procedures, Section 10.3.010.040 Applications***

*F. Applications for Legislative Actions. A legislative action may be initiated by the Director, the Historic Landmarks Commission, the Planning Commission, the Council, or at the request of an applicant or resident of the City.*

**FINDING #1:** This application is initiated by the City Council pursuant to the provisions of Section 10.3.010.040 F.

**Article 10.3.020.060 Legislative Actions:**

**Section A. Decision types.**

**2. Ordinance Amendments; and**

**4. Amendments to the Comprehensive Plan:**

**FINDING #2:** This application is for Ordinance Amendments and Amendments to the Comprehensive Plan per Article 10.3.110.

**Section B. Public Hearings.**

1. *The Commission shall hold at least one legislative public hearing to review applications for legislative actions and, by duly adopted resolution, make a recommendation to the Council to approve, approve with conditions, or deny the request.*

**FINDING #3:** The public hearing has been set for Thursday, May 19, 2022.

**Notice of Hearing as required by ORS 227.186.**

*ORS 227.186 requires that all property owners whose property is rezoned must be provided notice at least 20 days, but no more than 40 days, prior to the date of the first hearing. For purposes of this provision, rezone includes any change that limits or prohibits uses previously allowed in a zone.*

**FINDING #4:** The proposed code amendments do not rezone or remove any permitted uses to properties which are located in the Stream Corridor Overlay. The proposed revisions pertain to hardship and modification adjustments of the siting and development standards. It has been determined by staff that the notice of hearing detailed in ORS 227.186 is not required.

**Notice of Amendments as required by the State of Oregon, Department of Land Conservation and Development.**

*The Department of Land Conservation and Development requires a 35 day advance notice of any proposed amendments.*

**FINDING #5:** The required notice was sent to, and accepted by, the Department of Land Conservation and Development on March 17, 2022, which is 35 days prior to the first public hearing.

**Section 10.3.020.070(A) (3) Staff Report.**

*A staff report shall be presented which identifies the criteria and standards applying to the application and summarizes the basic findings of fact. The staff report may also include a recommendation for approval, approval with conditions, or denial.*

**FINDING #6:** The staff report has identified the criteria and standards as they relate to this application and has summarized the basic findings of fact. The staff report includes a recommendation for approval.

**II. REVIEW:**

**Section 10.3.110.030 Review Criteria**

*Proposed text amendments shall be consistent with the Comprehensive Plan, and State Laws and Administrative Rules, including the State Transportation Planning Rule OAR 660-012-0060.*

*Proposed text amendments shall be consistent with the adopted Transportation System Plan and the planned function, capacity, and performance standards of the impacted facility or facilities.*

*Requirements of the State Transportation Planning Rule shall apply to those land use actions that significantly affect the transportation system, as defined by OAR 660-012-0060.*

**FINDING #7:** The City of The Dalles has broad discretion to adopt zoning textual changes. Each of the proposed amendments is consistent with the Comprehensive Plan, State Laws, and Administrative Rules.

## **COMPREHENSIVE PLAN**

**Goal #1. Citizen Involvement.** *To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.*

**Policy 3.** *The land-use planning process and policy framework shall include opportunity for citizen input as a part of the basis for all decisions and actions related to the use of land.*

**FINDING #8:** This proposal is consistent with goals and policies of the Comprehensive Plan. A notice of public hearing has been published and the public has an opportunity to provide testimony on the proposed changes to the Commission. The Commission can make alterations to the proposed amendments based on testimony at this hearing. There will be another public hearing before the City Council; that body will also have the opportunity to consider citizen testimony and make changes.

**Goal #2. Land Use Planning.** *To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.*

**Policy 6.** *Implement this Plan through appropriate ordinances and action. Implementing measures shall be developed to allow administrative review and approval authority.*

**FINDING #9:** These amendments update the existing zoning ordinance, following the directive of the Comprehensive Plan.

**Goal #5. Open Spaces, Scenic and Historic Areas, and Natural Resources.** *To conserve open space and protect natural and scenic resources.*

**Policy 3.** *Require that legislative and quasi-judicial actions affecting areas of significant environmental concern meet all application local, state, and federal regulations.*

**FINDING #10:** Proposed amendments are consistent with the Comprehensive Plan Goal #5, Policy 3 by ensuring the proposed text revisions meet the state regulations as outlined in the TMDL Implementation Plan approved by the Oregon DEQ on June 29, 2021.

**Policy 6.** *Protect and enhance Mill Creek, Chenoweth Creek, Fifteen Mile Creek and Three Mile Creek for their natural and recreational values.*

**FINDING #11:** Proposed amendments are consistent with the Comprehensive Plan Goal #5, Policy #6 by increasing stream setbacks and buffers for new development in the stream corridor. These text amendments follow guidance by the Oregon DEQ included in the City's TMDL Implementation Plan.

**Goal #6. Air, Water and Land Resource Quality.** *To maintain and improve the quality of the air, water, and land resources of the state.*

**Policy 1.** *Support and participate in the implementation of state and regional plans and programs to reduce pollution levels.*

**FINDING #12:** Proposed amendments are consistent with the Comprehensive Plan Goal #6, Policy 1 by following management strategies included in the City's TMDL Implementation Plan. Zoning code modifications will assist in reducing temperatures of Mill Creek, Chenoweth Creek and Threemile Creek. As detailed in the approved plan, the Existing Stream Corridor Overlay will review and update as deemed necessary on a five-year basis.

***Policy 5.** Ensure that all State and Federal regulations for air, water and noise quality are met.*

**FINDING #13:** Proposed amendments are consistent with the Comprehensive Plan Policy #5 by ensuring all regulations included in the TMDL Implementation Plan are met. The proposed text amendments are the first of three management strategies planned over the next few years.

### **III. DISCUSSION**

The attached document entitled ***Proposed Stream Corridor Overlay Code Amendments*** (Exhibit A) details the proposed text amendments to the code. All of the proposed amendments are subject to revision or deletion. The Commission will forward a recommendation on the amendments to the City Council. City Council will make the final decision on all proposed amendments.

#### **STAFF RECOMMENDATION:**

***Staff recommends the Planning Commission** move to recommend to the City Council the approval of Zoning Ordinance Amendment #105-22, adopting Code amendments attached herein and adopting findings included in this staff report with any additional changes from the Commission at the May 19, 2022 hearing.*

#### **ATTACHMENT**

Attachment A – Proposed Stream Corridor Overlay Code Amendments.

## Proposed Stream Corridor Overlay Code Amendments

While the Municipal Code normally relies on this 50-foot setback for new development, there are two ways it can be reduced. One is through a “Stream Corridor Setback Modification” and the other is through a “Hardship Adjustment”. The CDD is proposing to modify and update these two exceptions in the Municipal Code by reducing the potential setbacks allowed (highlighted ~~striketrough~~ is proposed as removed, highlighted **bold** is proposed as new):

### **10.5.130.030 Determination and Modification of SC Overlay District Boundaries**

*The stream corridor setbacks shall be 50 feet from the top-of-bank as shown on The Dalles Stream Corridor Inventory. An applicant for development may rely on this map to determine how a stream corridor setback affects an individual property. However, this mapped setback may be modified in two ways:*

- A. Stream Corridor Delineation Process. The Planning Director may approve a modification stream top-of-bank (“bankfull stage” or the “two year recurrence flood elevation” defined in DSL Administrative Rules (OAR 141-085-0510(5)), based on site survey prepared by a registered land surveyor. The required setback shall be revised accordingly.*

**Proposed Update #1:** Remove Section 10.5.130.030(B) which currently allows for the 50-foot stream setback to be reduced by 50% when a riparian restoration plan is submitted. Removing this setback modification provision will bring our code in compliance with State of Oregon safe harbor rules and regulations. Removal of this reduction will be proposed for City Council consideration:

- ~~B. Stream Corridor Setback Modification. The Planning Director may reduce the stream corridor setback in “developed” areas shown on The Dalles Stream Corridor Inventory to 25 feet when all of the following criteria are satisfied:~~*
  - ~~1. The applicant agrees to restore riparian vegetation within the remaining 25 foot setback area by implementing a riparian restoration plan approved by the Planning Director.~~*
  - ~~2. The riparian restoration plan shall be prepared by a wetland scientist, government agent, or other professional with expertise in riparian plants and restoration techniques acceptable to the Planning Director.~~*
  - ~~3. The plan shall ensure removal of invasive plant species and replacement with suitable native plant species that will effectively shade the stream and minimize stream bank erosion.~~*
  - ~~4. The plan shall include provisions for monitoring and replacement of native plants over at least a three year period.~~*
  - ~~5. The Planning Director may require a riparian conservation easement for the remaining protected stream corridor.~~*

**Proposed Update #2:** Amend Section 10.5.130.030(C) that allows for a Hardship Adjustment of 67% to the 50-foot stream setback. A maximum Hardship Adjustment of 40% to the 50-foot setback requirement will be proposed for City Council consideration:

*C. Hardship Adjustment. The Planning Commission may approve a hardship adjustment to the stream setback provisions of this chapter, without going through a formal variance process, under the following circumstances:*

- 1. Where application of the stream setback provisions of this chapter makes it impossible to build a structure (including a building, required parking and access) otherwise permitted in the underlying zoning district, the Planning Commission may allow reductions of the setback standards of the underlying zoning district by up to **67% 40%** to permit the siting of such structures to avoid infringing on the stream setback area.*

**Proposed Update #3:** Amend Section 10.5.130.030(C) (2), which allows 3,000 square feet of impervious surface area within the 50-foot stream setback if it is still considered impossible to build after considering the effect of a Hardship Adjustment. A maximum of 500 square feet of impervious surface area within the 50-foot setback, after consideration of a Hardship Adjustment, will be proposed for City Council consideration:

- 2. If, after considering the effect of hardship setback adjustments, it is still impossible to build a structure permitted in the underlying zoning district, the Planning Commission may approve up to **3,000 500** square feet of impervious surface area within the required stream setback area, provided that:*
  - a. The structure, parking and access area is located as far from the top of bank as reasonably possible; and*
  - b. The applicant submits a stream corridor restoration plan prepared to the specifications set forth in Section 10.5.130.030(B).*

**Proposed Update #4:** Amend Section 5.130.020 to include the following Definitions that pertain to Stream Corridor Overlays. All current sections starting at 5.130.020 to 10.5.130.060 will be adjusted forward one subsection for City Council consideration:

**10.5.130.020 Definitions**

*A. The following applicable definitions are from DEQ's administrative rules for TMDLs (Oregon Administrative Rule (OAR) Chapter 340, Division 042) and will also be implemented into Article 5.130 Stream Corridor District of Title 10 Land Use and Development of The Dalles Municipal Code:*

- 1. "Designated Management Agency (DMA)" means a federal, state or local governmental agency that has legal authority over a sector or source contributing pollutants, and is identified as such by the Department of Environmental Quality in a TMDL.*
- 2. "Management Strategies" means measures to control the addition of pollutants to waters of the state and includes application of pollutant control practices, technologies, processes, siting criteria, operating methods, best management practices or other alternatives.*

3. **"Performance Monitoring"** means monitoring implementation of management strategies, including sector-specific and source-specific implementation plans, and resulting water quality changes.
  4. **"Pollutant"** has the meaning provided in the **Federal Water Pollution Control Act Section 502 (33 USC Section 1362)**.
  5. **"Total Maximum Daily Load (TMDL)"** means a written quantitative plan and analysis for attaining and maintaining water quality standards and includes the elements described in OAR 340-042-0040. These elements include a calculation of the maximum amount of a pollutant that a water body can receive and still meet state water quality standards, allocations of portions of that amount to the pollutant sources or sectors, and a Water Quality Management Plan to achieve water quality standards.
  6. **"Water Quality Management Plan (WQMP)"** means the element of a TMDL describing strategies to achieve allocations identified in the TMDL to attain water quality standards. The elements of a WQMP are described in OAR 340-042-0040(4)(l).
- B. The following applicable definitions are from the Land Conservation and Development Department's administrative rules OAR 660-023-0090(1).
1. (7) **"Fish habitat"** means those areas upon which fish depend in order to meet their requirements for spawning, rearing, food supply, and migration.
  2. (8) **"Riparian area"** is the area adjacent to a river, lake, or stream, consisting of the area of transition from an aquatic ecosystem to a terrestrial ecosystem.
  3. (9) **"Riparian corridor"** is a Goal 5 resource that includes the water areas, fish habitat, adjacent riparian areas, and wetlands within the riparian area boundary.
  4. (10) **"Riparian corridor boundary"** is an imaginary line that is a certain distance upland from the top bank, for example, as specified in section (5) of this rule.
  5. (11) **"Stream"** is a channel such as a river or creek that carries flowing surface water, including perennial streams and intermittent streams with defined channels, and excluding man-made irrigation and drainage channels.
  6. (12) **"Structure"** is a building or other major improvement that is built, constructed, or installed, not including minor improvements, such as fences, utility poles, flagpoles, or irrigation system components that are not customarily regulated through zoning ordinances.
  7. (13) **"Top of bank"** shall have the same meaning as **"bank full stage"** which is defined in OAR 141-085-0510 (5) as "the two-year recurrence interval flood elevation.
  8. (14) **"Water area"** is the area between the banks of a lake, pond, river, perennial or fish-bearing intermittent stream, excluding man-made farm ponds.